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**Portuguese television policy in the international context:  
An analysis of the links with EU, Brazil and the USA\***

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**Resume:**

In this paper, we will start by analysing the dependency relationship between Portugal and the US and Brazil in terms of programming. This will be followed by an examination of the main reasons why the EU policies and productions have been quite irrelevant to the Portuguese broadcasting scenario. And, finally, we will argue that - despite the increasing external links and EU legislation - very concrete national decisions (or deliberate non-decisions) taken by national politicians under pressure from nationally-based lobbies lay behind the present configuration of Portuguese television system.

**Portuguese Television Policy in the International Context:****An Analysis of the Links with the EU, Brazil and the US**

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Although Portugal joined the 'democratic club' in the mid-1970's, its television policy has been until recently almost exclusively concerned with the control of political output. Merely concerned with political content, the executive power did little more than look for the adequate appointees to secure full coverage of the government achievements and to ensure that politically damaging material was omitted in the news bulletins of the sole national television company, Rádiatelevisão Portuguesa (RTP). In the 1980's, and for internal and external reasons, it became increasingly evident that the RTP's monopoly was no longer sustainable, and in the early 1990's two national TV licenses were attributed: one to Sociedade Independente de Comunicação (SIC) and another one to Televisão Independente (TVI).

The two new television companies soon developed their own international linkages, specially with the US and Brazilian programming markets. Depending almost exclusively on very limited advertising revenues, the three companies (RTP has two channels: Canal 1 and TV2) could hardly afford home/national production and based their peak time programming on cheap US and Brazilian fiction (e.g. movies and telenovelas) and on foreign formats (e.g. reality shows and quiz shows). Clearly, there is an intimate relationship between the broken up of the public television (RTP) monopoly

and the intensification of external links between the broadcasting actors and foreign markets and organisations. The opening up of the Portuguese television market has however been far more favourable to trans-Atlantic actors than to EU member-states and EU companies. In fact, so far the EU has had very limited influence over the definition of Portuguese broadcasting policy and Portuguese broadcasting companies are still far more interested on US and Brazilian productions than European ones.

In this paper, we will start by analysing the dependency relationship between Portugal and the US and Brazil in terms of programming. This will be followed by an examination of the main reasons why the EU policies and productions have been quite irrelevant to the Portuguese broadcasting scenario. And, finally, we will argue that - despite the increasing external links and EU legislation - very concrete national decisions (or deliberate non-decisions) taken by national politicians under pressure from nationally-based lobbies lay behind the present configuration of Portuguese television system.

### **Dependency and 'Reverse' Dependency**

Broadcasting in Portugal has been very much related to electoral politics and - as such - it has been perceived as a dangerous political instrument, if not properly (though covertly) controlled. Contrary to the telecommunications sector, which has been generously financed by recent governments, broadcasting has been financially stretched to the limit. The opening up of two private channels in 1992/93, coupled with the abolition of the license fee for electoral reasons, compelled four national TV channels to fiercely compete for a small advertising cake (around £160m). Both so-called public service and commercial channels have no resources for quality programming and substantial investments in national production are out of question. Had not the national television policies been so poorly developed, alternative ways of financing would have had to be found and broadcasters would have had to be legally obliged to raise their standards.

Although - as we will demonstrate - the national broadcasting systems operates quite independently from EU influence and pressures, the programming output is clearly dependent on American and Brazilian cheap imports. The US is the main supplier of fictional content, providing 41% of all fiction programmes transmitted on Portuguese television whilst Brazil is the second most important supplier (25%) largely

due to the soap opera genre (Traquina, 1995<sup>i</sup>). With the exception of the UK, the EU countries have not been successful in exporting their audio-visual products to Portugal and national production is not relevant. Prime time television in Portugal is dominated by Brazilian soap operas, reality shows and quiz shows (mainly adopting foreign formats), and US movies.

