

International Broadcasters Confronted with Great Changes **Their Strategies amid Streamlining** **Part I: The BBC (United Kingdom)¹**

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Not long after the publication of the original, Japanese version of this article, the BBC reorganized its international divisions. BBC World News, an English-language television news service funded from advertising and other commercial revenue, and BBC.com, an English-language online service for overseas users, were integrated into the operations of the newly created subsidiary BBC Global News Ltd. As part of this reconfiguration, BBC World News Ltd. was also folded into BBC Global News Ltd. The present article does not reflect these and other changes made since its original publication in Japanese. Note also that BBC Global News continues to exist as a division of the BBC itself.

I am indebted to Mr. Nigel Fry, Mr. Steve Titherington, Ms. Anne Barnsdale, and Mr. Chris Collier of the BBC for their generous assistance in my research for this article.

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All over the world, the climate of international broadcasting is undergoing marked change. While the advent of new media has rapidly reconfigured how information is transmitted, spawning startups in the international broadcasting field, most traditional international broadcasters in Europe and North America confront serious financial challenges. The British Broadcasting Corporation (BBC) and Germany's Deutsche Welle, two of the world's most influential broadcasters, have not been exempt from these currents of change.

The BBC launched a major reorganization of its services in April 2011. The downscaling of shortwave and other radio broadcasts is at the heart of the reform, and already the BBC provides services in more languages on the Internet than it does on radio. Meanwhile, the considerable number of BBC services now provided in languages used in Muslim countries suggests that the broadcaster is placing particular emphasis on reaching out to the Islamic world.

The BBC's international broadcasting arm, the BBC World Service, has so far been funded by government grant-in-aid, but that system is to be abolished in 2014, when the license fee paid by the British general public will become the service's revenue source. This change raises the problem of how to secure funding, and the BBC is attempting to cope with that and other challenges—the changing media landscape, international competition, and so on—through its “four-screen strategy” (aiming to reach viewers via personal computers, tablets, mobile phones, and Internet-connected television sets) and other new broadcasting strategies, as well as by diversifying its funding sources and streamlining its operations.

These developments have drawn attention to such questions as how the switch from subsidization to fee-based funding will affect the BBC World Service's relationship with the British government, and how any related changes will impact on the BBC's international broadcasts themselves.

I. INTRODUCTION

International broadcasting serves a number of purposes. By disseminating information beyond its borders, the source country can promote international goodwill and understanding of its affairs or pursue educational or propaganda objectives. But whatever its goals, the field of international broadcasting has now entered a major reconfiguration phase characterized by three main features.

The first is the diversification of transmission methods amid rapid changes in the media environment. With the global spread of satellite broadcasting and cable television services, and the explosion of Internet, mobile, and other digital media, information dissemination has expanded far beyond traditional shortwave and other forms of radio transmission.

Then there is the increasing presence in the international broadcasting field of media organizations from the developing world. Broadcasters in China, Russia, and Arab countries, for example, backed by great wealth and focused state policy, are gaining influence, and Iran, Brazil and other developing countries have entered the arena of international television broadcasting in quick succession.

The third salient change affecting international broadcasting is that long-established European and North American international broadcasters have come under considerable

pressure to curb costs. Both the BBC, which boasts the most extensive international broadcasting operations in the world, and Germany's Deutsche Welle,² an international broadcaster operating on a scale almost as large as the BBC's, face the need for drastic cost reductions. International broadcasters in Canada, the Netherlands, and other Western nations confront similar financial challenges.

As competition in the international broadcasting field intensifies, why have European and North American broadcasters thus fallen into financial difficulties, and what are they doing to remedy the situation? Drawing on field research in the United Kingdom and Germany, this article explores such questions in the specific cases of the BBC and Deutsche Welle, two of the world's largest international broadcasters.

Like NHK, the BBC is a public broadcaster providing both domestic and international services. It boasts a long tradition of international broadcasts dating back to 1932, before World War II. In contrast, Deutsche Welle, while likewise a public broadcaster, specializes in international broadcasting and was established in 1953 as part of Germany's postwar break from its Nazi past. The present article looks at these two different international broadcasters one at a time, the BBC in part 1 and Deutsche Welle in part 2.

II. OUTLINE OF THE BBC'S INTERNATIONAL OPERATIONS

Arguably the world's best-known public broadcaster, the BBC is widely recognized for the fairness and reliability of both its UK-domestic services and its international broadcasts. The value of its international broadcasting is often expressed by invoking the following remark by former U.N. secretary-general Kofi Annan: "The BBC World Service is perhaps Britain's greatest gift to the world this [i.e., in the 20th] century."³ Let us begin with a brief overview of the BBC's international broadcasting operations.

