

Radio For the Few or the Many?

*Experiences from the Political History of Local Radio in Norway*¹

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Commercialisation and internationalisation are common denominators for trends in media developments in the past ten to fifteen years. It is commonly argued that in the countries in western Europe, political authorities no longer control the instruments to secure that the media operate in the public interest, but have lost most of their power to market forces and global media actors (see e.g. Keane, 1991). Thus, the question posed in the title: *Radio for the few or the many?* has been at the heart of the conflict about the introduction, the regulation and the evaluation of the performance of local radio stations in Norway. In 1996, 15 years after the first experimental stations were opened, descriptions of concentration, commercialism and chain-building have replaced former arguments of decentralisation, democratisation and access as standard references when these types of media are discussed (Jauert & Prehn, 1995; Høyer et al., 1995). As a consequence, the argument continues, citizens are left with media that operate as businesses only, oriented towards maximisation of profits at the expense of orientation towards citizens' need for information and access to channels open to discourse and expression. But how true is this story? To which extent are national political actors

impotent and to what degree has local radio lost its potential as grassroots media?

It is of course impossible to answer these questions generally, but I will use the political history of the independent local radio stations in Norway to illustrate a somewhat different version of the story. I argue, first, that the current dominance of business interests in the local radio sector, is not so much a result of globalisation of the media economy, but that this development to a large extent is a natural result of political compromise formation in the Norwegian parliament. The development of local radio illustrates a number of conflicts and problems, among them commercialisation and concentration of ownership, which are unintended and, to some extent, unexpected consequences of the political framework that was drawn up for local radio and television in the late 1980s. Second, I contend that, considering these circumstances, the presence of semi- or non-commercial interests in local radio has remained remarkably high for a long period of time, and that it is this stability that needs explanation, not the entrance of commercial actors seeking to exploit the profits in a new market.

In the following, I comment on and discuss these developments. My argument is

that the political history of local radio in Norway can be analysed as a process in which two central conflicts have structured the political debate on regulation of local broadcasting. The compromises reached on these issues partly explain some of the current problems in the sector. The first issue regards the cultural content, that is, the questions of what interests local radio should serve. The second issue concerns control and ownership of local media, that is, the question of which interests that should be allowed onto the airwaves, the major conflict in the short history of local broadcasting. The question of what interests and to which degree business actors should be allowed into the sector was essential in the long and heated debate on advertising as a source of financing in local radio and television. The two conflicts cannot be totally separated but for the sake of clarity they will be kept apart in the following discussion. The political compromises that were outcomes of these conflicts partly explain some of the current political problems of regulating the sector.

There are many characteristics of the structure of independent local radio in Norway that suggest that these media still are geographically decentralised and culturally diverse. By summing up the conflict-ridden history of local radio, I seek to evaluate the development according to both the 'original intentions' of the reforms and the first legislation that regulated the sector. More than anything, the evolution of the sector illustrates the double logic of media institutions; they are at the same time business enterprises and cultural and political institutions, and these properties have to be reflected and dealt with by the regulators.

Background and Theoretical Starting Point

As businesses, the media operate on two markets: the consumers' markets and the advertising market. Success on the first is a prerequisite for success on the latter: for local radio, this means that the higher the rate of listeners, the higher the attraction of advertisers. As cultural and political institutions, the media have their most essential roles tied to the public sphere: they provide information and access to communicative resources for citizens; are outlets and channels for debate, discourse and cultural expressions and representations; and they work as intermediaries between the state and civil society. Media policy thus is both regulation of markets, and cultural policy. Concerning local radio, the latter also concerns the possibilities for citizens to exercise their constitutional and cultural rights.

Problems occur when the regulatory instruments do not adequately account for both the commercial and the cultural aspects. In Norway, the lack of recognition for the duality is present in most areas of media policy. One example of the discrepancy can be seen in the regulation of the commercial radio and television stations *P4* and *TV2* as 'public service broadcasters', which is the same label as the one applied to *NRK*, the publicly owned and license fee-financed broadcasting corporation. Following Syvertsen's (1992) definition of public service as a regulatory principle that are based on a system of privileges and obligations, the two private commercial channels in Norway were provided with a monopoly on nation-wide, terrestrial commercial broadcasting in return for hav-

ing certain obligations towards the public. The new concept of 'commercial public service' radio and television was the outcome of a debate in the Norwegian parliament between parties arguing for, on the one hand, privatisation of broadcasting and, on the other, that the public should be offered a broad menu of programmes satisfying minority as well as majority interests (Skogerbø, 1991; see also Syvertsen, 1992). However, as the stations were given total control of their income generation, there are very few instruments left to sanction the stations if they do not perform according to the obligations, a point that the two companies are well aware of. The unintended consequences of the decision were, therefore, to water down the public service concept.

