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**The South African Broadcasting Corporation – the creation
and loss of a citizenship vision and the possibilities for
building a new one**

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The South African Broadcasting Corporation – the creation and loss of a citizenship vision and the possibilities for building a new one

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Introduction

The SABC is the largest news operation in the country – nearly twenty million of the twenty-nine million radio listeners in South Africa tune into one of the SABC's eighteen radio stations, and the SABC's three free-to-air television channels attract more than seventeen million adult viewers each day (Open Society Institute, 2010: 125). But beyond its size and reach the SABC is important because it is the nation's public broadcaster – and as a public broadcaster it offers citizens the possibility of distinctive, reflective, quality programming, independent of major vested interests, be they government or commercial. It offers the possibility of programming specifically targeted at the deepening of citizenship and the strengthening of democracy.

For a brief moment after 1994 there was a burst of creativity at the SABC and a palpable excitement about public broadcasting and its development, information and entertainment possibilities (Du Preez, 2003; Open Society Institute, 2010). Veteran journalist Max du Preez (2003: 253) argues that, 'In 1994, it [the SABC] had the potential to be the prime agent for positive change in the new democracy'. Sadly, however, the SABC was soon dogged by crisis. Since late 2007, the corporation has experienced almost perpetual governance and financial challenges. These have included problems with successive boards and CEOs and ongoing problems with the SABC's oversight structures, including the ministry and department of communications, parliament and South Africa's independent regulator, the Independent Communications Authority of South Africa (Icasa).

This chapter seeks to track the reasons behind the myriad problems facing the SABC, particularly since late 2007, and seeks to put forward a number of (tentative) solutions to these challenges. The proposals outlined have been debated by independent producers, unions, NGOs, students and academics. Collectively, solutions have been debated by the civil society coalition originally known as the 'Save our SABC' campaign and then later the 'SOS: Support Public Broadcasting Coalition'. The chapter will critically examine the coalition's and broader civil society's proposals, from an insider's perspective.¹

Brief history of the SABC's present crises

To untangle the myriad problems of the SABC's recent history it is important to look back to late 2007 and the appointment of the SABC board headed by Khanyi Mkhonza. The board's appointment was mired in controversy, as ANC MPs drafted an initial shortlist which was then tampered with: ANC head office, 'Luthuli House', removed a number of the names (including that of trade unionist Randall Howard) and substituted new ones (including controversial lawyer Christine Qunta and businesswoman Gloria Serobe). This was allegedly under duress from then president, Thabo Mbeki.² Civil society organisations including the Congress of South African Trade Unions (Cosatu), Treatment Action Campaign (TAC) and the Freedom of Expression Institute (FXI) complained strongly about the political manipulation. They also claimed that the final composition of the board was elite and business dominated

- Article to be published in The New South African Review -

as there were no labour or other civil society representatives, and there were no working journalists. The board thus started its tenure with its legitimacy seriously in question.

From the start, political battles in the ruling party began to play themselves out in the SABC. The board was seen to be aligned to the then president Thabo Mbeki, who made the appointments immediately after his presidential defeat at the ANC's Polokwane conference in December 2007. Management, although initially supportive of Mbeki, realigned themselves to the president-in-waiting, Jacob Zuma. An antagonistic relationship then developed immediately between the board and management. Early in 2008, a board memorandum outlining problems with CEO Dali Mpofu was leaked to the media, and by March parliament declared a vote of no confidence in the board, accusing members of leaking the memo. Although the declaration of 'no confidence' had no direct legal effect, the board was further weakened politically. It was clear ANC MPs had distanced themselves from the board, feeling that it had been imposed on them. Throughout 2008, the board continued its battles with SABC management and the CEO in particular, suspending Mpofu and re-suspending him after he was legally reinstated.

While management-board battles continued, MPs took the unusual step of introducing new legislation – the Draft Broadcasting Amendment Bill, 2008.³ Its primary purpose was to allow parliament to remove the board as a whole, as the Broadcasting Act, 1999 only allowed for the removal of individual board members. It was at this point that the 'Save our SABC' (SOS) campaign was formed to give civil society a voice in terms of the governance crises at the SABC and in terms of the proposed amendments to the legislation (see later). The SOS coalition looked back to the early 1990s, a time when civil society played a key role in shaping a new vision for public broadcasting. It argued that the Amendment Bill was not ideal to handle legislation in this piecemeal fashion but, given the crisis around the Board's legitimacy, MPs did need a mechanism to investigate the board and to remove it if necessary, under particular circumstances. In the medium-term, SOS called for a comprehensive green paper/white paper policy review process.

In March 2009, the Amendment Bill was passed. Although SOS had called for the bill to deal with removal and appointment processes, it dealt solely with the removal of the board.

