

NATIONAL AND INTERNATIONAL NEWS AGENCIES

Issues of Crisis and Realignment

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Abstract / National news agencies tend not to excite the same scholarly or even the same popular attention as the international or 'global' news agencies. Yet both international and national news agencies contribute to the simultaneous processes of globalization and localization. The number of major general news international agencies has reduced in recent years, while national news agencies are faced with a broad range of difficult challenges that may threaten the future viability of at least some of them. These challenges particularly have to do with relations between agencies and media owners, relations between agencies and the state, changes in the composition of the market as a result of growing media commercialization, concentration and globalization and new sources of competition in the supply of news. The range of possible defensive strategies includes diversification, redefining the relationship between national news agencies and national identity, linking up with the new global media conglomerates, partnerships between agencies, identification of new models for relating to the state and reassessment of the respective benefits and weaknesses of the cooperative model of news agency organization.

Keywords / concentration / globalization / nation / news / press

Within the past few years the general community of press agencies has witnessed the first major wave of new news agencies since the rash of agencies which appeared at the end of colonization in the Middle East, Africa and Asia: I am referring of course to the new or the transformed agencies which have appeared in the CIS and in Eastern and Central Europe. At the same time, it is for me both an exciting and a daunting experience to have the opportunity to address representatives and managing directors of agencies which have been in existence for 50 years, 100 years, even 150 years. In using the word 'crisis' in my title, therefore, I had better use it advisedly, because organizations which are in 'crisis' do not typically last for as long as 50, 100 or 150 years! Unless perhaps, crisis is a part of their existential condition. I initially wondered whether I should try to define just how the nature of this existential crisis varies from one era to another. But I conclude that the crisis is the same today as it was in the last century, a crisis that relates to topics and issues that have been around for as long as news agencies have been around. These include:

- The respective benefits of different modes of ownership,
- The relationship between states and agencies,

- The relationship between agencies and clients,
- How to satisfy media needs, and also to pay the bills,
- How to exploit technology to deliver services faster and more accurately.

It has been my privilege to contribute to a small body of scholarship on the news agencies. Scholarship – or at least English-language scholarship, always a rather dangerous restriction – has tended to focus on international news agencies. Scholars, like journalists, sometimes construct and reinforce perceptions of reality by the focus of their questions. So by focusing on international news agencies they may have contributed to a way of picturing the world as one in which international news agencies are more important, powerful, interesting than national agencies, or than specialist and local agencies. And this of course is questionable. I suspect there is scope for a good deal more historical scholarship on the national news agencies, especially comparative socioeconomic research of the kind in which I am most interested. It is a wish of mine that one day we might have a center for worldwide news agency scholarship.

More scholarship might have something to contribute to a more concerted effort by the agencies to review and perhaps even reconstruct images that people hold of national news agencies. I wonder how many news agencies have researched this area, and know something of how they are perceived by their respective publics? My own hypothesis is not that national news agencies are typically seen in a bad light, but rather that they are hardly seen at all. This might not have mattered in the days when all that counted were the retail media clients for wholesale news services. But now that national agencies are in a position to deliver direct to retail markets through computer terminals, the public perception of news agencies may become a great deal more important. Even if it was not for that consideration, public perceptions are important because the visibility of national news agency product in news pages or through the broadcast media can help to sell those media, if properly promoted. Clients who have a positive experience of news agencies when they access news agency services directly will also be attracted to media which make prominent use of such services. What this comes down to, of course, is brand-imaging; brand-image is becoming even more important with the erosion of the difference between ‘wholesale’ and ‘retail’ operation: the future opens up the possibility of delivery of information services, not just to media, but direct to millions if not billions of clients. For the time being I know that many agencies are constrained from going down this path by the interests of owner-clients who do not want news agencies to undercut their own services. One day, however, the logic of the broader market may become sufficiently compelling to overcome such reservations. Perhaps the day may come when news agencies will not simply be services for media clients or members, but they will be flagships for the media that use them.

I see the national news agencies as component parts of a global news system, one which overlaps with other systems. A system comprises interdependent parts, and this is what we find with news agencies: they use each other as sources, they sell to each other, they forge alliances with one another, they

sell services to client media and use client media as sources of information, and so on.