The development of local radio in Norway may serve as another example of the problems of regulating media that operate as both businesses and cultural and political institutions, as many of the problems and challenges raised in the area of local radio are common to the media sector as a whole.

First, the difficulties of reaching majority decisions in the Norwegian parliament concerning legislation that solved both the problems of funding, and maintained local broadcasting as locally owned and locally operated media. The conflicts shows the contested nature of the concepts that were used to justify the proposals of the different parties.

Second, the history of local radio illustrates the effects on national regulations of increased liberalisation and internationalisation of the media economy. Although Norwegian media are not generally dominated by multinational investors, large shares of the local radio market, in terms of advertising revenues and listeners, are. The turn of independent local radio sta-

tions into attractive investment objects started immediately after advertising was allowed in local radio in 1988 and increased in the early 1990s. The commodification and commercialisation that followed from these developments intensified the debate on how to regulate the sector. Since the beginning of the 1990s, the Danish-owned media conglomerate the *Aller Group*, has been the largest shareholder in local radio. The Aller group was, from the time it entered the sector, establishing a chain of commercial radio stations that were combined with network news and advertising sales and which were in contravention of the intentions and sometimes of the actual legislation on local broadcasting (see e.g. Høyer & Tønder, 1992). Although being very controversial, most political compromises concerning the regulation of independent local radio and television have resulted in formulations that these media should be maintained as decentralised, non-commercial media. The regulation has, however, partially and gradually, been undermined by the entrance of business actors and multinational corporations seeking to exploit the advertising markets to its full potentials.

The Political History of Local Radio in Norway

In the spring of 1995, reregulation of the independent local radio sector was debated by the Norwegian parliament, as it has been more or less continuously since independent local radio was allowed in the early 1980s. As in the other Scandinavian countries, one of the reasons for the constant political conflicts concerning the regulation of these media is the fact that independent local radio has increasingly been drawn into the international media economy, which is a development that the

first legislation on local radio set out to prevent.

Independent local radio stations were introduced as competitors and alternatives to the Norwegian Broadcasting Corporation (NRK) in the beginning of the 1980s. Between 1933 and 1982, NRK had a full legal monopoly on broadcasting in Norway, a policy that until 1980 attracted the support of all the major political parties. Independent local radio was permitted on an experimental basis from 1982, as part of the liberal reform programme carried out by the Conservative Government that took power after the general election in 1981. It was made quite clear by their arguments that one of the major goals was to remove broadcast media from the control of the state and open the sector for private interests, and as such, it was a move made by the Conservative Cabinet alone. The decision was carried out without prior parliamentary consultation and consent although it achieved support from a couple of other parties (see e.g. Syvertsen, 1987; 1992; Gramstad, 1988). From its start, then, local radio was politically controversial. The issue of what interests that should be allowed to control the airwaves entered the political agenda immediately and has stayed on it since then (Skogerbø, 1996).

The opening for experimental local radio in 1982 was one of the first steps towards the privatisation of broadcasting in Norway, and the conflicts following the decision should be interpreted as such. By privatisation I refer to the gradual process of removing control over broadcasting from the public sector to private interests, and as such broadcasting is one among several other public sectors that were totally or partly privatised during the 1980s, in Norway as elsewhere in Europe. In Norway, as in Denmark and Sweden, it is fair

to describe the opening for independent local radio as decisions that originated less in the claims of grassroots' movements for access to the airwaves, than in the will of Conservative and Non-Socialist governments to liberalise the media sector (see e.g. De Bens & Petersen, 1992; Skogerbø, 1996). The Conservative Party's turn to the right in 1979-80, and its subsequent formation of government in 1981, had significant influence on Norwegian politics in the following decade. The liberalisation of broadcasting was only one of several reforms of the public sector.

As justification and motivation for the local radio reforms (which were followed by local television experiments from 1983), the Norwegian Conservative Party combined straight-forward neo-libertarian arguments with arguments that originated in a more radical interpretation of democracy and which attracted support from different parts of the political spectrum. According to the party's justifications of its reforms, the 'new' local media would extend the right to liberty of expression in society by providing more outlets and easier access to the media for an increased number of individuals, communities and interest groups. Thus, the reform would contribute to the decentralisation of the means of communication by providing minority groups and the public living in the regional peripheries with their own channels, thereby decreasing the dominance of centrally placed and governed media. Further, local broadcasting in general was expected to contribute to the local and national economy by creating a new business sector of programme production for radio and television all over the country. The increased Norwegian programme production that would follow from the local radio activities, would also work as a protection of Norwegian lan-

guage and culture against the flow of foreign programmes that were expected from international satellite channels.