While board-management battles continued and the legislative process unfolded, the financial situation at the SABC deteriorated rapidly. In November 2008, the SABC tabled its annual report in parliament declaring a profit of R111.3m (SOS, 2009:1). At that point no indication was given that the SABC was heading for financial crisis – in fact modest profits were predicted (SOS, 2009:1). However, at the end of January 2009 the *Sunday Independent* reported that the SABC was R500m in deficit and at the end of February the *Mail & Guardian* declared that the deficit was in fact R700m (SOS, 2009: 1). Finally, at the end of March 2009 the SABC broke its silence, announcing that it had 'liquidity problems'. The SABC later declared pre-tax losses of R784m (SOS, 2009: 2).

The losses threatened unions' three year salary agreement with the SABC. Further, the corporation defaulted on its payments to independent producers, throwing the entire independent production industry into crisis and putting the long-term production of local content in jeopardy. Calls for the board to resign – or be removed - grew increasingly strident, and members of the board *did* start to resign. In June 2009, in line with amendments to the Broadcasting Act, parliament, in a tough, contested process, then removed the board and appointed an interim board. The interim board brought some relief. It managed to avert a major strike, started work on a repayment schedule for independent producers,

finalised a payout for CEO Dali Mpofu, and organised a R1.47bn government guarantee – probably its greatest success. In its final days, it employed a new CEO, Solly Mokoetle.

In the meantime, parliament proceeded with public nominations for a new board. The SOS coalition and others played an important role in putting forward nominations; an unprecedented 200 nominations were received. In December 2009, the president announced the new board with the former minister of arts and culture, Dr Ben Ngubane, as chair.

In the latter half of 2009, while the interim board was moving to get the SABC's house in order, the minister of communications, Sipiwe Nyanda, introduced new policy, a Public Service Broadcasting Discussion Document (July 2009), followed soon after by the Draft Public Service Broadcasting Bill (October 2009). The department argued that government needed urgently to introduce new policy and legislation to deal with the SABC's funding crisis, and a new funding model was the answer. However, SOS and others argued that although there were problems with the SABC's funding model, the immediate problem was a management crisis. In simple terms, Mpofu's tenure had been one of rising costs and reduced revenue. This immediate crisis could be addressed within the present legislation. A new funding model, critics argued, needed more comprehensive debate and research. This was particularly so given the fact that the SABC was moving into a new digital, multichannel broadcasting context.

The new draft bill introduced an entirely new funding regime – it scrapped the licence fee and proposed a new broadcasting tax of up to one per cent of personal income; it proposed a central public broadcasting fund for, amongst a number of issues, signal distribution, SABC and community media programming, and public programming produced by commercial broadcasters. The independence of the fund was left undefined. The bill then proposed the alignment of the entire broadcasting system to the goals of the 'developmental state' (the latter was also left undefined) and, finally, it introduced significant new powers for the minister to intervene in governance crises.

Although there was much unhappiness about the draft bill, in particular the proposed new broadcasting tax, 2010 opened on a cautiously optimistic note. A new publically appointed board was now in place. However, by May 2010 the SABC had been plunged once again into crisis. This time it was around the appointment of the head of news, as the chair of the board, Dr Ngubane, made the appointment unilaterally, in violation of good corporate governance principles and the principles of the Broadcasting Act. Allegations were made that President Zuma favoured a particular candidate, Phil Molefe, and allegedly Ngubane felt compelled to deliver on this.⁴ Initially board members stood up to the chair, publically declaring the move illegal, but when the oversight structures including Parliament, Icasa and the department of communications refused to support them, they started to crumble – four members resigned and those who remained then eventually ratified the appointment.

Simultaneously, problems arose between the board and new CEO, Solly Mokoetle. The CEO supported Dr Ngubane's unilateral appointment of Phil Molefe as head of news, but now further problems arose from the fact that Mokoetle had allegedly not delivered on the SABC's critical turnaround strategy. The board initially suspended Mokoetle and then eventually reached a settlement and paid him out. The board thus started 2011 four members down, and with an acting CEO. In November 2010, in a cabinet reshuffle, the minister of communications, General Sipiwe Nyanda, was replaced by new minister, Roy Padayachie. A few weeks into Padayachie's tenure the department of communications called for public hearings on the Draft Public Service Broadcasting Bill; in submission after submission industry and civil society criticised it, SOS again calling for its withdrawal and for a comprehensive policy review process including a review of the broadcasting white paper of 1998. This time the ministry and department of

communications listened. Two weeks after the hearings the minister withdrew the bill, opening up the possibility of a comprehensive policy review process. Glimmers of cautious optimism were once again ignited.

A 'blueprint' for public service broadcasting

It is important to take a few steps back from the crises and look at what international best practice says about public service broadcasting, to have a yardstick against which we can measure the SABC.