Organizational Structure

The BBC's international radio and television broadcasts are operated by BBC Global News, the BBC news division in charge of international information dissemination. BBC Global News is made up of four subdivisions (Figure 1), of which those engaged in international broadcasting are the BBC World Service and BBC World News. The BBC World Service disseminates information in many languages mainly through international radio broadcasts and via the Internet, while BBC World News conducts international television broadcasts in English. Let us take a closer look at each of the four divisions comprising BBC Global News.

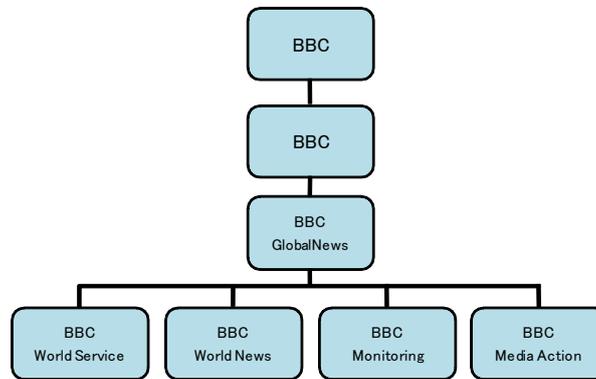
² The name means "German wave."

³ In a speech at the opening of the BBC's Washington, D.C. news bureau in 1999, cited on the BBC website at <http://www.bbc.co.uk/pressoffice/keyfacts/stories/ws.shtml>.

BBC World Service

The oldest of the BBC's international operations, the World Service is currently funded primarily by a grant-in-aid from the British government's Foreign and Commonwealth Office. As of June 2012, the World Service transmits in a total of 28 languages via television, radio, and the Internet.

Figure 1. Organization of the BBC's International Services



The World Service began in 1932 as a shortwave radio operation called the BBC Empire Service. Along with such services as Vatican Radio and the Soviet-era Radio Moscow, it was one of the world's first international broadcasting operations. At one point, it conducted broadcasts in over forty languages, including, from 1943 (during World War II) to 1990, Japanese. More recently, however, it has come to broadcast in fewer and fewer languages as it undergoes review every few years. Another noticeable trend in its recent operations is a shift of emphasis away from shortwave broadcasting toward Internet and FM services. It has also taken active steps to reach out to the Muslim world, launching Arabic and Persian television services in 2008 and 2009, respectively.

BBC World News

BBC World News is the name both of the division in charge of the BBC's English-language international television broadcasts and of the commercial channel on which those broadcasts are aired. BBC World News is funded by advertising revenue, among other sources, and is administered by BBC World News Ltd. As an international television service, World News is said to have considerable influence worldwide, on a par with the American channel CNN International. According to the BBC itself, over 71 million people around the world watch World News at least once a week.

World News began broadcasting in 1991 under the name BBC World Service Television. Given the British government's decision at the time not to provide a grant-in-aid for international television broadcasting, BBC World Service Television was launched as a commercial channel funded by revenue from advertising and subscriptions. Its name was changed to BBC World in 1995 and to BBC World News in 2008. Due to the circumstances of its establishment, World News is still operated as a commercial channel.

World News languished in a state of chronic deficit from its inception until fiscal 2010,⁴ when it became profitable for the first time. Through a distribution deal with leading

⁴ The British fiscal year runs from April 1 to the following March 31, as in Japan.



Control room at BBC World News

American cable provider Comcast, among other measures, World News is actively expanding its presence in the United States and enjoying sharp growth in subscriptions.

BBC Monitoring

BBC Monitoring gathers broadcast and print news and media-related information from around the world and disseminates it both within the United Kingdom and abroad. It is also used as an internal source of information for BBC news services. BBC Monitoring is

operated primarily by grant-in-aid funds from the Cabinet Office.

BBC Media Action

BBC Media Action is a charity that carries out international media-related cooperation projects, such as training media personnel in developing countries. It receives funding on a project-by-project basis from British government agencies such as the Foreign and Commonwealth Office and the Department for International Development. Formerly called the BBC World Service Trust, the organization adopted its current name in December 2011.

In the BBC's international information activities, English-language television news is carried out on a commercial basis, while multilingual radio and Internet activities, as well as Arabic- and Persian-language television broadcasts, are conducted with government funding. This institutional asymmetry is arguably one of the distinguishing features of the BBC's international operations.