But there are also, if you like, some dysfunctionalities with this system: there have always been dysfunctionalities, only the nature of these is changing. In the last century, we witnessed the operation of a cartel which established a crude hierarchy of news agencies; it was imperialistic in its mode of operation and in that way it sowed the seeds of its own destruction. Now, 100 years later, we may be witnessing something which is equally discordant for the operation of the system: direct competition, for example, from international agencies on the domestic markets of national agencies that are ill-equipped to handle it or that may be losing out on potential supplemental sources of revenue, as in economic news, to Reuters' international expansion. We may also be witnessing growing divergence between news suppliers and clients in their respective definitions of news as the 'tabloidization' of the press creeps across the full spectrum of publications. In particular, I want to raise the question of whether news agencies are suitably structured for a world of deregulated communications. I want to suggest that there is something about the concept of national news agency which is 'out of synch' with the brave new world of deregulation, convergence, concentration and intensified commercialism which is jolting most other branches of the communications industry.

First I identify some of the main challenges facing at least some national agencies some of the time, as well as some challenges of a more ideological kind which are posed by the international agencies; I then go on to raise a cluster of critical questions about the state of the industry.

My list of challenges starts with the now well-worn theme of the saturation of traditional press markets. Even more serious, especially for agencies which are owned exclusively by press interests, is the ever intensifying trend toward concentration within the newspaper industry. Stepping outside Europe for examples, I would quote the degree of concentration which has been experienced in Canada with the virtual takeover of the entire industry by media mogul Conrad Black; or that has been experienced in New Zealand where Terry O'Reilly and Rupert Murdoch basically share control of the press. I do not believe this is a situation that is good for news agencies or good for the general public. So far as news agencies are concerned, how can it be beneficial that organizations which have been set up as cooperatives, as is the case in both Canada and in New Zealand, suddenly find themselves beholden to just one or two major proprietors and, to make matters worse, proprietors who are known to be interventionist in news, and to entertain strongly partisan political points of view, and to have substantial cross-media business interests? What does this say about the ability of national news agencies to be impartial? Is this situation likely to be an attraction for potential clients in other news media? While the capital wealth of such dominating owners might seem to be an advantage, the ethic of commercialism is just as likely to lead to investment restraint and job cuts, which is what happened at Canadian Press.

A second consideration – almost a welcome one, some might argue, in view of the kind of concentrations that I have just discussed – is the development of new competition from some of the press or media conglomerates that would

rather be self-sufficient and depend on their own internal news-gathering networks. This phenomenon has made life more difficult for some news agencies, but I note that historically most such efforts have been repulsed: this has been a challenge faced in recent times and in different ways by ATS, AFP and the PA, but it has been a challenge that has been overcome, and much the same has been true historically, ever since the commercial wars of the 19th century to establish the preeminence of particular agencies as 'national' agencies. In the end, economics does seem to dictate the virtues of a single national agency. A national monopoly leaves room for specialist and local agencies, but not enough room for competing national agencies, in part because competition reduces the credibility of competitors' claims to be 'national', given the important reciprocal relations that maintain between member/client news media and the national agencies.

Next, I note the fragmentation of large state broadcasters and the emergence of satellite, cable and pay-TV providers of broadcast entertainment. The decline of state broadcasters threatens a reduction in revenue and a decline in the symbiotic environment of the 'public service' ethos that once maintained between state or national monopoly/oligopoly broadcasters and national news agencies. Equally, the appearance of new players opens up a new market, but it is a different market by and large, one that is leaner and more commercially driven, and whose news appetite and philosophy push more in the direction of what a colleague of mine has dubbed 'infotainment' fodder. A news agenda which is dominated by formal politics, economics and sport, but which is not equally enthusiastic about sexual behavior and mores, lifestyles, the world of entertainment and social trends, is addressing a relatively small part of the full diet of the 'news' media. The commercialism of news is not only about content but it is also about presentation, about mode of address to the reader or viewer, the uses of language and the relationship of the word to the image. News agency news has not typically competed well in these dimensions (though there is more substantial interest now in graphics, in addition to the more established range of news photo services) and agencies have not generally considered it necessary so to do. Perhaps those days are at an end. Whether the result of commercialism or of broader social changes the question must be asked whether news appetites and values are changing, and whether national news agencies are keeping pace with whatever changes there are: is 'capital city' or 'national' news of as much interest to local media as it once was? Is 'national' news still as important to readers in this period of simultaneous globalization and localization?