As Tleane and Duncan (2003: 73) argue, internationally there is general agreement that a public broadcaster must have certain core features and that these include universality of access to, and appeal of, its services. Simultaneously, there must be programming for special interest groups, as this is generally marginalised by the commercial sector. Further, programming should acknowledge public debate and dissent. A public broadcaster should also play a nation-building and educational role, 'serving the public interest rather than the private self-interest'. In order to achieve these, a public broadcaster has to be independent from both commercial interests and the state and it must be accountable to the public through its board, who should 'represent the broad spectrum of public opinion through a public nomination and selection process'. Board members should be accountable to the public through their public representatives in parliament.

These are some of the broad principles. Critical political economist James Curran takes these principles further and puts forward an 'ideal type' media development and diversity model. In constructing the model Curran (2000: 140) argues that it is important to 'break free from the assumption that the media are a single institution with a common democratic purpose'; he contends instead that the media should be viewed as having different democratic functions within the system as a whole. 'This calls for different kinds of structure and styles of journalism' (Curran, 2000: 140). Curran's model embraces a core public service sector which is then fed by 'peripheral media sectors that specifically facilitate the expression of dissenting and minority views'. He believes that there are several reasons for the public service media's centrality, including the facts that, traditionally, public service television has been governed by fairness and access rules, and that it has promoted public information as a central objective and has prioritised the serving of all citizens. Further, it has specifically prevented the creation of a group of second class citizens excluded by price. Curran argues that to protect this sector from government control the following is required: 'independent funding through a license fee, a block on unmediated government appointments to broadcasting authorities, the dispersal of power within broadcasting organizations, and a climate of freedom supported by a written constitution' (Curran, 2000: 141).

In reflecting on this model it is interesting to note how closely certain ANC perspectives in the early 1990s – particularly the ANC's strong 'substantive democratic' perspective – captured just such a vision.

Media policy perspectives – the early 1990s and beyond

Two major media policy perspectives dominated the policy environment prior to South Africa's first democratic elections: a broad 'ANC Alliance perspective'⁵ and a 'National Party/ Jparastal'⁶ perspective (Louw, 1993; Horwitz, 2001). Louw states that by the early 1990s the National Party's position had

shifted profoundly, from a far-right nationalist stance which pushed for the media to play a ‘lap-dog propagandistic role’ to a ‘central right’ perspective. As the NP’s power diminished they realised that their interests were better served by a pluralistic media free from government interference. Louw (1993: 17) further argues that as ‘outsiders’ to the existing system, the ANC alliance demanded more fundamental changes. In general the ‘ANC camp’ proposed a social democratic (mixed economy) media system and this approach included an understanding that simply declaring the right to ‘freedom of speech’ was not enough – the right needed to be underpinned by material resources to ensure that market forces did not *de facto* restrict this freedom to the middle class and the affluent.

The ANC’s media charter, drawn up in November 1991, imagined a redistributive role for the state. Simultaneously it called for a deliberate strategy to engender a culture of open debate (Louw, 1993: 18). However, Louw notes that this open democratic stance, was paralleled by elements within the ANC camp that were attracted by the potential power the SABC offered and he argues that these elements desired ‘that the SABC should serve an ANC government much as the corporation served the old NP government’ (Louw, 1993: 12).

Horwitz also reflects on the early 1990s and points to the importance of civil society input in terms of the shaping of broadcast policy during this period. Two civil society campaigns were important: the Campaign for Open Media (COM) and the Campaign for Independent Broadcasting (CIB). COM played the initial role in assisting the ANC to craft its broadcasting policy (Horwitz, 2001). COM organised, hosted and co-hosted a series of workshops and conferences of which the Jabulani! Freedom of the Airwaves Conference, held in the Netherlands in 1991, was the most critical. The recommendations of this conference, *in particular*, set the terms of the debate on media transformation in the early 1990s (Horwitz, 2001: 131). According to Horwitz, the conference underscored the differing political perspectives within the ANC and the Mass Democratic Movement on broadcast policy. Three different perspectives can be distinguished: a ‘post-social democratic’ approach, a ‘conservative pluralist position’ and a ‘centralist, state broadcaster orientation’. The ‘post-social democratic’ approach, which had the strongest following, saw the importance of public broadcasting but was not naïve about its problems (Horwitz, 2001: 132). The approach thus championed the ideas of public broadcasting as the anchor to the broadcasting system but also saw the importance of including commercial and community broadcasting as key components – but with strong public obligations. Left wing proponents of this approach called for a commercial presence but ultimately campaigned for the production of as much non-state, non-commodified broadcast media as possible (Horwitz, 2001: 132). The ‘conservative pluralist’ proponents, by contrast, emphasised consumer sovereignty, the importance of de-regulation and a reduced role for the public broadcaster. They tied the political battle of freedom of the media to the workings of the market. The ‘centralist state broadcaster orientation’ was the third minority orientation that called for the SABC to be ‘taken over by the liberation forces’ Horwitz (2001: 132).