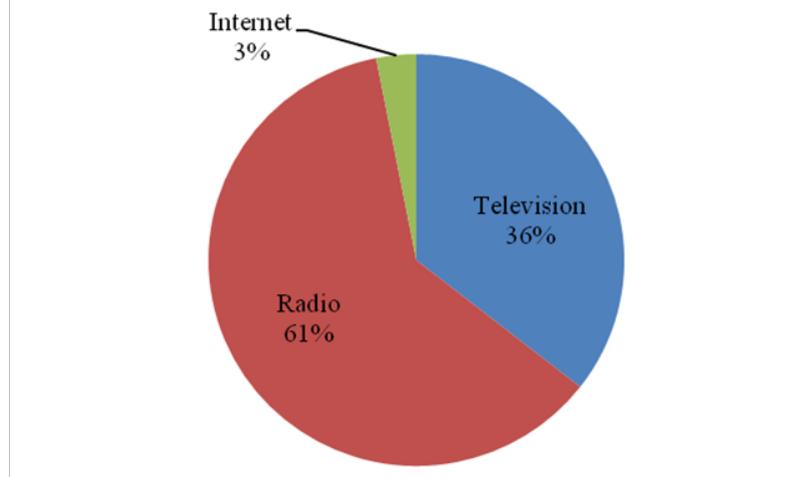
Audience

How many people worldwide does the BBC's international broadcasting reach via these various media? According to the BBC itself, as of March 2012, the total number of weekly users⁵ of its English-language World News television news, multilingual World Service, and Internet services was some 225 million people.

Of that total, 80 million are weekly receivers of either World Service or World News television broadcasts, and 7 million are users of either online or mobile services. Radio accounts for the remaining 138 million, but that figure is in decline as the number of television and Internet users increases (Figure 2).

⁵ A weekly user is defined here as someone who at least once a week watches or listens to a broadcast or accesses a website provided as part of the BBC's international broadcasting services.

Figure 2. Weekly Users of the BBC's International Services, by Medium



Institutional Context and Relation to Government

Let us turn now to the institutional background of the BBC's international operations.

The commercial World News television service operates on the basis of company law and other relevant national and international laws, as well as in accordance with the BBC's own regulations. Its relation to the government is likewise that of a commercial broadcaster and is therefore limited.

On the other hand, the existence and operations of the World Service, which operates with government funding, are prescribed by a royal charter⁶ issued by the British monarch and by a formal agreement⁷ between the BBC and the Department for Culture, Media and Sport (DCMS). The agreement includes, as is the case for the BBC as a whole, the stipulations that the broadcaster is fully independent of the government in editorial and operational matters, that funding for the World Service is the responsibility of the Foreign and Commonwealth Office (FCO), and that any change in the list of languages used on the World Service requires the approval of the foreign secretary. In short, although the World Service is operationally independent, it must get FCO approval in such fundamental matters as the languages of its broadcasts and the media through which it provides its services.

In regard to the World Service, the FCO, as the source of the service's grant-in-aid, has also concluded two further formal agreements with the BBC: the Broadcasting Agreement for the Provision of the BBC World Service,⁸ and the Financial Memorandum between the FCO and the BBC,⁹ which sets out detailed regulations on financial affairs. The Broadcasting Agreement for the Provision of the BBC World Service contains specific provisions on relations between the FCO and the BBC, such as that the BBC chairman and FCO ministers

⁶ Royal Charter for the Continuance of the British Broadcasting Corporation; see http://www.bbc.co.uk/bbctrust/assets/files/pdf/about/how_we_govern/charter.pdf.

⁷ An Agreement between Her Majesty's Secretary of State for Culture, Media and Sport and the British Broadcasting Corporation; see http://www.bbc.co.uk/bbctrust/assets/files/pdf/about/how_we_govern/agreement.pdf.

⁸ Broadcasting Agreement for the Provision of the BBC World Service; see http://downloads.bbc.co.uk/worldservice/WS_Broadcasting_Agreement02FINAL.pdf.

⁹ Financial Memorandum between the FCO and the BBC; see <http://www.bbc.co.uk/worldservice/us/FinMem2005.pdf> (accessed in June 2012).

are to meet annually to review the World Service's performance and consider its strategy priorities, and that director-level meetings between the two bodies are to be held on a quarterly basis.

