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# REPORT

on the impact of new technologies upon the press in Europe

Committee on Culture, Youth, Education and the Media

Rapporteur: Katerina Daskalaki

PE 222.970/fin

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By letter of 16 September 1996, the Committee on Culture, Youth, Education and the Media requested authorization to draw up a report on the impact of new technologies upon the press in Europe.

At the sitting of 15 November 1996, the President of Parliament announced that the Conference of Presidents had authorized the Committee on Culture, Youth, Education and the Media to draw up a report on this subject.

At its meeting of 8 October 1996, the committee appointed Mrs Daskalaki rapporteur.

It considered the draft report at its meetings of 27 February 1997, 15 April 1997, 22 July 1997 and 24th September 1997.

At the latter meeting it adopted the motion for a resolution unanimously with 1 abstention.

The following took part in the vote: Pex (P), Baldi (VP), Daskalaki (Rapporteur), De Coene, Fontaine, Guinebertiere, Kerr, Kokkola (for Juncker), Kristoffersen (for Heinisch), Kuhne, Monfils, Mutin (for Evans), Pack, Paillet, Poisson, Seillier and Tongue.

The report was tabled on 29 September 1997.

The deadline for tabling amendments will be indicated in the draft agenda for the part-session at which the report is to be considered.

A  
MOTION FOR A RESOLUTION

**Resolution on the impact of new technologies upon the press in Europe**

The European Parliament,

- having regard to its resolution of 19 September 1996 on the recommendation to the European Council: Europe and the Global Information Society and the communication from the Commission to the Council, European Parliament, the Economic and Society Committee and the Committee of the Regions: 'Europe's Way to the Information Society: an action plan'(),
- having regard to its resolution of 16 February 1995 on the G7 Conference concerning the Information Society(),
- having regard to its resolution of 13 March 1997 on the Information Society, Culture and Education(),
- having regard to its resolution of 26th June 1997 on the Communication from the Commission to the Council, European Parliament, the Economic and Social Committee and Committee of the Regions, "Learning in the Information Society: action plan for a European education initiative"();
- having regard to its resolution of 26th June 1997 on the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on 'The Information Society: From Corfu to Dublin, The new emerging priorities' and 'The Implications of the Information Society for European Union Policies - Preparing the next steps' and 'Europe at the Forefront of the Global Information Society: Rolling Action Plan'() ;
- having regard to the Commission's White Paper; 'Growth, Competitiveness and Employment'(),
- having regard to the interim report of the High Level Group of Experts 'Building the European Information Society for us all ' (1996),
- having regard to the First Annual Report to the European Commission from the Information Society Forum 'Networks for People and their communities - Making the most of the Information Society in the European Union' (1996),

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- (b) OJ C 320, 28.10.1996, p 164
  - (b) OJ C 089, 10.4.1995, p 125
  - (b) OJ C 115, 14.4.1997, p 151
  - (b) See minutes of 26th June 1997
  - (b) See minutes of 26 June 1997
  - (b) OJ C 020, 24.1.1994, p: 7

- having regard to the revised Television Without Frontiers Directive(),
- having regard to the study, commissioned by DG XIII, European Commission, 'Electronic Publishing - Strategic Developments for the European publishing industry towards the Year 2000' (1996),
- having regard to its resolution of 21 January 1993, on the promotion of books and reading in Europe(),
- having regard to its resolution of 10th June 1997 on the Communication from the Commission to the Council and the European Parliament on a common system of VAT - a programme for the single market(),
- having regard to its resolution of 19 September 1996 on the Commission Green Paper on Copyright and related rights in the Information society(),
- having regard to its resolution of 19 September 1996 on the role of public service television in a multi-media society(),
- having regard to its resolution of 16 September 1992 on media concentration and diversity of opinions(),
- having regard to its resolution of 20 January 1994 on the Commission Green Paper 'pluralism and media concentration in the internal market'(),
- having regard to its resolution of 15 June 1995 on pluralism and media concentration(),
- having regard to the public hearing of the Committee on Culture, Youth, Education and the Media on the impact of new technologies on publishing of 4 June 1996,
- having regard to Article 128(1) and (4) on the EC Treaty, which states that 'the Community shall contribute to the flowering of the cultures of the Member States, while respecting their national and regional diversity and at the same time bringing the common cultural heritage to the fore' and 'shall take cultural aspects into account in its action under other provisions of the Treaty',
- having regard to Rule 148 of its Rules of Procedure,