After the ANC came into government in 1994, these various perspectives became competing strands in government policy (Horwitz, 2001, Pillay, 2003). In his work on media development and diversity issues, Pillay refers to these perspectives as ‘substantive democratic’, ‘market’ and ‘statist’, arguing that initially the ‘substantive democratic’ policy perspective was the most powerful but that market orientated trends soon gained ascendancy. He argues that the strength in market approaches can be directly related to the adoption in 1996 of government’s Growth, Employment and Redistribution (Gear) strategy. As argued extensively elsewhere, Gear’s primary concern was to boost investor confidence by adopting the main tenets of neoliberalism. Government called for curtailing the state’s role in

development, prioritising the market, privatising state assets, tax relief for the middle and upper classes, and low corporate taxes. Gear assumed that economic growth would automatically lead to a redistribution of wealth (Adelzadeh, 1996; Lodge, 1999, 2002; Bond, 2000; Marais, 2001; Sparks, 2003). Pillay contends that although market influences on policy were certainly powerful this did not mean that ‘substantive democratic’ and ‘statist’ strands ceased to exist – they competed with market-oriented policies, their power waxing and waning depending on the political forces at play.

The creation of a ‘substantive democratic’ vision and its market reversal – the middle to late 1990s

As reflected above, the process of transforming the SABC from an apartheid state broadcaster into a public broadcaster began in the early 1990s. The transformation of the SABC was seen as essential for free and fair elections (Louw, 1993; Horwitz, 2001; Open Society Institute, 2010). All parties agreed to the transformation, but for different reasons. Simply put, the National Party did not want the ANC to control the SABC *after* the elections and the ANC did not want the National Party to control the SABC *during* the elections (Horwitz, 2001; Open Society Institute, 2010), but beyond these power battles there was a genuine commitment from the ANC to ensure the SABC’s independence (Horwitz, 2001) and a board that was, on balance, independent and publically nominated, was appointed (Horwitz, 2001; Open Society Institute, 2010).⁷

With the new board in place, new management was appointed. Alternative media editor and ANC veteran Zwelakhe Sisulu was appointed CEO. An active transformation unit was established and an intensive training programme for journalists, production staff and management was launched (Open Society Institute, 2010). In line with the core principles of public broadcasting internationally, the SABC committed itself to:

... deliver full spectrum services to all South Africans, in all parts of the country, and in each of the official languages. Programme content was aimed at protecting and nurturing South African culture and creativity, and reflecting the reality of South Africa to itself, and to the world (Teer-Tomaselli and Tomaselli, 2001: 126).

In line with this vision, the SABC set itself the following targets: extension of airtime for all official languages (other than English) on television; increases in local content programming; extension of the television footprint to reach all potential viewers; introduction of regional television slots in all provinces; equity and universal access to religious programming; provision of curriculum-based education on both radio and television; and upgrading of the African-language radio services (Teer-Tomaselli and Tomaselli, 2001).

It was also during this period that the Independent Broadcasting Authority (IBA) initiated the ‘Triple Enquiry’ report’. Launched in 1995, this was a **comprehensive and in-depth** study into the protection and viability of public broadcasting, universal access and South African content. After wide consultation with stakeholders, the IBA presented its proposals to parliament. The most important proposal was a call for the public broadcaster to sell eight of its commercial regional stations and to be limited to two television stations. The SABC’s third television channel was to be re-licensed as a new commercial station but with significant public service obligations. The SABC was to maintain its core public African language radio channels.

While Horwitz (2001) argued that these proposals were a progressive mix of market and public interventions, Tleane and Duncan (2003) were less positive, contending that it was at this critical moment that government started to renege on its important pre-1994 promise of securing long-term public funding for the SABC. The Triple Enquiry report called for the SABC to be funded through a mix of advertising and sponsorship, licence fees and government grants but no recommendations were made as to the ratios of the different revenue streams (Open Society Institute, 2010: 170). When the Triple Enquiry recommendations were released there was significant controversy. For Horwitz (2001: 166) the important issue was the size of the SABC. He argues that many supported a large SABC because of the need to deliver broadcast programming in all official languages but there were also ‘statist, authoritarian’ perspectives at play and certain groupings supported a large institution simply because they wanted to maintain the SABC’s powerbase. Eventually, the proponents of a ‘large SABC’ won. Parliament rebuffed the IBA’s proposals – the SABC was allowed to retain two of its original eight radio stations and all three of its television channels (Horwitz, 2001; Open Society Institute, 2010).