These objectives, formulated and presented by the Conservative Government in a white paper discussing the reforms after they were carried out (St.meld. 88 1981-82), have later served as arguments for both the reformers and the opposition in the following years of debate on the permanent regulation. As I have argued elsewhere (Skogerbø, 1996), since the main concepts used to defend and justify the reforms all could be classified a 'essentially contested', that is, concepts that take on their meaning according to the normative position of those using them (Connolly, 1983), they could be redefined and applied by adherents as well as opponents of further privatisation of the broadcast media. The arguments that the removal of the broadcasting monopoly by the introduction of independent local radio and television stations would decentralise and democratise communication structures and contribute to extended liberty of expression, access and participation were for instance used by every party to the debate, irrespective of their political loyalties. Interpreted as political objectives, they were more or less beyond discussion: no party to the debate would or could argue against extension of liberty of expression or participation. Instead, the conflicts concerning regulation centred on funding and other regulations, that is, on which means and instruments that would adequately serve the objectives. In Norway, as a result of the parliamentary situation, all solutions to these conflicts were carefully worked out compromises that often proved to have other effects than expected. By the Conservative party and its supporters, the references to decentralisation and freedom of expression were used to argue for liberali-

sation and deregulation of markets. Almost contradictory conclusions were drawn by the opposition, who used the objectives stating that the local radio should further democratisation and decentralisation to argue for strict public control of independent local broadcasting in order to prevent commercialisation and commodification of local radio. Local radio had to be protected from the entrance of capitalist interests that would turn them into purely profit-making businesses, and thereby remove or weaken their roles as cultural institutions in local communities.

Financing Independent Broadcasting

In Norway, as in Sweden and Denmark, the conflicts over power and control surged on the issue of how to finance independent local radio and television stations in the middle of the 1980s. Funding was definitely the most controversial political issue in the process of developing a permanent regulatory regime for local broadcasting, and for several years this conflict blocked the entire political process on privatisation of national broadcasting, too. Until 1987, no solution that would permanently solve the problem could attract a political majority. Neither public support nor advertising were sources of income that were acceptable to an adequate number of parties in parliament. Thus, the complicated parliamentary situation had direct consequences for the final legislation on local broadcasting, and for the regulation of broadcasting as a whole, in the sense that it came to consist of a number of broad compromises supported by shifting parliamentary majorities. As such, the Local Broadcasting Act² that was adopted by parliament in 1987 contained provisions designed to maintain local radio as non-commercial media sector while si-

multaneously introducing advertising as the main source of income for these stations. The arrangement soon turned out to be, as the critics foresaw, a contradiction in terms.

Advertising was, by those parties in favour of allowing it, seen as the only realistic source of income for local radio, following naturally from the point that radio, as for instance newspapers, is a business which should be free to exploit its market potentials. The opposition refused to recognise local radio as a business, arguing that this would be in contravention of the original objectives that stressed decentralisation and democratisation of the media structure. By allowing advertising, they argued, the sector would be opened to interests whose primary objectives would be to make profits, and the local affiliation, programmes and ownership would be threatened. Both sides grounded their arguments in the initial objectives by which independent local radio was motivated (see Skogerbø, 1996, chs. 7-9 for an extensive discussion).

The conflict over advertising was the main reason why permanent legislation on local broadcasting did not emerge until 1987. Not until the Labour Party, in government from 1986, changed its opinion on the issue in early 1987, was it possible for the Norwegian parliament to negotiate a solution to the problem of permanent regulation. The reason for the change of position within the Labour Party was not, however, that the party had reconsidered its beliefs concerning the effects of allowing advertising. Rather, the change was owing to a recognition of the fact that advertising was the only possible compromise that could be reached on the issue of finding a permanent source of income for these media. Still, however, the analysis of the effects of advertising led the Labour

government to propose a legislation that sought to retain the local affiliation and restrict the economic gains for each radio station as much as possible (Ot.prp nr 47 (1986-87)). Not unexpectedly, no parliamentary majority supported the proposal, and, as a result, new compromises were worked out in the parliamentary committee that prepared the legislation before the final decisions were reached (Innst. O. nr. 3 [1987-88]).

