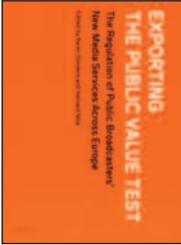


## Reviews



**Exporting the Public Value Test: The Regulation of Public Broadcasters' New Media Services Across Europe.** Edited by Karen Donders & Hallvard Moe. Göteborg, Sweden: Nordicom, 2011. 188 pp. ISBN: 9789186523268.

As in Canada, public service broadcasting (PSB) organizations across Europe are currently in the process of transforming themselves into multi-platform media hybrids. This has an effect on a variety of commercial media businesses and stakeholders who have filed court cases and complaints with the European Commission's Directorate General (DG) for Competition, as well as in domestic courts, challenging traditional modes of governance and regulation. As a consequence of the changed market environment and in response to demands for a clearly defined PSB remit, in 2009 the European Commission adopted a revised Broadcasting Communication that urged European Union (EU) member states to implement public value tests for domestic public service providers' (internet and new media) offers. Public value tests are detailed sets of regulations to assess the value of these services for users, as well as society overall, and the impact that respective endeavours may have on the market. The tests are also referred to as *ex ante* assessments because they are intended to forecast or predict expected outcomes, resulting in either approval of the services, possibly subject to some conditions and changes, or in a rejection of the proposals.

*Exporting the Public Value Test* is about the implementation and the ongoing debate of public value tests in various European countries, their prospects, and their pitfalls. Beyond that, the editors' declared goal is to offer different perspectives about the reconceptualization of future public service media. Reflecting policy-making shifts towards multi-stakeholder environments, this ought to be achieved by capturing contributions from a wide range of people, including academics, policy advisors, regulators, representatives of public, and commercial media organizations. The book is structured into two parts. After the preface and an introductory chapter by Hallvard Moe and Karen Donders, four contributions offer some entry points for the country case studies that follow in part two.

To start, Tim Raats and Caroline Pauwels provide an account of the state of comparative analysis in PSB research that is institutionalized within the RIPE network as well as the ECREA and IAMCR working groups, such as the Mapping Global Media Policy project. Karen Donders then outlines the history of the public value test that emerged in connection with the European Commission's state aid cases, pointing out an interesting contradiction, namely that the European Commission's demands for a more evidence-based framework for PSB, most apparently manifested in quantitative

market impact assessments, which itself was not based on empirical evidence that the introduction of ex ante tests but was indeed the best way to achieve this policy goal. Subsequently, Ross Biggam re-examines the path towards the revised Broadcasting Communication, adopted in October 2009. In the last chapter in part one, Richard Collins links Mark Moore's concept of public value management to the introduction of the public value test in the UK, which in Collins' view "has delivered real benefits" (p. 49) in increasing openness and transparency while, at the same time, exemplifying a "missed opportunity" (p. 55)—words that may sound familiar to scholars of Canadian broadcasting policy—for re-enabling and revivifying the BBC.

In part two, the book dedicates three chapters to Germany, while covering—as you would expect from a Nordicom publication—Denmark, Norway, and Sweden, the Netherlands, Flanders and, grouped together in one chapter, France, Spain, and Italy. Ireland and Austria are briefly mentioned. With regard to Germany, Renate Dörr, an advisor for the ZDF, regards the three-step test, Germany's variant of the public value test, as a success story, arguing that it constitutes "a dynamic tool of governance based on clear principles: transparency, openness and control" (p. 69). An entirely different view is taken by the academic Irimi Katsirea, who describes the conduct of tests as "costly, self-glorifying procedures" (p. 63). This becomes most obvious when considering that the test for the joint ARD and ZDF multimedia offer *Kikaninchen*, aimed at children and equipped with an annual budget of about €320,000, cost some €300,000. In Germany, where, together with the UK, ex ante assessment is most advanced and professionalized, between June 1, 2009 and August 31, 2010, 41 three-step tests were conducted, with the consultancy Goldmedia involved in carrying out 11 market impact assessments. Of these, one assessment alone cost nearly €500,000 (p. 76). This is in striking contrast to the respective British developments—not a single German proposal was rejected. Considering the massive costs of market impact assessments, which, according to Stoyan Radoslavov and Barbara Thomass, have "no prominent significance" (p. 87), Katsirea has a point here.

The chapters that follow (two on Norway, the Netherlands and Flanders, one on Denmark, one on Sweden and one on Southern Europe) are all decent contributions and offer detailed outlines of domestic public service assessment procedures and recent histories of ex ante implementation in the different national contexts. As with Germany, some authors see ex ante entrustment as mostly positive, while in other contributions, critical perspectives prevail. The key arguments brought forward are that, on the one hand, public value tests protect commercial media from undue competition in the marketplace; they lead to transparency, openness, effectiveness and discipline; and, the services that have passed the threshold enjoy a high degree of legitimacy and legal certainty. On the other hand, the tests are cumbersome, restrictive, costly, laborious, time-consuming, and an administrative burden, hindering the PSB organization's innovation, creativity, and dynamic development. Erik Nordahl Svendsen mentions a particularly interesting point. Drawing on Denmark's experience, Svendsen observes that PSB development is subject to increasingly strict competition policy regulation, with the European Commission enforcing national implementation of ex ante assessments, whereas the 50 percent program quota for European works, decreed in the Audiovisual

Media Services Directive, is treated as soft law, benefiting commercial cross-border broadcasting services.

Overall, the selection of country case studies appears to be well chosen, though the UK case, where the public value test originates, is treated surprisingly briefly. According to Benedetta Brevini, there was some kind of bottom-up policy transfer from London to Brussels and, afterwards, top-down from Brussels to the EU member states, which inspired the title of the book.

What becomes clear from this topical volume is that the debate about future public service media is highly ideological and there are demarcation lines between views emanating from either a social responsibility perspective or a market failure argument. Furthermore, the actual processes of ex ante assessment are channeled by national socio-cultural, political, and economic conditions that affect domestic patterns of governance and regulation. Ex ante tests have been implemented in those Northwest European countries where licence-fee funded public broadcasters' new media and Internet services are most advanced and professionalized, hence publishers and other commercial media businesses were most affected and, therefore, more inclined to complain. With regard to the countries lagging behind in implementing ex ante scrutiny, but also in those member states where ex ante procedures are criticized for being structurally and methodologically flawed, it is to be expected that more cases will be filed with the DG Competition. In the near future, public value tests will thus remain one of the central media policy issues in Europe. The procedures and state of domestic ex ante implementation, combined with the views of stakeholders involved in shaping further developments, are well covered in this volume.

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