In September 1996, the sale of six SABC radio channels went ahead and the SABC’s sixty-year monopoly in the radio broadcasting field was broken. At this point diversity of content and ownership was enhanced – but also ironically reversed (black ownership of radio stations was enhanced and the commercial radio sector was boosted, but simultaneously the SABC was plunged into a financial crisis as it suffered loss of station income). The crisis was exacerbated by the fact that government – in line with Gear policies – retained the proceeds of the station sales. By 1997, the SABC had posted a deficit of R64m and was predicting losses of up to R650m (Open Society Institute, 2010: 172). With no long term commitment to public funding in place, and a necessity to balance its books, the SABC was forced into the arms of the ‘slash and burn’ international change management consultants McKinsey and Associates (Tleane and Duncan, 2003).

The SABC’s finances were certainly turned around, but at a serious cost. Public programming (including local content) was axed from prime time in favour of more commercially viable programmes such as international sitcoms and less costly South African programmes including game shows (Open Society Institute, 2001:172). The use of English was increased to maximise advertising revenue (Tleane and Duncan, 2003). Further, the SABC took the radical decision to outsource all production, except news and current affairs (Open Society Institute, 2010: 172).

At the same time as the implementation of the McKinsey recommendations, new legislation was introduced. Towards the end of 1997, government launched a green paper on broadcasting and in 1998 it launched a broadcasting white paper. The green paper asked for submissions on the ‘realistic proportion of revenue from advertising, transactions and public funds’ (Open Society Institute, 2001: 172). The white paper proposed a new funding model, dependent on the division of the SABC into public and public commercial arms, with the understanding that the public commercial arm would have fewer public service obligations, would make more money and would cross-subsidise the public arm (Open Society Institute, 2001: 173). Then, in 1999, the Broadcasting Act was promulgated. It called for the corporatisation of the SABC and confirmed the separation of the SABC into public and public commercial wings (Open Society Institute, 2001: 173).

Through its corporatisation, a commercial logic and a dependence on advertising were built into the very structure of the SABC. The public commercial arm was to generate advertising and although initially it was envisaged that the public arm would generate less advertising, this was not stipulated in the

legislation. All channels, therefore, became very heavily reliant on advertising. Ultimately, the model was designed to ensure that the SABC was structured to be as independent as possible from public funds.

Government's contribution to the SABC was continually cut during this period. Minister Jay Naidoo, minister of communications at the time, announced in 1998 that government funding for the SABC would be cut by forty-one per cent from R235m in the 1997/8 financial year to R141m in the 1998/9 budget (Open Society Institute, 2010: 172).

Importantly (and interestingly) this corporate logic also brought with it the seeds of a 'statist' logic. A hundred per cent of the shares of the SABC were to be held by the minister of Communications, and no mention was made that this was 'on behalf of the public' (Open Society Institute, 2010: 134). Also, the minister was given a number of specific powers including playing a key role by approving the SABC's corporate plans and appointing the SABC's executive management including the chief executive officer (also the editor-in-chief), chief financial officer and chief operations officer. The seeds of a state broadcaster logic was thus built into the SABC's new commercial legal structure (Tleane and Duncan, 2003; Open Society Institute, 2010).

Market dominance continues but not uncontested – the early 2000s

As Tleane and Duncan point out, one of the major problems faced by the SABC in the early 2000s was that television was failing to implement its public service mandate, especially with respect to language. In 1999, English accounted for 86.4 per cent on SABC 1, 71.6 per cent on SABC 2 and for 99.6 per cent on SABC 3 (Tleane and Duncan, 2003: 165-166).

The portfolio committee on communications and the department of communications started to express serious concerns about the situation. The department engaged the SABC in a series of meetings in the early 2000s. The department espoused, in line with early 1990s media thinking, a 'mixed funding' model including direct institutional public funding for the SABC; however, to facilitate this they called for the SABC to clarify its public service remit and to develop three-year budgets. In this process the SABC's internal spending priorities became a bone of contention (Tleane and Duncan, 2003; Open Society Institute, 2010). According to Tleane and Duncan, one of the ironies of the McKinsey process was that although significant savings were made initially, in the long-term the McKinsey restructuring led to a rise in bureaucracy in the SABC and a ballooning of management costs. The management to staff ratio in the SABC in 1994 was 1:5; by 2000 it had increased to 1:3, with a ratio of one manager to every two workers in divisions like radio, television and news (Tleane and Duncan, 2003: 168). It seems the SABC was not prepared to have these issues examined (Tleane and Duncan, 2003; Open Society Institute, 2010).

In an attempt to respond to the problem of language and to challenges surrounding the SABC's corporatisation, the department of communications developed the Broadcasting Amendment Bill, 2002. To tackle the problem of language, the department proposed the establishment of two regional television stations, one for the north and one for the south, initially outside the structures of the SABC. The northern station would cover North West, Limpopo, Gauteng and Free State, and broadcast programmes in Setswana, Sesotho, Sepedi, Xitsonga and Tshivenda. The southern regional service would then cover Northern Cape, Western Cape, Eastern Cape, Mpumalanga and KwaZulu-Natal and would broadcast programmes in isiXhosa, isiZulu, Setswana, siSwati, Afrikaans and isiNdebele. These services were to be

established as separate corporate entities, initially with the state as the sole shareholder (Tleane and Duncan, 2003: 171).