Thus, the legislation on local radio that emerged in 1987 was a result of negotiations and compromise formations between one minority that was essentially sceptical to the effects of advertising and another minority that regarded advertising as a natural part of independent broadcasting. In the end, a majority regarding advertising as unavoidable emerged, and it agreed on a legislation that was designed to minimise the negative consequences that were expected to result from the decision. Thus, the Local Broadcasting Act imposed a number of obligations on local radio stations that, theoretically, restricted both ownership and control and most of the programming to the local level: the coverage was mainly restricted to local communities, that is, one municipality; the majority of the owners should be located within the license area; the stations should have a programme menu consisting of at least 75% locally produced programmes; networking with other stations was restricted although not forbidden; in spite of the fact that advertising was allowed as a source of income, local radio stations should not be run as commercial enterprises, and finally, each station was obliged to pay a 16% tax of its advertising incomes to a 'local radio fund' that was to redistribute advertising incomes from the rich to the poor radio stations.

Many of these restrictions have later been softened or totally removed as they have proved ineffective or directly harmful to the local radio sector in general. This was the fate of the local radio fund, which was intended to improve the resources of poor stations that were unable to attract advertising revenues. To some extent, there was a transference of funds from the rich to the poor stations, as for instance Ananthkrishnan (1994) reports. On the other hand, a more striking consequence of this regulation was that it encouraged radio stations to bend or avoid the rules, and thereby created a 'business culture' that was anything but known for its high ethical standards (Nærkringkastingsnemnda, 1992a). However, the Local Broadcasting Act was a good illustration of the recalcitrance by which the parliamentary majority accepted advertising, and how much emphasis it placed on decentralisation, localism and non-commercialism in 1987. The effects of these decisions were however, as for instance Høyer and Tønder (1992) pointed to, to install regulations that failed both to provide incentives in order to maintain the cultural obligations *and* to acknowledge the business aspect of local radio, and which, as a result, gave results that neither the market sceptics nor the market liberals had intended or wanted.

The cultural obligations that were imposed on local radio in the form of local programme quotas were not, as was the case with public service broadcasting, 'paid for' by policy makers by granting local radio stations exclusive privileges in the market place, for instance by providing them with a local monopoly that would give them a secure economic basis. Thus, the legislation sought to maintain local radio in the hands of local and non-professional interests by strictly regulating ownership and content, but failed to grant the necessary

incentives and the privileges needed to obtain these objectives.

Traditionally, media policy has been anchored in the national states, but during the past decade the EU, the European Council and the World Trade Organisation have increased their efforts to harmonise regulations concerning transnational broadcasting and liberalise trade with audiovisual and multimedia products. The bulk of these regulations do not have much impact concerning radio, which is a medium that, with some exceptions, is restricted to the national level because of the language. However, when the Agreement on the European Economic AREA (EEA) between EU and EFTA took effect in 1994, Norway, in practise, entered the European Single Market.³ One of the consequences of this, was the removal of restrictions on foreign ownership of local radio and television stations. Such restrictions are not allowed by EU regulations. Restrictions on foreign ownership were one of the main instruments of Norwegian legislators in order to "keep local radio local". However, it had already been undermined by the extensive ownership and chain-formation of the Aller Group.

Liberal Licensing Practices – Over-Establishment and Economic Problems

Further, until 1994, the practices followed by the *Local Broadcasting and Cable Authority*⁴ (from 1994 *The Mass Media Authority*) when granting licenses, or concessions, to operate local radio stations were neither adapted to the cultural obligations nor to the commercial needs of the stations. On the contrary, these practices were conducive to over-establishment in the most attractive markets, namely the largest towns, as licenses were allocated according to criteria of diversity and representation of in-

terests within the radio structure, not according to the size of the market and whether it could sustain a high number of local radio stations. In the experimental periods from 1982-1988, the objectives to decentralise and democratise the media structure had been interpreted in terms of liberal licensing practices. In order to comply with the intentions in the local broadcasting legislation, the licensing authorities sought to obtain a diverse and accessible local radio structure, without considering the size of the advertising market. All economic considerations were left to the licensees, who often lacked the competence to judge their own economical and competitive strength in relation to other stations.