Authors such as Galtung (1971) and Wallerstein (1974; 1979) used structural models to analyse the dependency relationship between the core and the periphery, between the West and its former colonies. Dependency authors did not see this unfavourable relationship only in economic terms (although it was the main focus); they have dedicated a considerable part of their work to political, military and cultural spheres. In all these areas, the peripheries would be trapped by the interests of the centre (or the centre within the centre) which would prevent the peripheries from freeing themselves from this vicious cycle. The state of Portuguese broadcasting does indeed suggest that all TV channels depend on cheap imports to survive because they cannot afford national production which is far more expensive and cannot *a priori* guarantee large audiences. If Brazil was not a major exporter of television products to Portugal, dependency theory would - in this particular case - appear as a more coherent discourse. However, dependency theorists have never put forward a framework which could explain how Brazil, a former Portuguese colony (and therefore part of the periphery in the dependency model), would end up as a major player in the Portuguese broadcasting sector. The relationship between Portugal and Brazil in the broadcasting sector is a case of 'reverse' dependency. Brazil being the centre and Portugal the periphery.

Though dependency, imperialism and cultural imperialism (for a critique on the latter see Tomlinson, 1991) still describe some relevant economic, political and cultural/media aspects in the 'world system' (to use the wording of the dependency paradigm), this body of literature does not stand up to close scrutiny. The major weaknesses of these perspectives are related to the fact that, being global and non-distinctive, they do not look at the political and economic forces within the countries. Ignoring the countries' history and politics, dependency theorists tried to explain too much with too little. The cultural imperialist thesis tell us that indigenous cultures are invaded by foreign ones (mainly the US) which has generally a negative impact on the cultural autonomy of the recipient countries. Cultural imperialists have described the media flows and have alerted us to the dangers of 'cultural synchronisation' but they have not managed to provide adequate answers as to the root causes of this cultural dependency.

The cultural industries approach, resulting largely from the work of Garnham (1990), Collins et al. (1987) and Locksley (1989), has been far more useful in demonstrating why countries such as the US (and indeed Brazil) have competitive advantage in the programming production industry and why recipient countries do not fight back in an attempt to resist cultural homogenisation. Within a broader political economy perspective, these authors do not see the asymmetric flow of cultural products as a pre-designed ideological imposition but rather as a consequence of the capital logic of cultural production.

According to Collins et al., the broadcasting commodity<sup>ii</sup> is fundamentally different from other non-cultural goods. The essential quality from which it derives its value is immaterial/symbolic and as such it is not destroyed by the act of consumption (1987:6-8). Unlike manufacturing industries, in programming production almost all costs are prototype costs. Each programme is indeed a new (high risk) product (Locksley, 1988). The costs of reproduction and distribution are comparatively very low. 'This means that there are exceptionally high returns to economies of scale leading to a constant push towards audience maximisation' (Garnham, 1990:122). In addition, because of what became known as Baumol's disease<sup>iii</sup>, the costs of the broadcasting prototypes - which are inherently labour intensive - have been rising steadily.

In these circumstances, neither the US nor Brazil have to impose their products on countries such as Portugal. 'The risks of cultural production can only be lowered to an acceptable level by a high and sustained level of investment in a whole production programme' (Garnham, 1990:122). The Portuguese broadcasting system cannot afford a sustained level of investment and has no production programme. Both the US and Brazil have an important competitive advantage: they have huge domestic markets which enable their companies to recoup investments within the country. So, broadcasting products can be sold in the international market at marginal costs (no anti-dumping<sup>iv</sup> legislation has been used so far). Once these programmes are very cheap, it is economically more rational for the Portuguese broadcasting companies to buy their products in the international market rather than make their own investments in 'home' productions.

The cultural industries approach has relevant aspects for the Portuguese broadcasting scenario. It partly explains why broadcasting companies do not invest in national productions. However, the lack of investment in national production and the systematic acquisition of cheap poor quality imports is only possible because television policy was so crudely developed by the national authorities. In addition to being asphyxiated by financial constraints, both public service and commercial television have

no effective legal restraints and, consequently, programming is unconditionally designed to maximise audiences. Politicians have been almost exclusively concerned with political output and were not concerned with the consequences of the generalist TV legal framework for programming in general.