It is important to note that although the department's commitment to public funding was positive, its general approach had certain strong statist overtones. This can be seen by its proposals for the new stations. For instance, no public nomination process was proposed for their boards and no guarantees were stipulated for their independence. Further, the department put forward a set of proposals for the role of the minister. One of the key proposals, for instance, was for the minister to approve all SABC editorial and other policies. The minister was also tasked with playing a direct role in the setting up of the two boards for the public and public commercial divisions of the SABC (Tleane and Duncan, 2003).

At the portfolio committee, however, under strong civil society pressure from Cosatu and the FXI, a number of these proposals were withdrawn or reworked (Tleane and Duncan, 2003). For instance, it was agreed that the SABC Board needed to ensure public participation in the development of their editorial policies. Also, new proposals around the Minister and the setting up of the public and public commercial boards for the SABC were withdrawn. Further, it was agreed that the new regional services would be run by the SABC, and would therefore enjoy the same guarantees of independence and accountability as the SABC itself. Echoes of the substantive democratic vision were thus renewed.

However, the overwhelming issue was still funding. Tleane and Duncan maintain that it was not clear at the parliamentary how much funding government had allocated to the regional stations:

The fact that this information was not available at the time of the parliamentary debate caused some ire, as effectively new services were being legislated into being without a clear indication of the extent to which they needed to be funded. This meant that if sufficient funding was not forthcoming, the SABC would have to foot the shortfall, something the SABC was ill-placed to do (Tleane and Duncan, 2003: 178).

The costs of the stations were high. I estimated in 2005 that the new channels would cost R442m (R221m per channel) for the first year of the licence period. In the end government was not prepared to pay. Ultimately the proposals for the regional stations were stillborn and the department's noble attempts to deal with the language issue came to nothing.

With its reduced public mandate, the SABC's finances were turned around. In 1999-2000, government recorded a deficit of R28.1m, and by 2001 the SABC had posted a R5.3m surplus. In 2002 the SABC announced that it had stabilised its business, recording a R7m profit. In 2005 it recorded an after tax profit of R194m and in 2006 it recorded an after-tax profit of R382m (Open Society Institute, 2010: 177).

The empty promise of 'Total Citizenship Empowerment' – statism and confusion – 2005 to the present

Dali Mpofu's tenure as CEO at the SABC started in 2005 at the height of an advertising boom. Mpofu's predecessor, Peter Matlare, had generated significant profits. However, the political climate was shifting in the country. Significantly, the ANC as a party had started to call for greater public funding for the SABC; in 2002 the ANC had adopted a resolution at its national conference stipulating that government must 'move towards establishing a publically funded model of the public broadcaster' and 'increase its

funding of the public broadcaster' in order to reduce dependence on advertising (Open Society Institute, 2010: 174). Then, at the ANC's national conference in December 2007, another resolution demanding an increase in public funds was passed. More specific than that taken in 2002, it stipulated that government must increase funding for the SABC from two per cent to sixty per cent by 2010-2011 (Open Society Institute, 2010: 175). The SABC's funding mix is approximately eighty per cent advertising, eighteen per cent licence fees and two per cent government funding.

In 2007, in the SABC's annual report, Dali Mpfu singled out the predominance of commercial funding as 'the single most important issue facing the corporation' (Open Society Institute, 2010: 179). Civil society activists, who had long fought for increased public funding, were heartened by these statements. There was a clear endorsement of Mpfu's new SABC vision, a vision of 'total citizenship empowerment'. However, problems soon emerged. First, it was difficult to get more than a brief explanation of Mpfu's vision, which threw its substance into question. Second, costs started to rise, with no visible improvement to public programming.

In an analysis of annual reports over the period, researcher and SABC interim board member, Libby Lloyd, points to a serious lack of financial controls. In 2007 revenue increased by eight per cent but expenditure increased by nineteen per cent. Consulting fees, for instance, increased from R41m to R135m. In 2008, revenue went up by nine per cent but expenses increased by fourteen per cent. Consulting fees increased by another sixty-eight per cent, and employee costs increased by thirty-eight per cent. Lloyd points to the fact that approximately 600 additional people were employed at the SABC over a period of two years, and she also points to an increase in management posts; for instance, in 2005 there were fifteen members of the executive and by 2008 there were twenty-one. Further, the salaries of management were steadily increasing. In 2007 the CEO was paid R3.8m including allowances and performance bonuses. In 2008 the CEO received R4.5m, an increase of nearly 20 per cent. Bonuses were paid, despite the lack of a performance management system (Lloyd, 2009).