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(b) OJ C 166, 10.6.96, p.232

(b) OJ C 42, 15.2.93, p 182

(b) See minutes of 10 June 1997

(b) OJ C 320, 28.10.96, p. 177

(b) OJ C 320, 28.10.96, p. 180

(b) OJ C 284, 2.11.1992, p.44.

(b) OJ C 44, 14.2.1994, p. 177.

(b) OJ C 166, 3.7.1995, p. 133.

- having regard to the report of the Committee on Culture, Youth, Education and the Media (A4-0289/97),

- A. whereas Europe is progressing very rapidly towards an Information Society which is undoubtedly the shape of the future,
- B. whereas this new European society is influenced by, and is developing in tandem with, the market in new technologies, information and communications,
- C. whereas these new technologies have already radically changed the communications environment which is now characterized by a technological convergence of telecommunications services, information technology and the audiovisual sector,
- D. whereas it is natural that new information technology and telecommunications undertakings have entered the media market at European and international levels and that information is no longer disputed only between traditional publishers, news agencies and radio and television broadcasting services,
- E. having regard to the European Parliament's repeatedly-stated position that knowledge, information and culture are not products just like any other commercial product,
- F. having regard to the undisputed role which the press has played - and continues to play - in promoting democracy, freedom and human rights,
- G. having regard to the positive impact of the new technologies on public information, notably more rapid and extensive access to a greater number of sources of information, interaction between the recipient and source of information, the globalization of information, the more immediate and more democratic access of citizens to proposals and decisions taken by European, national and regional authorities and the easier participation of citizens in the decision-taking process,
- H. having regard, however, to the concerns expressed by the European Parliament in the past regarding the new communications environment, and notably: the deluge of information and news which is not always sufficiently evaluated or processed and whose source is not always established; the danger of the marginalization - even temporarily - of certain social groups which are not yet sufficiently familiar with the new technologies or do not have equal access opportunities to them; the dominance of the networks by products that are predominantly commercial in character at the expense of products which express Europe's multilingual and multidimensional cultural identity and heritage; and finally, a tendency towards human isolation,
- I. whereas a combination of the various new and traditional means of communication in a complementary fashion may lead to comprehensive and global information,
- J. having regard to the special role the press can- and should- continue to play, in addition to the new communications potential offered by the new electronic media and the new technologies, particularly in strengthening and encouraging a public debate, controlling political power on a daily and periodical basis, providing (signed) critical analyses of news coverage and events and coverage of matters concerning social and cultural minorities, fostering linguistic pluralism, creating communities of readers and educating young people and citizens,