### **The Irrelevance of EU Policies**

Despite the EU's attempts to develop a more comprehensive policy for the broadcasting sector, its difficulties have been notorious. In the 1980's, the Commission started arguing that broadcasting was a tele-service and, as such, essential to the development of an integrated economic market. Therefore, the EU actions in the broadcasting sector had to be undertaken either as strictly economic measures which are permitted under the EEC Treaty or by using the Commission's spending powers in programmes such as MEDIA 92 and MEDIA 95. As in the telecommunications sector, the EU rationale to intervene in yet another policy area was related to competitiveness (if nothing is done, the argument goes, Europe will be dominated by US programming imports) but the political and ideological resistance from member states was far more ferocious.

Since the early 1980's, the EU had taken some initiatives concerning the broadcasting sector but the real milestone in the EU's intervention in the sector was the 1984 Green Paper directed to the establishment of a single broadcasting market in the Community (COM (84) 300). This document, known as *Television without frontiers*, defended the free flow of TV programmes as, indeed, any other service or good. The subsequent directive, adopted five years later, established a free flow of programmes, removing national regulatory obstacles to the free market. Although various issues were covered by this directive, namely advertising, sponsorship and moral welfare of children, a minimalist approach was taken and member states have ample room to develop their own detailed legislation. The most controversial issues such as quotas for European-made programmes were, at the time, effectively neutralised. Countries should comply with EU orientations 'whenever practicable'. To sum up, the most relevant outcome from this directive is that EU governments cannot impede external broadcasts or prevent the free circulation of broadcasting products. This final directive represents a victory for the EU's most liberal forces.

However modest, the *dirigistes* (mainly DGX) also had a victory with the MEDIA programme. Contrary to most Commission's broadcasting initiatives, this programme concentrated on content and aimed at counterbalancing the impact of an open market for broadcasting production. MEDIA's numerous sub-programmes (e.g. Scale, Babel, Script, Cartoon) are supposed to foster cultural pluralism, though their inadequacy to help the audio-visual industries in small European countries is widely recognised.

The *Television without frontiers* directive is, in fact, so generalist that it does not play any role in the definition of Portuguese broadcasting policy. All crucial issues relating to broadcasting structure such as the number of TV channels, ownership of these channels and means of financing were decided exclusively by the Portuguese authorities, taking into account domestic lobbies and domestic political considerations. Similarly, in terms of broadcasting content, all ground rules (though crudely developed) were set up by national politicians. The opening up of the broadcasting market - the most significant outcome of EU broadcasting policy - is also quite irrelevant for Portugal. The broadcasting companies produce little fiction, drama or documentaries. If Portugal has hardly anything to export, an open market is bound to have no relevance. Furthermore, with the exception of the UK, national broadcasting companies do little business in Europe. They have preferred to buy US and Brazilian fiction instead. As quotas have not yet been put in place (though the issue is high on the political agenda), the EU plays no significant role here as well.

Programmes such as MEDIA which were designed to stimulate production and increase cultural diversity are having almost no significance for both big and small countries. In almost all MEDIA sub-programmes, Portugal is one of the EU countries with few projects submitted and approved (see Media Desk, 1993; 1993a; 1994; 1995). Between 1989 and 1993, for example, the Script fund has supported two Portuguese movies (Media Desk, 1993:5). Between 1991 and 1992, the Documentary sub-programme has financed one national documentary (Media Desk, 1993:9). In 1993, the Scale sub-programme, which is specifically designed to stimulate production in small European countries has supported four productions (Media Desk, 1993:21). Although the financial allocations have not been fully disclosed and it is not clear what they represent in the overall budget, it is believed that they are very limited indeed. Because the financial rewards are not relevant and difficult to obtain (mainly for bureaucratic reasons), national broadcasters have not shown any particular interest in applying to these projects.

Following the 1994 Audiovisual Green Paper (COM (94) 96), a new MEDIA programme was developed and is due to operate from 1996 until 2000 with a proposed budget of ECU 400m. MEDIA II (designed to support training and project development where there is an European dimension in the market strategy and encourage the distribution of the European films) is so far the only concrete outcome of the 1994 Green Paper. In this consultation document, the Commission analysis identifies four fundamental requirements for the future of the European Programme Industry: i) it must be competitive in an open, world-wide market; ii) it must be forward-looking and involved in the development of the information society; iii) it must illustrate the creative genius and the personality of the people of Europe and iv) it must be capable of transforming its growth into new jobs in Europe (COM (94) 96).