The lack of substance of the 'total citizenship empowerment' vision (other than a commitment not to follow fiscal discipline!) was then further demonstrated during the 'blacklisting saga': on 20 June 2006 *The Sowetan* newspaper announced 'SABC bans top Mbeki critics'. The article claimed that the then head of news, Snuki Zikalala, had blacklisted political commentators critical of government, including Aubrey Matshiqi, William Gumede, Karima Brown and Vukani Mde. After strong denials from the SABC about the blacklist's existence, it was then confirmed on air by SABC talkshow host, John Perlman. Initially, with great fanfare, Mpfu announced that he would investigate to see if there was a blacklist and that 'heads would roll' if there was (*Mail & Guardian*, 2006). He appointed a commission of enquiry chaired by previous SABC CEO Zwelakhe Sisulu and promised that the final report with recommendations would be released in full.

However, it appears that he later got cold feet. The report was never officially released and to date there is no evidence that the SABC has implemented its recommendations. The final report's evidence was damning. It stated that contrary to the imperatives of the Broadcasting Act and the SABC's editorial policies, there *was* clear evidence of blacklisting. Further, the report was critical of Zikalala's authoritarian leadership style, arguing that it had a chilling effect on journalists' initiative (SABC, 2006). With the backing of his board, Mpfu moved to protect Zikalala and to release only certain sanitised sections of the report. However, in the meantime the full report was released on the *Mail & Guardian's* website. Mpfu threatened to sue the newspaper. In the end whistleblower John Perlman was disciplined

and left the SABC. Guilty party, Snuki Zikalala, was given a rap over the knuckles **and he continued as head of news.**

In 2006 the FXI started its arduous legal battle to compel Icasa to ensure that the SABC implemented the commission's recommendations. After losing successive cases, the FXI finally won some reprieve. In January 2011, the high court ordered Icasa to deal with the substantive matters of the case (FXI, 2011). Icasa's complaints and compliance committee had continuously argued that had it had no jurisdiction over the matter.

Mpofu's legacy was thus *not* one of 'citizenship empowerment' – it was one of secrecy and lack of public accountability. It was one of leadership and financial crises, and the long-time undermining of the local content industry and the production of local programming. The perpetual crises at the SABC during his tenure, and also beyond, encouraged 'statism'. The Public Service Broadcasting Bill, for instance, called for a host of new powers for the minister to intervene in management crises (Republic of South Africa, 2009).

The SOS coalition's critique of the crises and steps towards creating a new citizenship vision

The FXI, Cosatu, Media Monitoring Africa, the National Community Radio Forum and the Media Institute of Southern Africa are among a number of organisations that have played a critical role since 1994 in calling for the transformation of public broadcasting. From 2007, however, the intensity of the crises at the SABC necessitated coordinated action, and hence the formation of the SOS coalition in mid-2008. SOS recruited its membership from a number of sectors including among NGOs, the unions (including union federations Cosatu and Fedusa and individual unions Bemawu and Mwasu), the independent film and television production sector, academics and freedom of expression activists.

Initially, the coalition organised itself exclusively around SABC issues but later it adopted broader concerns including community broadcasting. The coalition argued that community broadcasters should play a 'public-interest', 'citizenship' role at the local level.

Through a series of workshops, roundtables and working group meetings, the coalition crafted a vision for public broadcasting that includes 'creating a public broadcasting system that is universally accessible and dedicated to the broadcasting of quality, diverse, citizen-orientated public programming committed to strengthening the values of the constitution' (SOS, 2011).

Four key goals inform the vision. These include strengthening all three tiers of broadcasting (public, commercial and community) and ensuring that all three have a public remit: promoting the institutional autonomy of the SABC from all major vested interests be they commercial, government or party political; strengthening the SABC's accountability to all South African communities, particularly those marginalised by other sectors of the media; and ensuring independent programming that reflects the diversity of South Africa's languages and political, economic and cultural perspectives. A key component of the coalition's work has been how to make the SABC more accountable to the public. The coalition has proposed various new structures including the establishment of the 'office of the public editor'. The public editor would be appointed by the board to adjudicate disputes over editorial content, uphold a code of conduct on the quality and ethics of editorial material, and promote a dialogue between the public broadcaster and its audiences. SOS has called for the setting up of a national public stakeholder committee and provincial stakeholder forums to ensure ongoing, structured input on programming issues.

SOS has argued that one of the reasons for the SABC's weakness and instability has been political interference, first in the Dali Mpofu era and then in the Solly Mokoetle era and beyond. Commercial pressures have also contributed to undue interference since its funding model relies on approximately eighty per cent commercial funding. In terms of political interference, SOS has called for the transformation of the SABC into a Chapter 9 body whose independence is protected by the constitution, and for the de-corporatisation of the SABC so as to ensure that the minister is no longer its sole shareholder. There has been much debate about the selection of the SABC board and SOS has called for the principles of maximum transparency and public participation in the nomination process and for members of the board to be barred from holding leadership positions in political parties and in government. SOS has called for the strengthening of conflict of interest clauses in new legislation to mitigate against commercial influence.