The British government recognizes the BBC World Service as an organ of public diplomacy.¹⁰ According to Steve Townsend, team leader of the FCO's Public Diplomacy Partners department, the FCO regards the World Service as a "public diplomacy partner" on a par with the British Council, the UK's flagship of international cultural activity.



Steve Townsend of the Foreign and Commonwealth Office

This relationship is evident at the working level as well. The BBC's overseas correspondents routinely liaise with British diplomats stationed around the world. And if, for example, a certain country blocks the World Service broadcasts, the FCO will negotiate with the relevant foreign government to resolve the problem.

Such details of the World Service's operations thus reveal a close relationship between the FCO and the BBC in matters beyond the actual news content.

III. CHALLENGES IN INTERNATIONAL INFORMATION DISSEMINATION

Among the four divisions of the BBC's international information activities, the World News has been performing especially well as a business, operating in the black since fiscal 2010 and reaching some 330 million households worldwide as of May 2012.

The publicly funded World Service, in contrast, is up against serious challenges. Faced with funding cuts in the current era of fiscal austerity, the World Service is under pressure to reform its services.

Funding Issues

According to the *BBC World Service Annual Review 2010/11*, the service's total annual income was £272 million (approx. ¥32.8 billion). Of that, £268 million (approx. ¥32.3 billion) was grant-in-aid and the remaining £4 million (approx. ¥500 million) was business income in the form of fees charged for use of its programs and so on. Operating costs, meanwhile, totaled £280 million (approx. ¥33.77 billion).

These figures roughly match the annual budgets of the German international broadcaster Deutsche Welle (306 million euros [approx. ¥30.6 billion] for fiscal 2010) and France's international broadcasting agency AEF¹¹ (319 million euros [approx. ¥31.9 billion] for fiscal 2012). But the BBC figures do not include the budget for BBC World News's English-language television service, so the overall scale of the BBC's budget for international broadcasting is greater than that of either the German or French case.¹²

¹⁰ On the Public Diplomacy page of the FCO's website, the BBC World Service is listed among the FCO's official partners; see <http://www.fco.gov.uk/en/about-us/what-we-do/public-diplomacy/> (accessed in June 2012).

¹¹ Société de l'audiovisuel extérieur de la France (now France Médias Monde), which manages the international television service France 24, the international radio service Radio France Internationale, and Monte Carlo Doualiya, a French radio station that broadcasts in Arabic.

¹² The U.S. government's Broadcasting Board of Governors, which administers five international broadcasting services, including Voice of America, had an annual budget of \$758 million (approx. ¥60.6 billion) for fiscal 2010. The fiscal 2012

However, the grant-in-aid for the BBC World Service is to be reduced by 16 percent from fiscal 2011 through fiscal 2013, and in 2014 it will be replaced by the license fee (paid by the British viewing public) as the service's funding source. Let us take a brief look at the background to these changes in the funding system.

In May 2010, a Conservative–Liberal Democrats coalition led by Prime Minister David Cameron took over the reins of the British government from the Labor Party. In October the same year, the Cameron government announced a plan to remedy the government deficit, which had risen to 11 percent of GDP under Labor, by reducing government-agency budgets by 19 percent over the next four years and cutting spending by £81 billion (approx. ¥9.7



Bush House in London, headquarters of the BBC World Service for seventy-two years until 2012

trillion). The FCO was not exempt from the cuts, and the grant-in-aid for the BBC World Service was in turn sharply reduced.

The BBC and the FCO reportedly engaged in heated negotiations over the funding cuts. Nonetheless, in a January 2011 statement, the BBC announced that the funding cuts meant that it needed to find savings of £46 million (approx. ¥5.7 billion) in its revenue budget by the time of the switchover to license-fee funding in fiscal 2014.¹³

Streamlining of the BBC World Service

In light of this drop in operating income from fiscal 2011 on, the BBC World Service undertook a major program of streamlining beginning in April 2011. Aimed at providing more effective and efficient services in keeping with the prevailing climate of media around the world, the reform consists mainly of the following measures.

Closure of Services in Five Languages

All Albanian, Macedonian, Serbian, Portuguese for Africa, and English for the Caribbean services, including radio and online services, were discontinued.

budget for NHK World, NHK's international service, was ¥15 billion, which included a ¥3.4 billion subsidy from Japan's Ministry of Internal Affairs and Communications.

¹³ The statement was posted on the BBC website on January 26, 2011; see http://www.bbc.co.uk/mediacentre/speeches/2011/horrocks_peter_ws.html.