The 1994 Green Paper reflects distinct (possibly contradictory) goals. On the one hand, it wants to promote economic growth. On the other hand, it implies that European culture (whatever it entails) should be defended from cheap American imports. Although European culture and identity is often invoked as a rationale for public policy, the EU provides no explanation as to what it means. 'The notion of 'unity in difference' has been convenient for policy makers. It has enabled them to glide over difficult questions' (Collins, 1994:47). Cultural interventionists (mainly within DGX) have, in fact, been emphasising that European culture and/or European identity cannot be disassociated from national culture and identity, and that it must be protected. Still, these preoccupations have had no impact on the development of broadcasting policy in Portugal. Issues of national culture and identity have not been addressed by domestic politicians (at least since the 1974 revolution) or by other actors in the broadcasting arena.

At the present, the EU is not bringing any benefits to the Portuguese broadcasting sector and it might even have perverse effects on the development of a national broadcasting/communications policy. National politicians are aware that EU binding legislation takes precedence over national legislation and they do not want to be challenged by regional decisions. But within the Commission itself there are contradictory interests and a great deal of ambiguity as to who is responsible for what. The Competition directorate (DGIV) has no direct responsibility over broadcasting but has been successfully exerting influence in this arena. The telecommunications directorate (DGXIII) has been very active in terms of satellite and HDTV policies. DGX has direct responsibility over broadcasting but is perceived as a weak DG, if compared to DGIV and DGXIII. Due to the Commission's internal struggles, contradictory signals are thus often sent to the member states and unprepared politicians



- unclear about their own views - might think that it is safer to do nothing than to act and be challenged later on.

Precisely because of these uncertainties, the EU has been used by domestic interest groups as a testing ground when national actors are not satisfied with governments' decisions. For example, the Portuguese private broadcasting company, Televisão Independente (TVI), has formally complained to the Competition directorate against the state subsidisation of the public service company, Rádiatelevisão Portuguesa (RTP). TVI has argued that state subsidies were against EU competition laws. Using EU internal contradictions in the broadcasting sector, domestic interest groups are attempting to get outside the country the political support they are not getting from national authorities.

In the future, the EU internal contradictions and political ambiguities are bound to create even more difficulties in the development of a comprehensive national communications policy. National actors which are not pleased with domestic decisions will continue to use the EU as a testing ground, in an attempt to benefit from the Union's inability to gain consensus in controversial areas. On the one hand, this will blur the already fragile national accountability mechanisms as governments can be excused by the views of a given Commission DG; on the other hand, democratic procedures themselves have been eroded particularly since the Commission has never been voted for and most European citizens perceive it as an impenetrable and remote institution. In the communications scene the EU is not providing any vision or leadership while diminishing the confidence of national governments such as Portugal (with lack of experience in the international fora) in developing a more coherent and comprehensive national communications policy.

### **The Opening up of the Television Sector**

Although Portugal has had a democratic regime since the mid-1970s, its television policy has been until recently almost exclusively concerned with the control of political output. Merely concerned with contents, the executive power did little more than looking for the adequate appointees to secure coverage of the governments' achievements and to guarantee that politically damaging material was suppressed from the so-called public service television company, Rádio Televisão Portuguesa (RTP). The 1992 break-up of RTP's monopoly was the most meaningful change in the

television arena. Indeed, since the early days of television in Portugal, in the 1950's, no structural changes had occurred in the relationship between the medium and the political power. Direct censorship was abolished after the 1974 coup d'etat but RTP remained under the control of successive governments (elected or not). It can therefore be argued that a structural change did occur in 1992 because, although new national channels were attributed to the safest possible actors, the government of the day lost, for the first time, the power to exercise direct influence over the entire television political output.

Although changes in the television system only took place in the early 1990's, there had been considerable debate about private/commercial television throughout the 1980's. The Catholic Church was one of the first actors to openly express its desire to own and run a private TV channel but the political and economic conditions were not favourable. In the early and mid-1980's, there was political instability and a serious economic crisis. The situation would only change after Portugal's accession into the European Community in 1986. From 1987 onwards, there was considerable economic growth and the social democrats - in power from 1985 until 1995 - brought political stability to the country. As the advertising market expanded so others expressed interest. Economic groups, such as Balsemão's, Sonae and Presslivre, started to seriously evaluate the possibilities in the new context. The opening up of television to private initiative was, nevertheless, delayed until the early 1990's as the government (and other media actors) had to concentrate their efforts on the re-organisation of the radio sector whose expansion had been chaotic since the mid-1980's. When local and regional radio frequencies were attributed, political interest moved again to private television.

