

Sing a swansong for the SABC as we know it

Keep public broadcasting, redistribute

Behind the dragged-out confrontations around the SABC are a politics of paralysis. That's not necessarily a bad thing if the alternative is the broadcaster being a tool of a single particular force. But it's also not exactly first prize for South Africans. Power is divided across so many centres that no single force has been able to easily prevail on SABC during the year.

To recap: CEO Dali Mpofu suspended Snuki Zikalala in June, only to have this lifted a month later in a conciliation hearing. Meantime, he himself had been suspended three times by the board which challenged, amongst other things, his authority to act against Zikalala. The board itself, however, was frustrated in its desire to determine what happened at SABC, meeting with court action each time it tried to move against Mpofu.

Also thwarted in their aims were other stakeholders in the saga. Parliamentarians wanted to fire the board, only to find themselves without the authority to do so. Their influence was not enough to persuade the President to dismiss the members. Civil society mounted its own call for the board to resign, but also found itself stymied.

When the Minister of Communications announced a process to restructure the law on SABC governance, it was never an option to even consider this as a unilateral governmental project. Sure enough, MPs short-circuited her by the unusual step of drawing up their own legislative amendment, but also had to take cognisance of public

interest in making submissions on the process. Every stakeholder and his dog seemed to be blocking any single actor from having his or her way with the public broadcaster.

In all this, the corporation itself was not simply a sought-after football in a scrum of external players. Despite the suspensions of the CEO and the head of news, the broadcaster did not implode. Instead, programming continued. And senior staff and the main union at the corporation took a public stand on the controversy in support of the CEO.

Some coalface journalists became energised and seemed to feel that the vacuum required them to demonstrate their own ownership of the corporation. A number seemed to show real professional independence in covering the Zimbabwe crisis for instance.

The point is that everyone has wanted sway over SABC, but unlike the days of the Broederbond and subsequent securocrats, no one was able to prevail.

Despite its instability, this multi-power contest is set

The SABC is funded by a combination of commercial ad revenue, licence fees and state funds. Opinion both in the ANC and among commentators has been growing that the SABC should throw off the golden shackles of commercial revenue in favour of more state funding. There is a danger that the SABC becomes a sinkhole for taxpayer's money, undermines the growth of new competition in broadcasting, and ends up toeing the government line.

The danger arises because of confusion between financial sustainability and the profit motive, and the idea that public funding might enable the SABC to mimic other publicly-funded broadcasters like the BBC, in producing independent, quality programming. Given its history, it is more likely the SABC will become a true outlet for government propaganda, as more funding translates into greater political control of content.

At the same time, a less rigorous Finance Minister than Trevor Manuel, appointed under a Jacob Zuma presidency, might be persuaded to direct more government funding to the SABC without insisting the organisation ditch its advertising revenue.

Anything less than doing without ad revenue would be to further

by Reg Rumney

The funding conundrum

subsidise the dominant broadcaster, giving it even more of an unfair advantage in muscling aside private competition.

An ANC resolution at the 52nd conference in Polokwane in December last year repeats the resolution of the 51st ANC conference that public funding of the SABC increase, and comes up with a specific figure rather than a formula. The resolution proposes funding of the SABC increase to at least 60% by 2010. Why the figure is 60% is not explained: the SABC's commercial revenue is 80% of its total revenue. The

resolution does not explain what should happen to ad revenue, which was around R3-billion in the 2007 year.

The SABC is unlikely to resist a few billion coming its way. Coincidentally, the corporation in a never-presented presentation to Parliament earlier this year, proposed asking for around R4-billion extra funding over the next three years to the 2010/11 financial year. The SABC presentation was cancelled because of the well-publicised crisis caused by the suspension of Group CEO Dali Mpofu, but the documents were circulated.

The presentation also mentions a R1-billion request, which seems to be

to remain, with some ebbs and flows, for the foreseeable future. This is even with an impending change in the broadcast law which is likely to increase Parliament's power – but will be balanced by other stakeholder interests and actions.

It's a sign of the wider times. In the jostling of the various sandstorms, no single dune can easily coalesce to smother other interests contesting for the public broadcaster.

While the crisis at SABC has unfolded, broadcast power more broadly has also continued to diversify. e.tv started its 24-hour news service to subscribers. Coming closer has been the November deadline for digital broadcast switch-on – which will herald an era of many more broadcast channels,

the broadcaster

by Guy Berger

including broadcasts to cellphones.

Almost overshadowed by the SABC on centre stage has been another development: some infant community TV outlets have received licences. Meantime, increasing broadband uptake continues to open up entirely new options for consumers of audio and video.

Eventually, all this pluralism will reduce the strategic significance of SABC and the rationale for all those currently seeking control of what continues – for now – to be a key lever of power.

But there is also a parallel route to hasten the depoliticisation of the SABC... and at the same time to deepen its potential for distinctively public service programming for South Africans. That means: programmes that are scrupulously fair in terms of politics, which expose a range of injustices, which educate citizens and promote minority languages, children's fare, and cultural celebration.

This way is simply to unbundle the broadcaster.

That's not the same as privatisation, because the SABC's stations would still be publically-owned and legally mandated to pursue public interest rather than profit. Instead, it is a proposed reaction to recognising that any beast as big as the corporation is always going to constitute a target for take-over.

The case for unbundling is possible because there's no

god-given reason why SABC should stay as a single entity.

Germany has 12 public broadcasting organisations, nine of which are regional entities governed independently even though they also make up a wider network. In Australia, there are two public broadcasters, with different boards and different business models.