Transfer of Services in Seven Languages from Radio to the Internet

All Chinese, Russian, Spanish for Cuba, Vietnamese, Ukrainian, Azerbaijani (Azeri), and Turkish radio services, including shortwave, medium-wave, and FM broadcasts, were abolished, and services in those languages were refocused to online, mobile, and other new-media formats.

End of Shortwave Broadcasts in Six Languages

Regarding Indonesian, Kirghiz (Kyrgyz), Nepali (Nepalese), Swahili, Kinyarwanda, and Kirundi, shortwave broadcasts were discontinued, leaving only FM broadcasts, retransmissions from local FM stations, and content distributed online and for mobile and other new media. Hindi shortwave broadcasts were also initially slated for closure, but amid strong opposition both within the UK and abroad, it was decided that they would be maintained for the time being.

Discontinuance and Reduction of English-Language Broadcasts

English-language radio broadcasts to Russia, former Soviet countries, and Europe were ended, and those to Africa and Asia were reduced.

Reduction of Personnel

The World Service expects to cut 650 jobs, more than a quarter of its total staff of 2,400.

Figure 3. Languages Used in BBC World Service Services, by Medium

Language	Television	Radio	Shortwave	Internet	Mobile
Arabic	○	○	○	○	○
Azerbaijani				○	
Bengali		○	○	○	○
Burmese		○	○	○	○
Chinese				○	○
French		○	○	○	○
Hausa		○	○	○	○
Hindi		○	○	○	○
Indonesian		○		○	○
Kinyarwanda		○		○	○
Kirundi		○		○	○
Kirghiz		○		○	
Nepali		○		○	○
Pashto		○	○	○	○
Persian	○	○	○	○	○
Portuguese				○	○
Russian				○	○
Sinhala		○	○	○	
Somali		○	○	○	○
Spanish				○	○
Swahili		○		○	○
Tamil		○	○	○	
Turkish				○	○
Ukrainian		○		○	○
Urdu		○	○	○	○
Uzbek		○	○	○	○
Vietnamese				○	○
English	○	○	○	○	○
Total	3	21	14	28	24

※Note: The English category includes World News, a commercially operated international television service.
Source: The BBC website, <http://www.bbc.co.uk>.

Figure 3 summarizes the World Service’s post-reform language services by medium. Online services cover the largest number of languages—all 28—followed by mobile-phone services (24) and radio services (20). Shortwave radio services are provided in 14 languages, only half the total. World Service television includes the recently launched Arabic (2008) and Persian (2009) services, attesting to the importance placed on disseminating information to the

Muslim world.

Indeed, a feature of this list is its inclusion of many languages of predominantly Muslim countries. In addition to Arabic and Persian, we find Pashto for Afghanistan, Kirghiz, Uzbek, and Azerbaijani for Central Asia, Urdu for Pakistan, Bengali, Indonesian, and, representing the African Muslim sphere, Somali, Hausa, and French for West Africa.

In terms of the media themselves, we can see that this round of reform entailed the dropping of many languages from radio broadcasting, particularly the shortwave services. Although continued for some Asian and African countries and regions, shortwave services have been abolished for such economically thriving countries as China, Russia, and Indonesia. High transmission costs are a feature of shortwave broadcasting, due to the large-scale, high-powered transmission equipment required. The World Service's decision to cease shortwave broadcasts in so many languages was prompted both by the general decline in shortwave's effectiveness as a broadcast medium and by the cost savings that would result from their closure.

Finally, it is notable that even among the languages for Africa, a region where shortwave broadcasting is said to have been more effective than in any other part of the world, more services are now provided on the mobile-phone platform than via radio. This is one aspect of the World Service's strategic response to the tectonic shifts taking place in the media climate all over the globe.

IV. NEW STRATEGIES FOR INTERNATIONAL INFORMATION DISSEMINATION

As we have seen, the English-language television service BBC World News and the multifaceted BBC World Service operate on different institutional footings. Nonetheless, to develop its international activities, the BBC has devised a comprehensive approach that covers both services and is aimed at overcoming its current financial challenges and boosting its role as a source of information in the years ahead. The main components of the new approach are the so-called four-screen strategy, the introduction of advertising, and the creation of a more efficient operational system.

The Four-Screen Strategy

The BBC's global websites—World Service Online, which provides content in 27 languages other than English, and BBC.com, an English-language news site for overseas users—are among the largest online news services in the world, with a combined weekly audience of some 7 million users. The BBC also provides a wide range of services for mobile devices that are accessed a total of some 400,000 times weekly. Many of those hits are from African countries; 90 percent of hits from Nigeria on the English-language sites, for example, are from mobile devices.