With the exception of the Communist Party, all political parties favoured the attribution of two TV channels to private operators. Public opinion, in general, was favourable to this move mainly because RTP was perceived as being constantly under direct and/or indirect governmental control. At that time, any alternative was understood as being better than the RTP monopoly. In addition to RTP's lack of credibility, other factors played a role in terms of facilitating the break up of the monopoly. Advertisers and expected winners of the bidding process argued for the opening up, trying to convince politicians and the public that Portugal was once again backwards, losing the liberalisation/modernisation bandwagon. Elements of the political and economic elite, who already had access to satellite television, were also convinced that more national channels would mean more independence from political power and wider choice. The opening up to private initiative was perceived as the 'natural' thing to do because most European countries had already done it. Cross border ideas were taken as almost 'universal truths', pre-empting any serious debate on programming strategies and on the

economic viability of four national channels. Indeed, no serious discussion took place about what kind of commercial exploitation should be associated with private channels.

The constitutional obstacles towards private television were removed on the 1st of June 1989 when the National Assembly approved amendments in the legislative text by a two thirds majority. The new text allowed TV channels to be privately owned. The next highly controversial step was the drafting of a new television act. Conflicting interests were at stake and, once again, the Catholic Church was at the centre of the controversy. The Church wanted to be granted a TV channel without participating in the bidding process. So, when the government's law proposal was known, the Portuguese bishops went publicly against the government saying that 'the law proposal does not correspond to former commitments and to what was expected, it does not safeguard the Church's rights consigned in the Constitution' (Público, 7 February 1992:5). In the 1970's, the Church had been granted an assurance by the former prime minister, Sá Carneiro, that it would be attributed a television channel. Hence, the religious leaders felt they were now being unfairly treated. The Church's Rádio Renascença network was used to put these arguments forward and clerics throughout the country were given the task of reading and commenting on the bishops' position.

In the middle of serious rows and hot debates, on the 13th of July 1990, the Parliament approved a new television law which did not contemplate any privileged position for the Catholic Church, but it also did not prevent the Church from applying for a channel. The law says that 'the activity of television cannot be exercised and financed by political parties or associations, unions, professional and employers organisations, and by local authorities' (law nº 58/90, Art.3º). Still, significantly, religious organisations were not mentioned in this law.

Once the new television law was passed and the bidding regulations approved, on the 2nd of April 1991, three candidates applied for the two available national TV channels: the Sociedade Independente de Comunicação (SIC) led by Pinto Balsemão; Rede Independente (TV1), chaired by Proença de Carvalho with the support of the Carlos Barbosa media group (Presslivre), and Televisão Independente (TVI), close to the Catholic Church. The other potential candidate, Sonae group, announced in January 1991 that it would give up the competition. Sonae is a successful economic groups and the predictable lack of advertising revenues certainly contributed to its pulling out. Moreover, applying for a TV channel would be an expensive exercise and Sonae's chances of winning, whatever the quality of the project, would be very slim indeed. Sonae was - at the time - perceived as being close to the Socialist Party (the main

opposition party) and the group's newspaper, *Público*, was often critical of government's policies.

So, only three candidates put forward their projects which the government, with the approval of the *Alta Autoridade para a Comunicação Social* (AACS), had to choose from. Politicised and without resources and credibility, the AACS was not prepared to give its view on such a sensitive issue. But, as its opinion was required by the Constitution, the High Authority decided for 'technical equality' and no candidacy was excluded. The TV1 project (Proença de Carvalho) was considered 'deliberately ambitious', TVI's (Church) understood as 'modest' and SIC's (Balsemão) as 'balanced'. In this context, it was exclusively up to the government to decide on the issue. At that stage, the process was totally in control of the prime minister, Cavaco Silva. Although in the beginning other senior politicians were involved, when final decisions were to be taken, Cavaco Silva managed the process himself.