- K. whereas the habit of reading lies at the very heart of European culture, and forms the basis of efforts to educate modern citizens within the European society,
- L. having regard to the falling circulation figures of the press and the decline in the number of press publications in most European countries over the last few years, with the exception of a number of special-interest periodicals,
- M. having regard to the enormous printing, distribution and labour costs which newspapers and periodicals continue to face on the one hand and, on the other hand, the distinctly lower costs faced by on-line information services, owing to the digitalization of information, the microscopic costs of the production and distribution of information and the broader scope for providing flexible and 'cheaper' forms of work (freelance, part-time, telework, home work, etc.),
- N. whereas the continuing flow of national and Community aid to promote the use of the new electronic technologies and the development of information technologies and multimedia services might mean in some cases even more crushing competition for the traditional written media and news agencies,
- O. whereas the fact that the traditional European publishing industry and the European news agencies have already invested in electronic editions is to be welcomed, since they are ideally suited to feed the networks with worthwhile material,
- P. whereas, although in 1996 there were some 500 European on line titles, they have yet to make any notable profit - or any profit at all - from this enterprise and whereas it is therefore to be hoped that these investments will prove more productive in future,
- Q. whereas, in a bid to compete with the audiovisual media in particular, a section of the press has, over the last few years, resorted to photojournalism, sensationalist methods intrusive coverage of private life and circulation boosting gimmicks such as vouchers, free copies, etc., all of which have had adverse affects on quality reportage,
- R. having regard to the fall in the share of advertising investment in most European countries accounted for by the press since 1980, the corresponding increase of advertising investment in the audiovisual media and the fact that on-line information services are now breaking into the advertising market (mainly in the sector of car, real estate and job-advertising),
- S. whereas the rules governing radio and television advertising time adopted as part of the Television Without Frontiers Directive are not being strictly implemented in all Member States,
- T. whereas, if journalists wish to keep their jobs or switch to other jobs in the new information services, they must possess additional qualifications and knowledge concerning the use, the potential and the methods of the new technologies and on-line services,
- U. whereas, in their work, journalists continue to have a responsibility to provide reliable and quality information and, in today's communications environment, it is even more important that journalists operate in accordance with a code of ethical practice,

- V. whereas the more flexible types of employment for journalists, and particularly those working in the new information services (for instance, part time, teleworking and freelance contracts, etc.), differ from traditional labour contracts and existing conditions of professional employment mainly from the point of view of the working environment, social security, working hours etc.,
- W. whereas, given the repeated use of information by various media, journalists in the new communications environment must continue to enjoy the author's economic and moral rights according to the system of author's rights that has developed in most European states,
- X. whereas the European model for an intellectual property law is the only way of safeguarding the principle of the personal responsibility of the journalist for the content and quality of his work,
- Y. whereas it is an essential element of freedom of the press that all titles should have free access to distribution networks and should be treated equally,
- Z. whereas the patchwork of different rules governing VAT on the printed media, the purchase of newsprint and reductions in postal, telecommunications and freight charges for the press obtaining in the individual EU Member States sometimes create problems of unfair competition regarding the free circulation of publications within the single market,
- Za. whereas the tax relief referred to above was introduced as indirect support for the written press and amounts to on recognition of its social, pedagogical and cultural role,
- zb. having regard to the special role played by the regional press which provides a more immediate and direct coverage of the special problems facing the periphery of the European Union and recognizing that an important function of the regional press is to provide citizens living in remote regions of the European Union with information concerning European policy and the work of the European institutions and bodies,
- zc. having regard to the particular cultural role played by non-commercial publications which are devoted exclusively to literature, science, education, philosophy etc. and publications in languages with only a limited distribution in the European Union,
- zd. having regard to the European Parliament's consistent position regarding the need to maintain pluralism and avoid a further concentration and the creation of monopolies in media ownership,
- ze. whereas those best equipped to discuss and propose solutions regarding matters concerning the press are the social partners themselves through dialogue and self-regulation, and whereas any initiative taken by national or Community bodies must always seek to promote and facilitate dialogue and support freedom of the press,
- 1. Takes the view that the European Union must recognize that, in the new communications environment set out in the European blueprint for the Information Society, the press still has a special role to play in promoting democracy, culture and human rights and that the



combination of the written and electronic media, the news agencies and the multi-media will ensure that citizens are comprehensively informed;