Just as dependence on government for subsidy or even just for custom is itself a problem for those news agencies which have been so dependent, equally problematic are reductions in government subsidy or custom, which have been a marked trend throughout the world in the wake of deregulation, and in the process of political transition, notably the process of transition from communism to democracy but also in the case of other transitions, as in the case of Tanzania's movement away from state socialism to a market economy. Some agencies do remain substantially dependent on state revenue and in parts of Central and Eastern Europe state ownership still prevails. In Western

Europe, AFP in particular is remarkable insofar as it is still dependent on the state for over 40 percent of revenue, yet has managed to sustain credibility on domestic and international markets. Despite periodic instances of government intervention in the appointment of director-generals, and even attempts to interfere with the news, AFP is in part saved by the professionalism and resolution of many of its managers and journalists. Yet that degree of state dependence has declined in 20 years from over 60 percent, and has pushed AFP to more intense activity on some overseas markets, notably in Asia. The case of EFE, which is without doubt a state agency, and where agency leadership is subject to overhaul every time there is a change in national political leadership, is perhaps a little less benign. But the drive to greater self-sustainability is in evidence even there. Perhaps becoming more typical is the case of ATS, an agency which is a cooperative and in which the public authorities do not have shares. From 1973 to 1990 the Confederation of Swiss Cantons used to pay a fixed part of the agency's expenses (11 percent) in return for services. That arrangement has been replaced by three commercial contracts for three different kinds of service. In other words, straight commercial contracts are replacing less commercially accountable practices that in the past may have exposed agencies to charges of indirect government subsidy. Overall, the range (1996 figures) is quite considerable, from Agence Belga, for example, for whom the government is merely a client accounting for less than 3 percent of income, or dpa for whom the government as client accounts for less than 10 percent of income, through agencies such as Tanjug (33 percent) and AFP (46 percent), and others such as HINA (50 percent), TASR (65 percent), ANA and CAN (75 percent).

On the other hand, a key issue for some agencies is overdependence on media markets; curiously, some of the older, cooperative agencies are among those most heavily wedded to traditional media markets, 80–90 percent in the case of NT, TK, Ritzau, TT, Baltic News. For agencies which have the resources they need to do their job without the threat of reductions in subscriptions from traditional media owner-clients, this 'steady state' may be comfortable; others are less fortunate, and find themselves faced with reluctance among owner-clients to maintain desired levels of investment and subscriptions. ATS is an example of an agency which has worked hard to build new markets: ATS dependence on media markets was 78 percent in 1988, and this had fallen to 66 percent in 1994 (a percentage subsequently sustained) as non-media revenues grew faster than media revenues.

In parallel with the growing reluctance of state governments to continue subsidizing news agencies – in those countries where there has been such a tradition of partial government control – there has also been a leveling off of interest on the part of intergovernmental or NGO institutions in the support of agencies of the developing world and of alternative news agencies such as the Inter Press Service. The dependence of initiatives such as the original Pan-African News Agency (now undergoing reform) on intergovernmental sources of revenue was so heavy an incubus that it cast doubt on the value of all such ventures: the problems included sponsors who could not be depended upon to deliver the promised funds, who talked rhetorically about a third news force in

Africa and yet were deeply protective of state interests in news control, and for whom 'development' news sunk to 'protocol' news of the comings and goings of ministers of state. For some of the agencies of the developing world, part of the crisis has to do with the collapse in credibility of the 'development' concept. Too often this has been a rhetorical fig-leaf for ethnic hegemony, or even for dictatorship. Few agencies have been able to resolve the sharp tension between 'development' objectives written into their constitutions and entrusted to them by governments, and the Anglo-American news practices to which most news people are routinely exposed and to which many subscribe by preference. It has never been clear why news agencies should be thought suitable vehicles for development, and there has been no empirical demonstration, to my knowledge, of the actual processes whereby the mass circulation of development information might actually contribute to something that most reasonable people could agree constituted a form of 'development'.