On the 6th of February 1992, after a Cabinet meeting, the *ministro* Marques Mendes, announced publicly the results: SIC was attributed the third national channel and TVI got the fourth channel. According to Marques Mendes' speech, these decisions were taken considering the AACS opinion and four additional criteria: technical quality, economic viability, type and characteristics of the programming and the candidates ability to satisfy diversity and public interest (*Presidência do Conselho de Ministros*, 6 February 1992). But, for the opposition and for TV1 this result was no more than a 'political decision', taken without transparency. When the decisions were known, the editorial of *Público* newspaper stated: 'The government took the less politically damaging decision attributing the two private channels to the Church and to Balsemão' (7 February: 3).

At that time, attention was almost exclusively concentrated on who would gain control over the two new TV channels. This is hardly surprising given that - until then - the state/government which owned RTP had effective editorial control over the company's output. If the same were to happen with the new TV stations, politicians holding office would have to be extremely careful as to who 'deserved' such a useful instrument. All other crucial issues associated with the opening up of the market, such as sources of financing, balanced programming, national production, were neglected. The RTP's license-fee, for example, was abolished by the government before the allocation of the new TV channels with no rationale being given for that political decision. In what was perceived as a populist move, the social democrat government thought to gain political points if voters would not have to pay this 'tax'.

## Immediate Outcome of the Opening up Process

The Television Law (58/90 of 7 September) was so badly drafted that it is totally ineffective and allows TV channels to take the easier option: cheap imports and populist programmes. According to this piece of legislation, the generic objectives of television - both public and private - are i) to contribute to educate and inform the public and to promote cultural values which express the national identity, ii) to contribute to the formation of a critical conscience, stimulating creativity and free expression, iii) to contribute to the entertainment and education of the public and iv) to favour the exchange of ideas between national citizens and foreigners, particularly Portuguese language speakers (article 6). These objectives are obviously a dead letter because no specific legislation was developed and there are no means to implement them. The law does not contemplate any relevant programming requirements. It does say that 40% of the broadcasting time 'should' be in Portuguese, of which 30% 'should' be of national production and 10% of in-house production (article 19). This is of no significance as companies can easily comply with news bulletins, national sports and Brazilian soap operas. Other aspects of programming such as European production and nationally based independent production are to be observed 'whenever possible'. In fact, the Portuguese broadcasting regulatory framework is so vague and generalist that companies can literally do what they want in terms of programming strategies. The creation of a programme regulator such as, for example, the British Independent Television Commission (ITC) was never contemplated.

With the increasing competition from private operators, RTP's two national channels (Canal 1 and TV2) became more populist and less concerned with quality programming. Although RTP's journalistic output has traditionally been under government control, programming in general has been relatively free from political and economic pressures. Aggressive scheduling and fierce fights for audiences are recent phenomena, due to the company's need to maintain a substantial share of advertising revenue.

Looking at Canal 1 peak time scheduling it becomes clear that the channel is geared towards ratings, neglecting its public service mission, as considered by Blumler who argues that the first public service broadcasting (PSB) task is communication for citizenship, bearing a sense of responsibility for the health of the political process and for the quality of public discussion (1993:404-7). In fact, an analysis of a programming week (from the 14th of January to the 20th of January 1995) reveals that nor even one documentary or investigative journalism programme was scheduled. The only

programme in which there was public discussion was *Prova Oral*, a live programme on which public figures (not necessarily politicians) are interviewed by a former RTP's director of Information. Yet, this programme was scheduled at 10.50pm on a week day. In general, after the main news bulletins (at 8pm), peak time programmes are *telenovelas*, variety shows, talk shows, quiz games and sports.

When compared to Canal 1, TV2 appears to be making an effort to address the needs of minority groups and a wider range of television genres is observable. During the first two years of competition (1993 and 1994), TV2 reacted as any other commercial channel, ignoring its duties as an alternative public service channel. But in the programming schedule from the 14th to the 20th of January 1995, one can notice the existence of documentaries like *Gente Remota* (Remote People), programmes geared to financial consumers (e.g. *Dinheiro em Caixa*), religious programmes such as the Sunday Mass and *70x7*, movies and series. Broadly speaking, in this week TV2 gave space in peak time to so-called high culture programmes such as , theatre, music and other art forms. Given that all other national channels show at least four *telenovelas* per day, their absence in TV2 must be recognized.