On the national level, close to 400 radio stations were licensed during the second experimental period that started in 1984. The practice was maintained when the first regular license period started in 1988, and the number of radio stations were even increased. In 1989, approximately 460 radio stations were licensed, many of which were located in the four largest towns. The number of licensees has been steadily decreasing, and there were 369 local radio stations by the end of 1995. The most marked decrease took place after the establishment of the two national radio channels that both competed directly with the local radio stations in 1993. The results were unavoidable: after only a short time, the number of bankruptcies and close-downs of local radio stations in the largest towns were dramatic. The reduction of licensees in these areas started almost immediately and must be seen as direct consequences of the liberal licensing practices (Skogerbø, 1996).

Outside of the large towns and cities, the development has been quite different since the competition between rural stations are either absent or minor. Although

the overall economy of the rural stations⁵ according to the latest reports is not good, they have considerably less problems than the urban radio stations (Høyer et al, 1995; Statens medieforvaltning, 1994). In rural areas, the local radio stations are normally sole operators in their local advertising markets, and they rarely depend totally on advertising but combine several sources of income (Nærkringkastingsnemnda, 1992a/b; 1993; Statens medieforvaltning, 1994). The rural stations are organised in a number of different manners. It is quite common for local interest organisations to cooperate on owning and operating a local radio station, although the station is often quite independent of its owner. The rural radio stations may be financed by advertising, donations, games such as bingo, voluntary licence fees, or most often by a combination of these sources. Local stations are also operated by individuals who are almost total amateurs. In these cases they live partly off advertising, partly off a variety of other sources. Thus, as I previously have argued (Skogerbø, 1992; 1995), many of the rural stations are relatively close to the locally oriented and anchored stations that were perceived by some, if not all, of the supporters of independent broadcasting in the beginning of the 1980s.

Segmentation and Differentiation

By the early 1990s, it was possible to argue that the local radio in Norway had developed into three (or even more) distinct segments that had different economies, different programme profiles, and served different audience interests (Skogerbø, 1996). The first segment consisted and still consists of the urban commercial radio stations that are operated as business enterprises. The most successful of these have been very profitable and attracted major

shares of the advertisers and listeners. They adapted to the taste of a large and heterogeneous audience by producing mostly news, light entertainment and music, as described by a journalist in one of the most successful commercial stations:

*... the Radio 1-style is funny, curious and humorous and, at the same time, our stories are up-dated. Few items last more than 2-3 minutes. No listeners should be alienated by an issue that do not interest them.*⁶

The least successful in this segment did not survive the intense competition between commercial stations operating on the same markets, and this contributed to the substantial turnover in this category of licensees. In 1993, the competition further increased, both in the listeners' and in the advertising markets, as two new nationwide radio channels were started. The Norwegian broadcasting corporation, NRK, launched a youth-oriented third channel, *PETRE*, in order to recapture the young listeners' segment that had been lost to local radio stations during the 1980s and early 1990s. *PETRE* is a non-commercial channel in the sense that it is part of the licence-fee financed NRK, and thus it competes with local radio stations only in the listeners' market. However, its programme formats and target groups were quite similar to those of the commercial local radio stations.

The same year, the privately owned *Radio Hele Norge* opened its commercial radio channel *P4*, which had the same profile. *P4* soon attracted major shares both of the listeners and of the advertising market, as it could offer a nation-wide audience (*Aftenposten* 30-9-1993). By 1995, the weekly share of the total listeners' market obtained by local radio stations had decreased from 30% in 1992, which was the top year, to a mere 11%. Much of this decrease was

endured by the local commercial stations. In the same period, *P4* had since the start in 1993, increased its share from 6% to 29% (the figures are provided by NRK *Research* and the statistical database *Medie-Norge*).

The Norwegian advertising market has also increased substantially since advertising in local radio was allowed in the 1988. In 1991, the entire advertising market was NOK 4,437 million, whereas it had grown to NOK 6,690 million in 1994. A small but increasing share goes to radio: in 1991, advertising in radio was worth NOK 31 million, 0.7% of the total market; in 1994 the amount was NOK 214 million which equals a market share of 3.2% (*MedieNorge 1995*: 220). These figures explain why international media corporations regarded Norwegian local radio stations as attractive objects of investment: by controlling the most popular local radio stations, considerable shares of the advertising markets could be controlled, too (Høyer & Tønder, 1992: 46). Thus, the launching of both *PETRE* and *P4* in 1993 had immediate effects on the largest commercial local radio stations as the new channels influenced both the attraction of listeners and advertisers. This segment was the most commercialised but also the most vulnerable to changes in competitive conditions. Consequently, many of the local radio stations in this category have had considerable economic problems, caused by over-establishment of commercial stations in local markets, and after 1993, by the competition from *P4*. Even the largest local radio stations that make up the chain called the *Radio 1 Norge*-stations, and which are controlled by the *Aller Group*, were unprofitable in 1995.⁷