Transforming the SABC into several separate entities would not be a loss of economies of scale. Instead, it could even facilitate a new flexibility and efficiency.

Part of such restructuring could also be to open up serious opportunities for parallel windows of locally-differentiated programming.

It's granted that listeners to Umhlobo Wenene in Gauteng may like to hear about what's happening in Port Elizabeth where the isiXhosa-language station has its centre of gravity. But, undeniably, the same people would also be very well served by several hours of programming specifically about what's up in their particular part of the world.

The converse applies. For instance, SABC TV news sometimes conflates national news with Gauteng news. Consider the viewers in KZN – they would definitely appreciate more regional and local TV news. The proposal then is to redistribute control of certain stations or airtime to the regions.

In some cases, such locally-rooted public broadcast outlets might fall subject to control by local politicians. But in principle, it could be easier to ensure local accountability around the regions than to have everything headquartered in Auckland Park (including the two new proposed regional TV channels).

Even having some decentralised stations suffering the fate of local hijack is arguably preferable to risking an entire centralised apparatus falling prey to the same scenario. Another case for unbundling is that it's probably impossible for a CEO to do the job of running both the business and the editorial sides of a broadcaster as big as SABC.

You just can't give adequate attention to each, let alone balance the contradictions between the two. Smaller entities may lessen this problem. The job should also be divided into peer positions – editorial and business, and the business model itself re-engineered.

Many people argue that the business model of SABC is partly responsible for this year's crisis. Losing soccer rights has been one of the biggest criticisms of Dali Mpofu's performance as CEO. The complaints have been based on

the loss of revenue, rather than emanating from a conception of public broadcasters providing universal access to national sports programming.

Without the huge pressure on public broadcasters to make money, the leadership could better concentrate on what the institution is supposed to concentrate on – programming for public service, where revenue is a means to this end, not an end in itself.

Instead of the marketplace, state, provincial or municipal funding could contribute to the costs of public broadcasting. While this could be a conduit for political control of stations, transparency and arms-length governance (properly regulated by the Independent Communications Authority of South Africa) can obviate or reduce such dangers.

There is no intrinsic reason for state-based funding, in a mixed revenue model, to translate to political control of an institution.

What would also take SABC out of the political realm is a change in governance structures. Part of the broadcaster's woes are a function of the fact that most of the forces interested in it are external to its board, rather than represented and aggregated within that structure.

That's an intrinsic result of politicians (MPs and the president) being exclusively charged with appointing the board, and also of them being able to do that in one fell swoop.

Instead, what's needed is a diversified body of appointers and appointees. For instance, trade unions should directly elect a representative to the board – and likewise churches, sports bodies, universities, business, etc. SABC staff should also have a nominee.

Politically-appointed members (via Parliament and President) would not be in a majority, and all appointments should be staggered so that the full board's terms of service do not all expire at the same time.

The result then would be a sharing of power between diverse interests, rather than this year's deadlock and strife from the outside, and the conflict between those without and those within.

In sum, for public broadcasting that works, we need several SABCs, with regional presences, operating on a different business model, and with governance that involves and reflects more diverse stakeholders.

It's an ambitious prize, but still one that's worth campaigning for.

separate, for funding of the SABC's programme stock.

The final slide in Mpofu's presentation to the communications parliamentary portfolio committee states: "Our success should no longer be measured solely on the basis of financial performance." Instead, he proposes that the barometer be "delivery against the freedoms enshrined in the Constitution, the requirements of the Broadcasting Charter and our delivery on our Corporate Goals".

The fallacy of this is that financial performance has never been the sole measure, and the SABC has a specific public service mandate, which it is supposed to achieve by using licence fees for its public broadcasting arm, which is everything except SABC 3, SABC Africa, Good Hope FM, SAfm and Metro FM.

Licence fees make up about 18% of SABC's revenues, with government contributing another 2%. The rest, around 80%, is commercial revenue, mostly from advertising.

However, the supposed public broadcasting components, like SABC1, compete for ads with private broadcasters like e.tv. e.tv told Parliament's portfolio committee in June this year in a briefing on the necessary migration of broadcasting from analogue to digital TV broadcasting that e.tv's main competitors were the public service divisions, SABC1 and 2, rather than the supposedly commercial SABC3.

The e.tv document objects strongly to the SABC's request for government subsidising SABC's migration to digital TV, because e.tv will not also be subsidised. And the R4-billion proposed funding does indeed include funding migration to digital TV broadcasting.

The R4-billion is not a *fait accompli*, and some is for specific projects related to the 2010 World Soccer Cup, but it shows how management is thinking. Of that, the SABC wants more than R1-billion for extra public service channels, presumably on the new digital platform.

Without the discipline of attracting viewers and listeners, which is what having to carry advertising does, what would complete state funding do to programming?

It could result in a broadcast version of the competent but hardly compelling state news agency BuaNews and a greater percentage of worthy but unwatched and unheard educational and information programming. And is it necessary? The private broadcasters are in any case regulated for local content and language.

It is anyway hard to see the state foregoing the billions that flow in from advertising. More likely the government would top up the SABC from state coffers, and the extra money would persuade the SABC not to rock the new Zuma-captained boat.

The presentation to Parliament, almost in an aside, mentions increasing staff remuneration by 2% (this is probably two percentage points) more than inflation. With the cushion of billions of extra rand, the SABC could undercut ad rates and increase its dominance of the airwaves, reversing the gains made by the private sector. Without privatising the commercial arm of the SABC, and preventing the public service arm from accepting ads, full or increased public funding does not make sense from any angle.