*Sociedade Independente de Comunicação* (SIC), the first commercial channel operating in the country<sup>v</sup>, has engaged itself in a fierce competition for audiences regardless of quality criteria and programming diversity. Fight for audiences and publicity has been the rationale of the station, compromising journalistic and fictional content. Taking the week from the 14th of January 1995 to the 20th of January 1995, SIC put daily on the air five different Brazilian *telenovelas* from Monday to Friday, two on Saturday and one on Sunday. Four daily news bulletins were maintained throughout the week. Considerable differences occurred only in the evening schedule, after the fifth *telenovela*. Quizzes and variety shows in Portuguese language, mostly from imported formats, were clearly dominant: on Tuesday, *Ora Bolas Marina* and *Labirinto*, on Wednesday, *Perdoa-me*, on Thursday, *Os Trapalhões* and on Friday, *Chuva de Estrelas*, a show dedicated to talent hunting. Overall, SIC broadcasted, in 1994, 49.64% of programmes in Portuguese language from which 13% were Globo *telenovelas*, 7% external productions and 29% home productions, including information, sports, promotional features, among others (SIC, 1994, unpublished material). SIC has an obvious deficit in television genres such as documentaries, programmes of investigative journalism and drama. During the week we are considering, only two programmes were dedicated to in-depth political interviews, *Terça à Noite* and *Sete à Sexta*. Their own documentaries and investigative journalism programmes on the lines of, for example, BBC's *Panorama* or Channel Four's *Dispatches* are non-existent.

SIC's broadcasting output has been clearly influenced by Globo, Brazil's multi-media empire<sup>vi</sup>. Since the very beginning, *Globo's* managers and personnel have provided SIC with both technical know how and strategic expertise. Pinto Balsemão says that there is an 'intimate' relationship between *Globo* and SIC: 'They have given us plenty of advice, we tried to follow them and it has been very fruitful' (interview: 10.01.95). To SIC's chairperson, this privileged relationship is only natural since *Globo* is a share holder and it has a member sitting on SIC's administrative board. Indeed, *Globo* has the maximum of shares allowed by the Portuguese law for a foreign investor (15%). Additionally, SIC imports from *Globo* around £5,200m in *telenovelas* alone. Even if legally *Globo* cannot acquire a higher percentage of shares, its importance as an 'adviser' and as an exporter of highly popular products makes it one of the most influential share holders in the company.

*Televisão Independente* (TVI) is the second private national TV channel operating in Portugal<sup>vii</sup>. The idea that the Catholic Church could and even should have a television station had been cultivated for quite a long time. When the opening up of private television was inevitable, few believed that the government would have the willingness to confront the church, refusing to grant it a broadcasting license. Being described as a television of 'Christian inspiration', TVI is neither a commercial television (it was not conceived to make profit) nor a traditional public service broadcaster (it is privately owned).

TVI's Chart of Principles states that the station is a 'private initiative of public service' (2nd ¶) and that it will try to be an 'alternative to conventional models' (1st ¶). TVI is said to stand for the fundamental values of the Human being and for the Humanity's great causes: Freedom, Justice, Peace, Solidarity and Truth (4th ¶). These grand ideas committed the Church to the project, and financial and human resources were made available to go ahead with the initiative. TVI's problem, however, is that no consensus could be found around what a television of 'Christian inspiration' should be, in practice. Indeed, TVI did not turn out to be a religious channel, as many in the Catholic Church were hoping for, but a commercial and generalist station with some religious preoccupations.