2. Calls on the Commission to draw up a communication analysing the individual problems created for the press and the news agencies due to competition from the new communications services and outlining all the Community measures and initiatives taken in respect of the press, together with the actions and aid in favour of the electronic media and the multimedia which have a direct impact on the press;
3. Calls on the Commission to encourage external consultation and to establish suitable conditions for a broader dialogue concerning the new needs of the press and its problems within the framework of the Information Society;
4. Calls on the Commission to ensure that issues relating to the written press will be specifically treated within the new structure of DGX, in conjunction with the social partners and the relevant national authorities of the Member States;
5. Calls on the Commission to continue to encourage investments in electronic editions by European publishers of newspapers and periodicals; (especially small publishing houses) and by European news agencies;
6. Calls on the Commission, the Member States and the industry to encourage and participate actively in the development of projects to promote the use of newspapers in the education of children and young people in schools;
7. Calls on the Commission and the Member States to encourage publishing houses to invest in the training of their employees in this area;
8. Calls on the Commission and the Member States to create the conditions for dialogue on the suitable legal and institutional framework to protect the social and labour rights of journalists, and notably those employed in the media under new types of employment contract, for example teleworking, freelance, etc.;
9. Calls on the Commission, in the follow-up action it will take in the wake of the Green Paper on copyright and related rights in the Information Society, to maintain for journalists the author's economic and moral rights protection, in accordance with the European author's rights system existing in most European States, and to take into account the multiple exploitation of their work by various media;
10. Believes that self-regulating measures should be adopted by the press in relation to circulation-boosting methods which are used by a section of the press, such as photojournalism, sensationalism and, intrusive coverage of private life, and calls on the Commission and the Member States to create the suitable conditions for dialogue between the professionals on the above issues;

11. Calls on the Commission and the Member States to oversee the strict application of the rules provided for in the Television Without Frontiers Directive regarding radio and television advertising time and teleshopping;
12. Call on the Commission and the relevant authorities of the Member States to work together (subject to the subsidiarity principle) to explore the possibility of harmonizing rules on the Value Added Tax applicable to newspapers and periodicals throughout the European Union, with the aim of imposing (if not a 0% rate) the lowest possible tax rate, and also the possibility of common rules on reducing postal, telecommunications and freight charge for the press;
13. Calls on the Commission and the Member States to monitor the distribution systems of the press in the Member States and to take appropriate measures to ensure that all newspapers and periodicals have equal access opportunities to distribution, so as to prevent any barrier to freedom of expression and circulation through distribution;
14. Calls on the Commission and the Member States to encourage and support publications in languages of limited scope and special-interest publications devoted exclusively to literature, philosophy, education or science which have very limited or non-existent income from advertising and to support news agencies working in such languages and topics;
15. Calls on the Commission to work together with regional and local press associations and bodies to keep citizens in the regions abreast of the policies and programmes of the European Union institutions;
16. Calls on the Commission to submit to the European Parliament, the Member States and all interested parties the draft Directive on media ownership in the internal market and, above all, to ensure that its actions and proposals are based on the principle of protecting pluralism, avoiding concentration and promoting the unhindered operation of the market concerned in the EU;
17. Instructs its President to forward this resolution to the Commission, the Council, the Committee of the Regions, the governments and the parliaments of the Member States, the Council of Europe and European professional associations of publishers and journalists.

## **B** **EXPLANATORY STATEMENT**

### 1. INTRODUCTION: WHY IS AN OWN INITIATIVE REPORT NEEDED?

This report seeks to examine the broad issue of the state of the press today in the new communications environment and the expectation that the new technologies will have a positive effect on the press, and thereby benefit democracy and culture in Europe.

The gradually accelerating convergence of telecommunications, information and technology and the audiovisual services is having a knock-on effect on other sectors, such the press, and our future undoubtedly lies with the Information Society.

During the rapid transition to this information Society, the press, which has played - and continues to play - a vital and historic role in supporting democracy, is being subject to positive influences, but is also being shaken up.