Also key to the SABC's independence has been the issue of funding. The debates in this arena have been long and fierce and although coalition members have not called for a particular funding model there is general agreement on the principle of ensuring that the SABC has long-term, assured, no-strings-attached public funding that covers both the SABC's institutional needs and public programming. In the immediate term the SABC should do an economic modelling exercise to ascertain its actual needs.

Finally, the SOS coalition has pointed out that one of the key problems with the SABC has been the weakness of its oversight structures including the department of communications, parliament and Icasa. SOS has called for the ministry and department to draft policy and legislation and to secure the necessary resources for the sector's sustainability; for parliament to pass sound legislation in the public interest, hold the SABC to account in terms of its corporate plans and to monitor the SABC's finances; and for Icasa to hold the SABC to account in terms of its charter and licence conditions.

The coalition has sought inspiration from the early ANC 'substantive democratic' policy proposals. It has looked at broadcasting at a systems level; it has called for independent public broadcasting structures and independent programming; and it has motivated for public funding. It has called for strong public accountability and civil society input to restructure the broadcasting sector and to [make substantive inputs into programming content](#).

Conclusion

This chapter has examined developments at the SABC in terms of three competing media policy trends, arguing that in the early 1990s the 'substantive democratic' trend was dominant, and thus the possibility to build a genuine public service broadcaster committed to the deepening of citizenship in the country was strong. However, as government's macroeconomic policies shifted towards a market orientation, the SABC was forced to cut back on its public service mandate and the 1990s saw a drive towards the commercial sustainability of the SABC. The early 2000s was then a period of contestation – pull-backs on the mandate had been so strong that various state and public institutions, including the department of communications and parliament, started to ask questions. There were renewed calls for public funding and renewed calls for the SABC to fulfill its public mandate, particularly on the language front. The interplay between these trends in the 2000s is interesting: commercial trends still continued to dominate until the mid-2000s but at the same time there was a rise in dominance of statist thinking. The need for public funding was articulated but government linked these demands to greater powers for government and the minister.

The period from the mid-2000s to the present has been a particularly **unstable** one for the public broadcaster. The fight back against the commercialising trends in the SABC has been accompanied by a loss of control of the institution. Mpofu's tenure from 2005 to 2009 was marked by factional political battles, a lack of leadership and excessively wasteful expenditure with little accompanying improvements to programming output, and its legacy has included the destabilisation of the independent production sector which is due to the SABC's dismal financial situation. As battles between the board and management, raged the possibilities for state intervention increased. During this period the ANC's early 1990s 'substantive democratic' vision was buried deeper and deeper.

However, at the end of 2010 a glimmer of hope re-emerged. The minister of communications, Sipiwe Nyanda, was dismissed from the cabinet and a new minister, Roy Padayachie, was appointed. Minister Padayachie moved to reverse some of the problematic decisions taken under Nyanda's watch, including withdrawing the draft Public Service Broadcasting Bill. The minister has now called for a broadcasting policy review process. There are possibilities for civil society to shape a new public broadcasting agenda and for a 'substantive democratic' vision to be crafted once again. What is key however is that government commits to improved levels of public funding for the SABC and simultaneously to safeguarding the SABC's institutional autonomy and editorial independence. It is worrying that when the four new board members joined the board in June 2011, one of the original members (Peter Harris) resigned. Rumours in the media abounded that Harris's resignation was linked to his dissatisfaction with political interference on the Board specifically as regards the appointment process of the SABC's CEO.

ENDNOTES

¹ The author is the coordinator of SOS.

² ANC MPs confirmed in parliament in November 2008 that their original shortlist had been tampered with. The SOS coordinator was present during the session.

³ Generally, departments draft legislation and then this is introduced in parliament. MPs' role is to debate the legislation once it reaches parliament.

⁴ The SOS coordinator discussed this with board members who indicated that Dr Ngubane had stated that the president wanted Phil Molefe to be appointed as head of news.

⁵ This included the Film and Allied Workers Organisation (FAWO); the Campaign for Open Media (COM); the Community Radio Working Group and the Centre for Culture and Media Studies (CCMS) (Louw, 1993: 10).

⁶ The parastatals included the SABC, the Electricity Supply Commission (Eskom), Human Sciences Research Council (HSRC), the Council for Scientific and Industrial Research (CSIR) etc.

⁷ However, as Horwitz notes, this appointment was not uncontroversial. NP President FW de Klerk, contrary to the rules, tampered with the process, vetting seven of the panel's nominees including the nominee for chair, academic Njabulo Ndebele (Horwitz, 2003; Skinner, 2008).

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