The second segment was the rural stations that served geographical communities described above. As media, many of them seemed to share characteristics with

local newspapers, as the following description indicated:

... the ambitions [are] high; to keep the inhabitants in Ås informed and tie them together. There are children's programmes, youth programmes and news for retired pensioners; local news and direct transmissions of everything from church services to dancing parties. Pure disc jockeying is not local radio, the founders [of the radio] say.⁸

There are many descriptions of radio stations working according to these principles in local communities. Although their quality, importance, impact and meaning for the community vary considerably, they are probably important as fora for entertainment, cultural expressions, local news, discussions and debates in local communities. This is one of the types of community radio stations that attracted support from both liberal reformers and the more recalcitrant Social-Democrats and Left Socialists when they adopted the objectives of the local radio reforms.

The third, and often neglected segment because of the minor attraction of listeners, is the ideological stations; radio stations that serve a community of interest, with or without a missionary ambition. The most numerous, and over time the most stable, category among these, is the religious radio stations. They represent all kinds of religious congregations and societies, from prosperous and very outspoken evangelical movements to the more quiet and introvert religious groups who describe their radio station as follows:

God owns everything – also this equipment. We use the material to spread His wisdom. It would have been selfish to use this kind of equipment only on yourself. The objective of the radio is to share wisdom with others.⁹

The ideological radio stations seem to have a potential for survival beyond the mecha-

nisms of capitalism. In spite of the fact that the "market" for these stations is assumed to be non-existing or minor, they survive by donations and other means that are not generated by advertising. Hågensen and Tollersrud (1983) noted in the first book on Norwegian local radio that the religious stations were the first to start, as the religious organisations were well prepared for 'media age' through their own educating system and previous transmission to Norway from abroad (see also Syvertsen, 1987; Hågensen, 1991). These stations are often neglected as their attraction of the audience is so small that they are only rarely included in surveys and other statistics, but the religious radio (and television) stations probably represent some of the most typical 'particularistic' or group media in Norway. This category was the one that justified the support from the Christian People's Party for breaking the broadcasting monopoly in 1981.

Yet, the situation for the 'idealist' or 'ideological' radio stations should not be romanticised. Although the religious stations seem to have a striking potential for survival, Ananthakrishnan (1994) describes a much more difficult situation for ethnic minority stations in Norway in the early 1990s. Drawing on case studies of *Radio Immigranten*, an immigrants' radio station run by the Anti-Racist Centre, and *Radio Ofelas*, a Sami station, both located in the Norwegian capital, Oslo, Ananthakrishnan illustrates that the problems of these stations had impact on the continuity and quality of journalism through quoting one of the editors:

There is a clear need for radio [stations] such as ours, but how long can we continue running on volunteerism and enthusiasm without the necessary financial support and training facilities? ... The whole idea of community radio as something controlled by the community may remain an unfulfilled dream if

timely intervention is not made by the authorities (interview with Jan Gunnar Furuly, chief editor of Radio Ofelas, not dated, quoted in Ananthakrishnan, 1994: 124).

The situation for these small idealistic stations was, as Ananthakrishnan also points out, more difficult in the cities than in smaller communities where the competition both for funding and listeners was less sharp. In spite of these problems, however, cultural and ethnic minorities have been and still are consistently present in independent local radio, and they have been a source of recruitment to the 'mainstream' media.

Backwards into Future or Protection of the 'Original Promises'?

In the middle of the 1990s, independent local radio had turned into a medium of substantial diversity. Considering the fact that the number of stations in operation by the end of 1995 was close to 369, spread all over the country, independent local radio was an integrated and well-established part of the Norwegian media system. Regarded as media for local communities, many municipalities and regions have independent radio stations that are parts of the local public sphere, and they are integrated in the national communication system so that they can be used in situations of emergency, crises, or catastrophes. Regarded as media for communities of interests, a large number of stations serve specific audiences, of which the religious congregations are the most numerous and stable category.

