Speech by Prof. Dr. Manfred Dammeyer
Minister of Federal and European Affairs
of the Land of North Rhine-Westphalia
at the meeting of the European Newspaper Publishers Association
ENPA
on "European Directive on Media Concentration - Impact on the dual broadcasting system"
given in Münster on December 9, 1997
Ladies and Gentlemen,

Dear [Name]

Thank you very much for your introductory words which I would now like to comment on. You rightly said that a good European is not a European centralist. To put it another way: only if the European regions are strong in their diversity, can Europe develop into a strong political power. Only diversity creates unity. I am pleased that you emphasized this aspect in your introduction because this can also apply to the European Directive on Media Concentration. This Directive has its own history. The Treaties of Rome laid the foundation stone for the Common European Internal Market. However, nobody knew at that time that these provisions would also apply to media systems. Technical and social development have brought this about. The operator of a satellite won his case when the European Court of Justice ruled that freedom of establishment should also apply to media. This was the starting point for an increasingly important debate on a supplementary European media organization.
The initial step was the first version of the "Television without frontiers" Directive, which came into force in 1989 and provided EC-wide minimum standards for television programmes, i.e. protection of children and young persons, advertising rules and times as well as a Right of Reply, which at that time did not exist throughout the Member-States, let alone uniformly. In addition, it also introduced "a political quota" for the inclusion of European productions. I shall not go further into this point here. It was and is still uncontested - and this is true for other issues - that, at national level, it is not possible to fall below the standards, but it is possible to go beyond them, in other words it is a framework law with possible arrangements at national level.

Depending on the interests at stake, this can be a source of conflict. Advertising industry and commercial operators are interested in having advertising rules that are as generous as possible. However, viewers consider them to be a necessary evil. In my view it is a reasonable principle to link up uniform internal market rules with possible arrangements at national level. It should be noted that issues relating to media concentration, media diversity and pluralism have not yet been dealt with.
The conditions for an unlimited cross-border media capacity inevitably started a debate on a limitation of power in favour of diversity of opinion, above all in the European Parliament. This was also triggered by Berlusconi's expansion policy and his attempt to seize power, whereby he made use of his own media empire. This is why I cannot hide my appreciations for the "Green Paper on the diversity of opinion and plurality" and the European Parliament's call for a Media Concentration Directive. Although I shall be ready to be critical of some rules as soon as a concrete proposal is made. As, however, everyone is aware, such proposals have not yet been put forward, and a non-paper has been dismissed in the Commission. Although this issue is not yet finished, there is as yet no practical outcome. In my opinion, it is therefore not quite appropriate to rack one's brains about detailed proposals which did not obtain a majority in the Commission.
I am aware that cross-border media activities are on the increase, that, for example, Bertelsmann's exports, the second biggest media concern in the world, are bigger than its sales in Germany, and that there is a sort of media Champions League in Europe. I would therefore be very happy if the European Directive on Media Concentration, which will supplement national regulations, were finally introduced. The study made by the European Media Institute, based in Düsseldorf, on Media Concentration in Europe gives some very useful clues, for instance an increasing concentration in the field of advertising industry, the interaction between advertising industry and programme production, as well as the increasing influence of advertising on radio programmes. For independent producers it is difficult to have access to this market. Companies mainly active in the field of production and exploitation of rights gain direct access to production places for their own products through participation in television stations.
The saturation of home markets and the liberalization of European market conditions reinforce the urge of multi-media companies to commence an international expansion strategy, as has already be done by the Bertelsmann Group, Axel-Springer Verlag, the Kirch Group in Germany, Hachette, Havas, Hersant and Canal Plus in France, the Murdoch Group in Great Britain and the Berlusconi Group in Italy. In addition, there is the increasing tendency towards growing investment and participations of banks, manufacturing and service industry as well as cross-ownership in all directions.

By this I mean: If we do not want market forces to operate freely we must think of ways to limit them. If we want to create or secure marketability, we have to prevent monopolies and oligarchy. If we do not want radio and television to go commercial, if, on the contrary, we want to secure it as a cultural amenity and factor necessary for a democratic forming of opinion, we cannot dispense with cross-border regulations.

This is hardly a problem for the present regional and local press, which is of great importance especially in Germany. In this regard, I would like to assure you that I will take care that the baby won't be thrown out with the bath water
There were cogent reasons for the decision of the Land of North Rhine-Westphalia to enable publishing houses to participate in local radio, and this must also apply to other multimedia programmes. Federal programmes are governed by international regulations to the arrangements of which North Rhine-Westphalia participated under their own responsibility. This is a declaration of loyalty to the Dual System and you can trust that this will remain our Land's position. In my opinion, it is, as a principle, justified to estimate the concentrations rules on the basis of one criterion - the market share. It could be discussed which criteria relating to the location or the participation will play a role in this context. Regardless of how the proposal by the European Commission will turn out to be, and provided there will be a proposal, it will still be just a proposal that can be altered in the course of procedure. The European Parliament and the Council have more than a say in this matter, and one thing is sure: Interests groups and socially relevant forces are going to participate. Let's hope that there will be eventually a satisfying compromise that leaves the publishing houses a certain room for manoeuvre. I shall stand up for it.