Political transformations, as in shifts from communism to post-communism (Central and Eastern Europe), from state socialism to deregulation (Tanzania), from dictatorship to democracy (Spain), from apartheid to pluralism (South Africa), subvert old structures and philosophies. This is especially the case where the national agency is still popularly associated with the politics and personalities of a discredited regime, or with a particular ethnic or social class grouping that has experienced a reduction in political influence. The very openness of some Eastern European countries to foreign investment, as in Poland, while commercially and in some respects politically liberating, raises important issues about national sovereignty and the rights of nation-states to shape their information environments, about protections which, for what they are worth, have been established over many decades in Western Europe, and whose merits may perhaps be taken a little too much for granted.

I have already alluded to competition against national agencies from international players in the markets of national agencies. Examples include the takeover of local financial news markets by international players, thus potentially depriving local agencies of alternative revenues; and direct competition for local media clients, as in the case of Reuters in South Africa against SAPA, or AP in Switzerland against ATS (from 1981, leading to the disappearance of DDP which had been founded when UPI's Swiss service in German collapsed in 1972 after 11 years of operation). Do big agencies need small agencies any more? Where national agencies enjoy local news monopolies, how much longer will this be tolerated by (non-owner) press and other media clients?

And in the context of this litany of challenges to national news agencies on the eve of the 21st century, it is necessary to add something about the Internet. I am certainly inclined to see the Internet more as an opportunity than as a threat to national agencies. While in theory the Internet reduces the costs of entry to the news business, setting up a web site is a relatively small part of the battle to attract customers. The evidence suggests that it is primarily the already established players who are best positioned to take advantage of the Internet, those who already have the news-gathering infrastructure of journalists and networks with primary sources, the know-how of writing, editing, illustrating and packaging, and who possess the hard-earned credibility that can attract

customers who want to read what is provided. The real difficulty here is what it is possible to do on the Internet that is not a threat to owner-clients or simply to valued traditional clients. The Press Association in the UK is one example of a national agency that has made significant headway in exploring the entrepreneurial opportunities of the Internet and has struck a deal with owner-clients – provision of traditional services at greatly reduced rates – that will keep their fingers out of the pot, at least for the time being.

I could extend my list, of course, to many other issues, and mention, but not explore, the costs of computerization and communications, issues of multi-lingualism and the future of automatic electronic translation, of tensions between general news journalists and management (which frequently intensify when managements try to become more entrepreneurial) and issues of censorship and news control. One issue deserves heavier underlining, and it is to do with the place of research and development: since the early 1980s, Reuters has increased its research and development investment from £6.2 million (1982) to £200 million (1996). A sustained commitment to creativity, new product and new markets requires serious money because it makes serious money – where should the resource come from?

I make a few observations at the international level before moving on to raise a number of broad-ranging questions. What most strikes me at the international level is that the number of giants has grown smaller: the increasing diminution of UPI is the main culprit, and this is partly off-set by the additional robustness of AFP (e.g. in South East Asia), EFE (in South America), and dpa (still very frequently quoted as a No. 3 or No. 2 and very occasionally as a No. 1 source for international news in an unpublished 1996 survey of national agencies by Boyd-Barrett and Rantanen). ANSA also sustains good international presence. EFE claims that it sources 30 percent of all international news published in Central and South America. However, the reduction in strength of UPI has meant the removal of an important competitive thorn in the flesh of AP. AP was stirred to become more aggressive internationally by the appearance on the scene of UPI in the early years of the 20th century; without UPI will AP continue to be as significant an international player, or revert, increasingly, to being an American agency amid declining interest in international news among American media?