Yet, 'stability' and 'success' are not parts of the vocabulary normally applied to describe the development of local radio in Norway. Reports over the past two-three

years have focused on quite different trends: the entrance of large national and multinational corporations as owners with the subsequent establishment of 'local radio chains' dominated by one owner has transformed local radio into a business where the main objective is to compete for shares of the total advertising markets (Nærkringkastingsnemnda, 1992a; Høyer & Tønder, 1992; Høyer et al., 1995). Concentration of ownership, measured in the size of the markets, is substantial and not likely to decrease. Concentration and cross-ownership, chain-building, and the unhappy economic situation of the large commercial radio stations (Høyer et al., 1995; Jauert, 1995), led the Ministry of Cultural Affairs to the following summary of the situation in the White Paper on local broadcasting that the Norwegian Labour Government presented to parliament in April 1995:

It can be stated that the local broadcasting sector has not developed according to the original intentions. This holds for both the programme profile, ownership and local affiliation. Among other trends, a number of local radio stations have acquired typically commercial characteristics concerning programme profile and business concept. Among these radio stations there are also tendencies towards chain-formation in the sense that owners own shares in several stations around the country (St.meld. nr. 24 (1994-95): 11).¹⁰

Based on these observations and the recommendations from the reports on the state of the art in local broadcasting (Høyer et al., 1995; Jauert, 1995), the Ministry recommended a radical revision of the regulations for both local radio and local television. Summarising the recommendations for new regulations of local radio, they were directed at improving the conditions for the commercial, or the so-called

'general interest'¹¹ radio stations. The proposals included, first, introduction of a regulatory distinction between 'general interest' stations and 'organisations' radio stations', or, in effect, between commercial and non-commercial radio; second, extension of the geographical license areas, or in other words, extension of the advertising markets for the commercial stations; third, reservation of the most attractive broadcast hours for commercial radio only, leaving the non-commercial stations to 'off-prime time' hours; and fourth, liberalisation of the programming requirements in order to allow for co-broadcasts and exchange of programmes between local radio stations and between local stations and the national channels run by NRK and P4.

Except for the latter, the proposals can be described as adapting policies and regulations to the situation of the commercial segment that has had the most acute economic problems. On the other hand, this segment also represents the type of radio that the majority in the Norwegian parliament *least* wanted in 1987. In the parliamentary debate of the above-mentioned White Paper, this position was reflected: the categorical distinction between commercial and non-commercial, including the drawing up of licensing areas and reservation of 'prime time' broadcast hours for the commercial category, was rejected. The parliamentary majority argued that the situation for rural radio stations might deteriorate if the license areas and broadcast hours were implemented as proposed by the Government. As a result, no fixed size of the license area and no reservation of broadcast hours were included in the new regulation. The parliamentary majority argued for flexibility in order to accommodate for the large variety of radio stations (Innst. S. nr 190: 20-23).

The last political decisions and the preceding debate seemingly brought the Norwegian regulatory system out of line with the other Nordic countries, and to a certain extent the present situation contradicts the expectations voiced by the Per Jauert and Ole Prehn when they wrote about the Norwegian situation that:

The question is whether the establishment of P4 and the restructuring of NRK's channels have been catalysts for a process that forces the local radio trade into a two-level structure, that is, in accord with the structure in Sweden and the one that seems to be evolving in Denmark (Jauert and Prehn, 1995: 217, my translation).

In Sweden, the independent local radio sector was totally restructured in 1993, when private broadcasting was liberalised and a clear regulatory distinction was established between commercial and non-commercial local radio (Hedmann, 1995). The results of the political decision-making process in Norway in 1995 postponed a similar development in Norway indefinitely. There are probably several reasons for this, and two of them can be found within the political system. The parliamentary situations in Sweden and Norway were very different at the points of time when these decisions were reached.

The liberalisation in Sweden was proposed by a Non-Socialist coalition government, led by the Conservative Party which advocated close to libertarian economic policies, and which was backed by a majority in parliament. The revision of the Norwegian local broadcasting legislation was proposed by a Social Democratic minority government which probably did not even have the full support of its own parliamentary group. In addition, whereas the Non-Socialist Swedish government promoted their own liberal policies, the Labour Gov-

ernment in Norway clearly left their former line of thinking by proposing a policy that were much more in favour of the commercial interests than had been the case earlier.

Further, the rejection of the proposals by the majority of the Norwegian parliament draws new attention to the issues of control and content. By working out yet another compromise in which the interests of the ideological and the rural stations were given priority over the commercial segment, the Norwegian parliamentary majority signalled that it is not yet ready to accept the description of local radio as primarily a business sector. The result was thus negative for business interests, but the decision of the parliament was in line with the 'original intentions' of the Local Broadcasting Act from 1987. It signals that local radio in Norway almost 15 years after its start still is perceived by the parliamentary majority as a medium that should be open to, if not totally in the hands of, amateurs and community interests.