The TVI's Chart of Principles and grand objectives do not change the fact that the station operates, like RTP and SIC, in an extremely difficult financial environment. Lacking resources and with only 10% of the television advertising cake, TVI has survived with cheap imports and with no investments in home productions. Taking the week from the 14th of January 1995 to the 20th of January 1995, TVI scheduled five different Latin American *telenovelas*, four daily and one at the week-end. During the

week, at peak-time, the news bulletin was normally followed by a Brazilian *telenovela* and by a US series. Later in the evening, the programming varied from movies (generally American) to quizzes and reality shows such as *Amigos para Sempre* (Friends for Ever). During this week, one could not find television genres like documentaries, political debates, investigative journalism programmes, or indeed national series or drama. TVI's chairman, Roberto Carneiro, regrets the fact that the station cannot afford more national production. 'I would like to invest in national fiction to fight the ultra-dependency on Brazilian telenovelas. I believe that the set of values (or indeed lack of values) they entail are not healthy for the country' (interview:11.01.95).

In terms of external relations, one of TVI's most relevant partners is the Spanish TV channel, *Antena 3*, which has 2.5% of the capital. In addition to being share holder, *Antena 3* has been exporting programmes and formats, and has been providing assistance in terms of technical know-how and training of personnel. TVI has also a commercial relationship with all US majors (Time Warner, Columbia, Disney, etc.) and with British TV companies. From the US, the main products acquired are movies and light entertainment. Within Latin America, TVI buys mainly *telenovelas* from Brazil (*Bandeirantes*, *Serviço Brasileiro de Televisão*, *TV Cultura*), from Mexico (*Televisa*) and from Venezuela (*Venevision*).

## Conclusions

Because political concerns and public debate were concentrated on who should get the channels, all crucial issues associated with the introduction of competition in the broadcasting sector were neglected. The Television Act does not reflect any serious preoccupation with the financing of the channels, and balanced programming and national production were ignored. Without an effective regulatory regime or a programme regulator, the outcome of the opening up of the market could not have been more predictable. The financial hardship that all broadcasting companies are facing has led them to opt for cheap fiction and populist programmes based on foreign formats.

As the national television system operates quite independently from the EU political and cultural influence, the main beneficiaries of the opening up of the Portuguese broadcasting market have been the US and Brazil. Indeed, these countries have competitive advantages and can afford a sustainable level of investment which makes their television products very attractive in economic terms. However, the lack of



investment in national production and the systematic acquisition of cheap poor quality imports is only possible because, at national level, nothing was done to counterbalance the economic logic of television broadcasting. In addition from being asphyxiated by financial constraints, both public service and commercial television have no effective legal restraints and, consequently, programming is unconditionally designed to maximise audiences. Politicians and other actors involved in the setting up of the new framework knew little about programming and were far more concerned with political/ideological power than with the economic and cultural consequences of this venture.

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#### NOTES

<sup>i</sup>These figures are based in the examination of one week of Portuguese television programming (5-12 April 1993).

<sup>ii</sup>The broadcasting commodity might be understood as the total set of audience needs which broadcasting attempts to satisfy and the historically given set of productive resources which the broadcasting industry has at its disposal for the fulfilment of that task (Collins et al., 1987:6).

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<sup>iii</sup> W. J. Baumol was the first economist to study the impact of the production costs in the cultural industries. He argued that performing arts were predestined to be victims of a cost disease because the costs of these labour intensive industries would continue to increase while, due to technological advances, production in manufacturing industries would continue to decrease (Baumol and Bowen, 1976).

<sup>iv</sup> Dumping is usually taken to mean a product exported at below domestic prices.

<sup>v</sup> Regular broadcasts started on the 6th of October 1992.

<sup>vi</sup> Globo is one of the world's largest media monopolies. Its aged and powerful chairperson, Roberto Marinho, runs, besides his 50-station radio network, and 85-station TV network (Rede Globo), six of which he owns, the Globosat/Net cable television system, operating 26 cable TV channels in Rio de Janeiro and São Paulo, the magazine and book publishing house Globo, and Brazil's second-largest circulation daily *O Globo*. Roberto Marinho also owns, alone or in association with municipal authorities, 1,500 Earth Reception Stations (ERT) or re transmission units, and has substantial stock in major advertising agencies and printing plants. Roberto Marinho's career was made under the protection of the military regime that took power in 1964 and since then Globo has been instrumental in defeating leftist governments. The defeat in 1989 of the Workers Party leader, Luís Inácio da Silva, is the most well known example (Kucinski, 1994:52-3).

<sup>vii</sup> Regular broadcasts started on the 20th of February 1993, one year after the Council of Ministers granted the company a broadcasting license