In wholesale television news, the number of global news-film agencies temporarily increased from two (Visnews and UPITN) to three (Reuters Television, WTN and APTV) and has now slipped back to two (Reuters Television and APTV). There has even been speculation as to whether Reuters shareholders have the will and motivation to sustain a presence in this market, and whether Reuters executives have been discouraged by the experience of marrying what turned out to be two quite different news cultures. Increased competition from ‘retail’ television news operators that also, to an extent, operate as ‘wholesalers’ such as CNN, MSNBC, Sky, helps ensure that this remains a difficult market. In financial news we have seen some increase in competition, most spectacularly from Bloomberg, though even here I would say it is competition from a rather familiar stable (Wall Street plus Merrill Lynch, sustained by the US market). The development of services such as CNNfi, Pearson Financial Television, MSNBC is encouraging. Bridge can be viewed as the re-emergence, albeit

of a different kind, of Knight-Ridder's old Commodity News Service. My overriding concern, in print as in television news, general or economic, is whether we have anything like a healthy diversity of 'voices' in international news and the answer, it seems to me, is clear – it is a resounding 'no'! What I see mainly is the overwhelming Euro-American dominance of global news flow: new initiatives come either from established players, or from the USA. That is my main concern; my others are:

- Is Reuters committed to Reuters Television?
- Does 95 percent dependence on financial news markets constrain the agility of Reuters in general news markets?
- Can AP be perceived internationally to be much more than an American agency?
- Without more direct competition at home and tangled up with the politics of its own (domestic) cooperative structure, is there a danger that AP may become too complacent?

I come now to some questions – kites to fly, if you like – that I leave on the table for discussion.

First: is diversification really the answer, and if so, how is it best done? The key issue, as always, has been where should the money come from (owners, alliances, surplus revenue, public ownership?) and what are the implications for owners and clients? The international agencies, preeminently Reuters, have been building strategies of diversification from well before the 1980s' era of deregulation, but it is the implementation of deregulation policies, above all, that has pressured all agencies to look to diversification. The worldwide spread of deregulation creates some very difficult choices for agencies: can they survive in a less protected market-place, one that is open to international predators with less help from government – if they had such help before – and a less paternal interest on the part of owner-clients in the case of those which were already free of government? If the prospects for economic viability do not look good, is it time to consider going with the flow of conglomeratization, or is there even a case for looking back toward the state?

Looking across the national news agencies as a whole I am both impressed with the imaginative variety of services that have been developed (and I have already singled out the Press Association of the UK as an example here), while depressed by the conservative pressures of traditional owner-clients in some cases (although these may disguise the real level of innovation that is possible through subsidiary companies). We have heard from Reuters that the giant international agency has determined, after all, that it is still principally a wholesaler, with a prior commitment to its traditional clients. That is a position that seems to have become increasingly emphatic since the sale a short while ago of Reuters' interests in Telemundo. But I notice that Reuters retains an ownership interest in these kind of ventures, as in the case of Yahoo! And I wonder whether Reuters just has too much to lose by messing in retail, more than might be the case with other agencies. Broadly, the range of possible answers to the challenge of diversification covers Internet portals; public relations wires; clearing houses

for advertising space; dissemination of state statistics; specialized country, county, issue, industry, sports, classified advertising services; consultancy services (e.g. to government); media management services (information, market assessment, feasibility, negotiating deals); direct print to customer pagination; screen-ready services; teletext services; specialist statistical or data services (e.g. sports, finance). Financial services typically embrace share prices, performance graphs, unit trusts, company information and graphics, investment analysis graphics. Weather services typically embrace national, regional and international weather graphics, symbol charts, text forecasts and reports, comparative data, detailed analysis, world temperature tables, satellite pictures. Other possibilities include: TV listings; special features in response to customer requests; different language news services.