We are living in a world in which people are reading and writing less than they used to; this is inevitable, since everyone's eyes are trained on the new electronic media. Over the last two and a half years we, in the Committee on Culture, have drawn up a series of reports on the Information Society and the multimedia, in an attempt to ensure that they incorporate a minimum cultural, social and pedagogical dimension. At the same time the Commission, the national governments of the Member States and all European and world organizations have adopted legislation and drawn up action plans and programmes in an attempt to support the new electronic, audiovisual and digital media. On the other hand, very little official thought is being given to the future of the written media.

### 2. THE NEED TO SUPPORT THE PRESS: REASONS AND OBJECTIVES

Even though we might wish to see an initiative launched at European level to underscore the importance of, and to support, the written word in general, it is clear that this is beyond the scope of a single own-initiative report which is necessarily obliged to narrow its focus in order to attain certain practical objectives. Within the framework of this initiative, the press means newspapers (daily or not, national, local and European) and periodicals (of special or general interest).

Moreover, the reason we consider that these written forms of communication should maintain their role is that this role is **a very specific one** in a landscape dominated since the early 1980s by the familiar audiovisual media (radio and television) and in the new communications environment shaped by the other constantly evolving electronic media which combine sound, pictures and content (CD ROM, Internet, electronic newspaper, multimedia).

Our first premise is that the new electronic media will not replace papers and periodicals; on the contrary, we believe that the new and traditional media will complement each other and that the combination of the two will lead to the provision of comprehensive and complete information.

This general finding is often ignored by the press itself which over the last few years has frequently been engaged **in competition with the audiovisual media**; this is an **uneven** struggle, as we shall be seeing below and also a **pointless** one, if we bear in mind the different purposes and ways of operating of these media.

If we attempt to **redefine the role of the press** and draw up a list of functions which it is **possible** and desirable that the press should perform exclusively (or principally) - without this meaning that this actually happens in practice - we shall find that the list is quite a long one.

Firstly, the written form of transmission of information is directed much more at the **rational faculties** of the reader, who is able to think, assimilate, analyse, compare and categorize the information he is reading. On the other hand, audio- and/or visual information is addressed much more to **feelings** and the momentary reaction of the listener or viewer.

This then is the primary function of the written media: to enable the reader logically and critically to evaluate the information printed on paper which he can **refer to** at any moment. The audiovisual media, by contrast, plays an equally useful, but different, role: it provides a show, immediacy, speed and entertainment, and often combines information with many other elements.

Written criticism, interviews, columns, articles and analyses can offer a second, **deeper view of events** compared to a mere pictorial representation or registration.

Furthermore, the written word is usually **signed** - or at least we have some means of establishing its source; this is not always the case with radio and TV broadcasts or information networks.

A daily or periodical press strengthens and encourages a **public dialogue**, and also binds communities of readers together who exchange ideas and hold discussions focusing on the various publications with which they identify, owing to their political, social, cultural and other convictions. This, together with **its scrutiny of political power** or the 'authorities' in general in each area, is what has given the press its historical role, a role very closely linked to democracy, freedom and human rights.

On the other hand, the interactive relation between the reader - viewer of a television screen or computer and information, is an entirely different process, more suited to the rapid accessing of specialized information, but without any very pronounced public dimension.

Another important remark concerns the specific public which the media address.

It has been repeatedly established by research and studies - notably by the Commission - that electronic newspapers, the Internet, CD ROM, etc., currently address an expanding, but in some way **specialized public**. Moreover, the rate of penetration is much more rapid in professional circles, among young people, teachers, etc., in other words persons with some special 'knowledge'.

The traditional newspaper and periodical continue to address a broader public which wants general information and the classification and placing of information in the more general social, political and cultural framework of daily life. Furthermore the press - at least for a transitional period during which differences between 'information rich' and 'information poor' will inevitably persist - will ensure that the latter receive a significant level of information in their language, or even their local dialect, something which does not usually happen on electronic networks.