By the recent decision, business interests have been 'legalised', but they enter the sector at their own risk. The outcome of the parliamentary debate in Norway is interesting both because it confirms the 'original intentions' of the local radio reform by pointing to the need to maintain access, decentralisation and diversity, but at the same time, it does very little to come to terms with concentration, cross-ownership and commercialisation (see also Østbye, 1996). The question thus remains whether the new compromise is a way of walking backwards into the future, or an important signal that non-commercial and amateur radio will attract more attention from the policy makers in the near future.

Conclusion

I have argued above that the political history of Norwegian local radio can be described as a series of compromises worked out as answers to deep conflicts over the issues of what interests should acquire control over the local radio sector in Norway. I have further maintained that the justifications and motivations used by the Conservative Party after having broken the broadcasting monopoly consisted of a number of essentially contested concepts that have later been adopted by all parties, and used as justifications for very different regulations. The most recent outcome of this conflict, was the Norwegian parliament's rejections of dividing local radio into one commercial and a non-commercial segment.

The political history of Norwegian local broadcasting is not a story about political impotence, it is a story of minority governments being defeated by parliamentary majorities. It may, on the other hand, be read as a story of lacking political competence. The process described above illustrates the incapacity and the general lack of knowledge shown by Norwegian politicians when it comes to regulating competitive markets. The removal of public control and the privatisation of access to and ownership to broadcasting have not yet resulted in a debate on restrictions of ownership, cross-ownership, public funding of non-commercial local broadcasting, or other measures that would be instrumental for securing that access to the media for other groups than strong corporate owners. The remarkable point is, however, that the diversity still is present by the number of minority and interests groups represented in the local radio structure, in spite of much evidence of the opposite.

Notes

1. The article was first presented as a paper at the Nordic Seminar on Radio Research at the University of Tampere, Finland 26-29 October 1995. I thank the participants at the seminar for questions and comments. It draws extensively on my analyses in Skogerbo (1996). The author is currently working on the ARENA (Advanced Research on the Europeanisation of the Nation-State) programme financed by the Norwegian Research Council.
2. In Norwegian: 'Lov om nærkringkasting'
3. Norway is not member of the European Union, but of EFTA. The EEA Agreement gives EFTA countries access to the European Single Market. In return, EFTA countries implement, if they pass the political process in each country, all regulations concerning the Single Market in their national legislation.
4. In Norwegian: 'Nærkringkastingsnemnda'
5. In Norwegian: 'bygderadio'
6. In Norwegian: "Radio 1-måten [er] morsom, kurios og humorfylt samtidig som sakene er aktuelle. Få innslag er lengre enn 2-3 minutter. Ingen lyttere skal skremmes bort av en lang sak de ikke er interessert i". Interview with Pål Jørgensen, Radio 1 Oslo, *Aftenposten* 25-9-1992.
7. Hans Hjellemo: 'Aller størst i nærradio', *Dagens Næringsliv* 16-2-1996.
8. In Norwegian: 'ambisjonene er store; å holde innbyggerne i Ås informert og spleise dem sammen. Her er barneprogrammer, ungdomssendinger og pensjonistnytt. Lokale nyheter, og direkte overføringer av alt fra gudstjenester til dansefester. Ren plateprating er ikke nærradio, mener initiativtakerne'. Interview with Jan Vidar Magnussen and Gro Svendstad, non-professional workers, Ås Radio'n, *Aftenposten* 25-9-1992.
9. In Norwegian: 'Gud eier alt – altså også dette utstyret. Vi bruker det materielle til å spre hans visdom. Det hadde vært egoistisk å bruke slikt utstyr bare til seg selv. Målet med radioen er å dele visdom med andre'. Interview with programme host and Krishna-monk Rune Peder Lindstrom, Radio Krishna, *Aftenposten* 25-9-92.

10. In Norwegian: 'Det kan slås fast at nærkringkastingssektoren ikke har utviklet seg i overensstemmelse med de forutsetninger som opprinnelig lå til grunn for virksomheten. Dette gjelder både programprofil, eierforholdene og den lokale tilknytning. Blant annet er det vokst frem en rekke nærradioer med et utpreget kommersielt preg både når det gjelder programprofil og forretningskonsept. Blant disse radioene er det også tillopp til kjededannelser ved at samme eiere har eierandeler i flere radioer rundt om i landet.'
11. In Norwegian: 'allmennradio'.

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