There may be a guiding principle from the past to help inform what kinds of activity are most appropriate for national agencies. One thing that strikes me from my study of the news agencies is the important role that both national and international agencies have played in the construction of powerful images of nation, and of a world made up principally of nation-states. In their battle for secure domestic markets, the dominant agencies found that it made practical business sense to establish an identity for themselves that was coincident with that of the nation as a whole. They located at the very heart of national power, established relations of trust with powerful political and economic elites and devoted much of their content to the activities of such elites; their lines of communication with provincial media were radial, the national agencies pushing out comprehensive national news and receiving back a reciprocal package of local news from local clients. If national agencies have been about national image, then how could this concept be reinvigorated? Should or could a press agency become a primary site for anyone wanting to access anything to do with a particular country? Would it not be a worthy ambition for any national agency that any visitor to its country should want to consult the agency's Internet service in preparation for the visit? Visitors would know that the national news agency was a 'first port of call' for advance information, information which could be customized to take account of the purpose of the enquirer's visit. Do we know enough about how far existing information and archival sources of national news agencies compare with other sources? How could national agencies begin to acquire the sense of identity, the brand image, that could position them at the forefront of the consciousness of educated people the world over? In this connection, appropriate services for national agencies could extend to:

- National print histories;
- National film histories;
- National photo archives;
- CD-ROM archives of all news transmitted;
- Nation-related fictional film and television drama;
- Key 'nation' themes (e.g. interviews with living historical figures);
- 'Nation' web sites;
- Web e-commerce sites for 'national' products;

- ‘National’ books celebrating a country’s geography, history, culture, sociology, politics, tourism and industry and business opportunities;
- Reports on how the nation is perceived by the international press.

One of the attractive features of those agencies, many of them cooperatives, which have retained their strong identification with owner-client media is that in a communications world that is broadly characterized by ever increasing conglomeration and commercialization, these agencies still seem relatively pure, independent and indeed trustworthy: they seem to have kept faith with their original mission, a mission that by and large is in the public interest. But as we have seen, even that small self-contained world is under threat, as owner-clients themselves become subject to merger and takeover and as they themselves contribute to internationalization. Perhaps it is time for agencies to join in the fray? There have been recent signs of valuable and sensible joint activities – Bloomberg and AFP, Bloomberg and ANSA, for example; or Reuters and Dow Jones, and of course AP-Dow Jones has been going for quite a while. Mention has been made of a partnership between dpa and AFX. As we have heard from Bloomberg, national agencies possess invaluable local networks, knowledge and language skills, among other things, which are attractive resources to international agencies, and with which internationals would do better to link up, rather than try to duplicate. National agencies have always entered into exchange relationships with neighbors, and the old 19th-century relationships between nationals and internationals demonstrate that the world of news agencies is familiar with the logic of alliance capital. Perhaps there is more substantial scope for interlinkage: for example, the pooling of foreign correspondents, as demonstrated in the case of the Baltic and Scandinavian news agencies; there may also be scope for the pooling of some of the communications and support services, or for collaborative ventures in the development of entrepreneurial initiatives. Small agencies typically have one or less than one support person per full-time journalist. Mergers of agencies into regional conglomerates – one could, in theory, imagine an entity by the name of the Mediterranean Agency, or the Agency of Central Europe, a NAFTA agency or an EC agency – might make some economic sense but are difficult concepts, politically. Some earlier regional agencies attracted a bad press because of the involvement of UNESCO and its optimistic hope that involving clusters of dubiously managed government agencies and subjecting them to a dubiously managed semi-governmental international body was a workable solution. But where the commitment is entrepreneurial and the initiatives are driven by grass-roots thirst for survival, experience may be different.

Is there sufficient capital in the markets to provide much needed research and development funding with which to generate new brand image and new product? Should national agencies be contemplating involvement with the likes of AT&T, Bertelsmann, Microsoft, Walt Disney (the owner, very briefly, of WTN)? The playing-out of the logic of deregulation, I believe, has only just begun. Take the case in the USA of AT&T, forced to break up in the first wave of deregulation in the 1980s, yet now expanding into cable (TCI and Media One), computing (Microsoft now a part-owner), and poised ready to undermine

the local telecommunication monopolies of the 'Baby Bells', and soon likely to be providing service to over 50 percent of the US market, working in partnership with British Telecom on international markets (with whom it owns a stake in Japanese Telecommunications). What starts as a story of market fragmentation is turned by the logic of capitalism into a new story of accumulation, aggression and oligopoly but now on a grander scale than ever before. Part of this story is the story of convergence, the bringing together of telecommunications, computing and electronic entertainment. Convergence has been a fashionable concept for quite a few years, but only now is it becoming a significant reality, and national news agencies control important software product that could be attractive to the giant players. Needless to say, given the identity of the giant players, such a trend would do little to off-set the Anglo-American bias I referred to earlier.