### **3. THE CRISIS FACING THE WRITTEN MEDIA**

In the great majority of the states, the circulation of press publications - notably newspapers - is in decline, which, as it will be shown below, mirrors the decline in the advertising space bought in the written media. There is an exception to this rule, however: certain periodicals addressed to large and well-defined social groups (mainly women's magazines, magazines for young people, publications on specialized topics, etc.) which sometimes show increased circulation figures.

According to data provided by the International Federation of Newspaper Editors, between 1991 and 1995 the daily circulation of newspapers dropped by 3.72% in the then members of the European Union, by 4.02% in the USA (where multimedia penetration has been markedly more rapid, owing to the language among other factors) and by 0.67% in Japan.

Within the European Union there are marked differences between the North and the South as regards newspaper circulation: for example, Scandinavians read ten times more than southern Europeans. According to information provided by the European Union of Newspaper Editors, in 1996 the Norwegians were the most avid readers - 611 out of 1000 inhabitants buy a daily paper; the Portuguese came bottom (38 out of 1000) and just above them the Greeks (85 out of 1000). These statistics show the capital importance of factors such as climate, mentality, forms of entertainment, social customs and even religion in forming reading habits.

There are many reasons for this crisis in the world's press.

In addition to the two reasons mentioned above, namely the appearance of an increasing number of electronic media and the inability of the written media to redefine their role (which has led to attempts - usually fruitless - to copy the audiovisual media), there are also other important factors such as:

- (a) the general crisis of confidence in political and public life and the indifference towards public affairs of a substantial proportion of the public which used to be interested via the press (it should be pointed out that the circulation of the press has fallen substantially more in the former eastern bloc countries, most of all in Russia, where the circulation of the press has fallen by 70% over the last five years);
- (b) the tactic employed by radio and television of providing exhaustive daily press reviews;
- (c) the reduction in the number of publications which used to be the organs of specific political parties, ideologies and religious and social tendencies;
- (d) a worldwide increase in the cost of printing paper following, notably, the various oil crises;
- (e) the enormous distribution costs for newspapers and periodicals compared with the electronic media where the cost so far is practically zero;
- (f) the quality of the traditional press which over the last few years has, in a desperate bid to remain competitive, resorted to sensationalism, gift offers through coupons, etc.

#### **4. ADVERTISING**

As was to be expected, the decline in the number of newspaper readers has resulted in a reduction in advertising expenditure in the press; according to the international federation of newspaper editors, in most countries this reduction has been very marked since 1980. Between 1990 and 1995 the share of advertising accounted for by newspapers fell in the United States from 30.4% to 22.8%, in France from 56.2% to 14.6% and in the United Kingdom from 47% to 35.6%; Greece fared worst of all, and in 1995 newspapers in this country accounted for a mere 10.3% of advertising investment.

The audiovisual media have clearly taken the lion's share of advertising revenue lost by the press.

The failure of the radio and television sector to comply with the advertising rules established within the framework of the television without frontiers Directive, and the failure to implement this Directive and other national rules at Member State level - or the poor implementation of this legislation - have further increased this concentration of advertising in the radio and television sector, and this has also had a direct impact on the press.

The development of new forms of advertising in the electronic media (for example, telepromotion and teleshopping) and the introduction in the advertising market of on-line information services place the written media at a further competitive disadvantage.

#### **5. MEANS OF SUPPORTING THE WRITTEN PRESS**

As part of the transition to the Information Society, the European Union and national governments have drawn up scores of programmes and action plans to provide financial support for multimedia products and infrastructure. The Community aid provided through special programmes and the Structural Funds to encourage investments in the new technologies of the electronic press and to develop new data processing services is making it more difficult for the traditional press to compete, since it has not benefited from the same treatment.

Given the consensus among all the interested parties against any direct aid for the press which would, in any case, create more problems than it would solve, the idea of providing indirect support for the press under the harsher conditions of competition that prevail today could be examined: this might involve some favourable European or national rules on VAT arrangements, tax relief on the purchase of printing paper or the material and technical infrastructure and reductions in telecommunications, freight, postal and other charges which currently vary from state to state within the European Union. A further measure might be to launch an information campaign throughout Europe aimed at strengthening ties between the press and the readership.