One of the reasons why some nationals have embarked on non-traditional services is to reduce their dependence either on traditional media owner-clients or on government, or both. Let us look again at this relationship with the state, and in particular at some of the neglected positives of such a relationship. Some agencies are not going to be free of state involvement any time soon. I have noticed in passing that agencies and states have the option of establishing robust commercial relationships in place of other formulae of support. In addition to their normal appetite for information, governments increasingly want to contract out state-run services. Perhaps agencies and governments can agree as to what tasks outside the normal range of news provision could be undertaken appropriately by a news agency without sacrificing credibility. Can a national agency make a decent job of being both a government information service and a media service? Difficult, certainly, but what counts at the end of the day is to have a service of news which is comprehensive, fast and accurate, as well as being a source of news as to what is the government's position on this or that issue. If that can be achieved while at the same time the agency also runs an identifiably separate vehicle through which the government disseminates official information, then that is not the worst solution for achieving viability that agencies have come up with over the past one 100 years or more. The question, then, is what other roles are there that help to relate government, media and citizenry, and to which a national agency can legitimately contribute?

The downside of a relationship with the state is too well known to rehearse, but the point I am wanting to make is that it is not the relationship in itself that is so damaging as the manner in which that relationship is structured and lived. I have referred to the case of AFP. Of course government involvement undermines credibility, though in the case of state agencies credibility is not always the point – the point is that something has been stated to be the case by the government. I suspect most of us, however, are looking for something more challenging for the institution of national news agency. There is considerable variation in how the state–agency relationship can be played out, a variety of constitutional checks and balances that are available. In the case of CTK, for example, we have an interesting model whereby a public organization is directed by a supervisory council that elects the chairperson and general

manager. The members of the council are appointed by parliament, not government. Council members cannot belong to political parties nor can they have financial interests in media. The constitutional bedrock for CTK is financial independence. The agency owns its own property and the state is not responsible for its liabilities. In the case of MTI, by contrast, we have a public service agency which is controlled by parliament and which is explicitly a vehicle for state communications and other state-related organizations and industries. The president of the republic appoints the president of the corporation. The president of the corporation cannot be an active politician or senior public official. The nature of the relationship between agency and government and attitudes toward it are inevitably influenced by what has been historically customary. The traditions of Central and Eastern Europe are distinct in this respect from those of Western Europe. But Western Europe has a tradition of relatively benign government involvement in (some) media, one that makes it possible to raise questions and to discuss the role of the state in an altogether different way than might be the case, say, in Latin America, where the safe West European assumptions of checks and balances, accountability, good faith and so on too often do not apply.

The issue of the constraints on agency entrepreneurship imposed by the interests of owner-clients brings us to the question of ownership and, in particular, the relative merits or otherwise of the cooperative mode of ownership. Some of these cooperatives have been going for an astonishing long time: AP, of course, dating back to 1848, Ritzau to 1866, NT (Norway) to 1867, ATS (Switzerland) to 1895, ANA (Greece) to 1895, CTK (Czech Republic) to 1918, Agence Belga to 1920, TT (Sweden) to 1921, EFE (Spain) to 1939 (its predecessor, Fabra, was founded in 1865), Tanjug (Yugoslavia) to 1943, ANSA (Italy) to 1945, dpa (Germany) to 1949. Then of course we have seen a recent new wave of news agencies arising from the ashes of political turmoil in Russia, Eastern and Central Europe and the Balkans since the late 1980s.

There are different kinds of cooperative: daily newspapers only (e.g. Canadian Press); diverse media companies (e.g. TT, the Swedish news agency); a public corporation which involves journalist associations and newspaper publishers on the board, as in the case of the Athens News Agency or Cyprus News Agency; private cooperative, as in case of the Baltic News Agency, where shareholdings among private individuals do not exceed 12 percent, Dow Jones Telerate has 15 percent and Swedish newspapers hold 15 percent.

Among the positive features of the cooperative model, I itemize the following: the notion that all participating media make their local news available to the national agency (I do not know how common this is: it is supposed to be a characteristic of the AP and of the PA, but I do not think it always works as it should); it achieves certain economies of scale, especially where member facilities can be placed at the disposal of the national agency; it has helped to provide national reach; because of the different interests of different newspapers the cooperative model should help – though cannot of itself guarantee – impartiality; and because for most members the cost of subscription is far less than they would have to spend if they had to provide comparable coverage from their own, unaided resources, members can sometimes be persuaded to meet additional or

emergency tariffs in times of difficulty (e.g. cost increases arising out of large-scale communications investment, or exceptional expenses incurred in covering a war or natural disaster).

Among the negatives, we can say that cooperatives tend to operate in an 'open-monopoly environment', namely an environment in which competition is possible, and happens from time to time, but is generally beaten back or contained because of the natural advantages that accrue to an organization which can count on the majority of media subscribing to its services, nationwide, and which has established long-standing relationships of trust with political and economic elites. Some of these monopoly environments have been around for a very long time and their very age may threaten a certain lack of vitality. At the same time, they are not really big enough to deal with the challenges and speed of a deregulated world. We have seen that where an agency exists only to serve the narrow interests of its owners, it will be reluctant or unable to enter into new ventures that might compete with the individual interests of its owners. On the other hand, if entrepreneurship leads to new activities that will help subsidize the cost of the news operation and reduce subscriptions, owners may be persuaded to restrain from intervention – but by the very nature of ownership, no commitment which owners make is absolutely dependable. The problem becomes even more severe when media ownership is so concentrated that it is reduced to just one or two major groups, in which case the agency does in effect become a pawn of the business and possibly political interest of those owners. As it is in the very nature of a cooperative to pool resource and avoid the wastefulness of competition, cooperative agencies may lack the competitive stimulus that could serve to prepare them for the deregulated conditions in which they now find themselves.

What would a truly global agency look like? I think we have international agencies, but not truly global agencies. It probably is not likely that we shall have a truly global agency any time soon, because the starting point of such an agency would be the things that most matter to people around the world, both in their commonalities and in their differences; a truly global news agency would need to be one that was comfortable with different news values and different models of news, not too closely identified with one culture or ethnic group or market; a news agency whose default position would no longer be the things that have been of interest, historically and currently, to developed western countries; an agency with a more comprehensive spread of revenues, geographically and in terms of different groups of clients, than anything which currently exists; a news agency which would not give anything or anybody the 'benefit of the doubt' (even NATO bombing of the Chinese embassy in Belgrade); an agency which would be super-skillful in its focus on the interconnections of a highly interconnected, global world; an agency which was multimedia in its clients and its forms of delivery, whose languages were as numerous as the languages of its client media; an agency that was open and explicit as to its values and operations; an agency that would be as much concerned about background and process as with topic and product; and an agency whose content equally balanced the political, social, economic and cultural. A chapter on Eurovision, written by Stig Hjavard for the book *The Globalization of News* (1998), edited by myself with Terhi Rantanen, raised in

my mind the interesting notion, fantasy if you like, of a global news service compiled through the mechanism of news offerings from all the different members of a global news agency consortium. That is, each member agency would contribute items of news, perhaps in the form of skeleton outlines, which other members, for a price, could then elect to click into, in order to get access to the full text and the right to republish, subject to acknowledgment. This would have the substantial merit that the news available would be coterminous with the news that is actually provided; there would be greater diversity, but those agencies which supplied news stories that other people wanted, which were known to be reliable, accurate and professional, would be the agencies most likely to be rewarded.

Note

This article is based on the author's address to the 1999 annual seminar of the European Alliance of Press Agencies (EAPA) in Athens, 28 May.

Reference

Hjavarð, S. (1998) 'TV News Exchange', pp. 202–26 in O. Boyd-Barrett and T. Rantanen (eds) *The Globalization of News*. London: Sage.

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