#### **6. PROBLEMS FACING JOURNALISTS AND PRESS EMPLOYEES**

The amalgamation of communications, information technology and telecommunications services directly affects workers in the relevant market. The spread of the audiovisual media has already significantly changed the role of the journalist. Even if his work is still - ideally, at any rate - to provide reliable and high-quality news coverage - the multimedia industry and the amalgamation of the processes for concentrating and distributing information now require a specialized knowledge of hardware and software and computer technology in general.

Various studies and research projects funded by the Commission have reached the optimistic conclusion that new jobs will be created in multimedia-based industries. However, no-one mentions the jobs that are being lost in the traditional sector of journalism in the printed media, which is already seriously affected in certain countries (for example, France and Greece) by the abolition of privileges and tax exemptions; it should be pointed out that wages in this sector are significantly - and very often spectacularly - lower than the equivalent wages of workers in the audiovisual media.

In order to enable these workers to take up the new jobs, special funds must be set aside, for example from special programmes (such as Leonardo, MEDIA II, Info 2000 and the Structural Funds) to train and retrain workers in the printed media.

Given the plethora of ways and means of circulating journalists' work, the question of intellectual property rights is a particularly pressing one; it has been the subject of a number of reports and legislative acts at EU level.

### **7. THE REGIONAL AND 'SMALL' PRESS**

The decline in the circulation of newspapers does not seem to have much affected the regional press which is proving more resilient throughout Europe. This is due both to lower distribution costs, and to the 'special' reading public in peripheral areas which does not always have the means or technical know-how to use the electronic media (this is the reason why the regional press is quite often directly or indirectly subsidized at national level).

The 'small' press plays an equally important social, pedagogical and cultural role: it consists of periodicals and other productions of a literary, artistic, philosophical or other character. These publications (we are not concerned here with publications distributed free of charge) often encourage artistic expression, are not purely profit-oriented, carry very little - if any - advertising and are clearly unable to function according to the same market laws as apply to the other media.

If these publications were supported, for instance by aid in setting up bases of subscribers in public libraries, schools, universities, etc., this might help create a public with special, high-quality interests; moreover, it is clear that these publications play an enormously important role in maintaining the multilingual and multicultural character of the European Union, against the background of future enlargement.

Both the regional and the 'small' press are much exercised by the question of postal charges. This problem will become more acute when the goal of full liberalization is attained.

### **8. OWNERSHIP: CONCENTRATION AND PLURALISM**

At both European and international levels representatives of venture capital have had a very powerful impact on the press for many years, and have taken over to a very great extent from 'traditional editors'.

Moreover, spiralling publication costs have made this development natural and, indeed, unavoidable. The concomitant spread of multimedia has introduced new faces very rapidly into the communications 'market', coming mainly from an information technology and telecommunications background.

To react to this phenomenon in a sterile way is futile and there is no doubt that it requires our careful attention. Moreover, if we consider the prospects for the next century, we should not forget even for a moment that these matters are inextricably linked with democracy and social achievements and prospects in Europe.

From the beginning of the 1990s the idea of Community legislation to establish certain minimum rules regarding the ownership of the media has been examined at Community level, and many

conflicting views have been expressed; supporters of this position argue that Community Legislation of this kind would contribute to the unimpeded operation of the internal market in question - which at the moment is fragmented, owing to the existence of different rules in the various Member States - and also ensure better protection for pluralism.

In 1992 the Commission published its Green Paper on pluralism and media concentration in the internal market. This led to two rounds of negotiations, a new Commission communication and much wrangling and soul-searching. Recently the Commission published a proposal for a directive, which was, however, withdrawn without any official explanation and without being discussed in committee.

More generally, it is self-evident that this matter will have a direct impact on the character and future development of the press. The Commission's final proposal is therefore awaited with interest.