In what it calls its four-screen strategy, the BBC is working to develop services available seamlessly across the four main digital devices, namely, personal computers, tablets, mobile phones (including smartphones), and “connected televisions” (Internet-connected or “smart” television sets). According to James Montgomery, controller of BBC Global News's Digital and Technology department, in future even the World Service may distribute programs to



James Montgomery,
BBC Global News

connected televisions through tie-ups with television broadcasters in various countries, though the challenge at present is to figure out how to provide interactive services for such smart televisions. Regarding services for mobile phones, one difficulty is that the many different phone models on the market would require different software applications, which is a problem in terms of cost. In response, the BBC plans to develop software compatible with a broad range of mobile phones.¹⁴

Regarding the BBC's digital strategy for the Internet, Montgomery says that whereas domestically the license-fee-funded BBC cannot but be cautious given the great influence it can have on the UK market, the BBC's market impact

is not as strong internationally, so there are few constraints and the problems attending expansion of its services have more to do with resources and costs.

Mark Bunting, head of BBC Global News's Strategy and Policy department, says that in his personal view, the key for the future of the BBC's international services lies in how effective it can make its digital platforms for services provided in English and other major world languages. He says the BBC must now do in the digital arena what it previously did in radio, namely, draw on its unique strengths to deliver high-quality international news, gathering it from around the globe in ways that are not available to other organizations, and providing the kind of global coverage that its competitors cannot match.



Mark Bunting,
BBC Global News

Introduction of Advertising: Exploring New Revenue Sources

In January 2012, the BBC announced plans to introduce commercial advertisements on the BBC World Service.¹⁵ The scheme calls for a one-year trial in which ads will be inserted into English-language programs on its Berlin-based FM service, followed by gradual extension of advertising into all World Service radio services if the trial is a success. Ads will also be run on the World Service's Arabic, Russian, and Spanish websites.

Until now, the BBC has carried advertising only on its commercial, English-language television channel BBC World News and on its global English-language website BBC.com. But with the looming cuts and eventual termination of the World Service's grant-in-aid, the pressure to develop new revenue sources has prompted this unprecedented move of running commercial ads on the World Service as well.

Peter Horrocks, BBC Global News's director, says the BBC will continue to diversify its revenue sources. He points out that, whereas as a public broadcaster the BBC must be circumspect about engaging in commercial activities within the United Kingdom, the international arena is a different story. As public funding grows tighter, he says, it is important

¹⁴ Here and following, from the author's interview with James Montgomery, March 13, 2012.

¹⁵ See the BBC website, at <http://www.bbc.co.uk/news/entertainment-arts-16425625> (dated January 5, 2012).



Peter Horrocks,
Director, BBC Global News

that the BBC itself generates profits and channels them to enhance news content.

But the decision to introduce advertising has also met with criticism. Speaking on a domestic BBC radio program, Sir John Tusa, a former managing director of the BBC World Service, said that the international credibility of BBC news rested on its accuracy, impartiality, and independence from political and commercial pressures, and that the introduction of advertising would not only “breach an absolutely crucial principle” of the BBC but would also likely fail to raise sufficient revenue.¹⁶

Toward More Efficient Operations

For 72 years the BBC’s international radio operations were housed at Bush House on London’s Strand, but in March 2012, the BBC began transferring those operations to Broadcasting House, the corporation’s headquarters in central London. The transfer was scheduled to be complete in autumn 2012.

The BBC carried out major renovations to Broadcasting House to facilitate its new function as the headquarters of all BBC domestic and international news broadcasts on both television and radio. To improve efficiency and quality, domestic and international news operations will be combined in a single newsroom and eventually placed under integrated editorial control. To that end, an enormous newsroom has been constructed on the first floor of the new Broadcasting House extension. Although it had yet to become operational at the time of this author’s visit in March 2012, this newsroom is where information will be gathered from around the globe and news copy written for all of the BBC’s domestic and international television and radio news operations.

This will concentrate in one place not only the news provided by domestic and overseas journalists and news agencies but also that gathered separately by the World Service language groups. The move is aimed at enhancing the overall quality of BBC news by making it possible for the various news-related departments to share more information and give more depth to their coverage. At the same time, having the different information-dissemination divisions and bureaus draw from a common pool of material is expected to create a more streamlined production system. The details of how this new system would operate had yet to be determined at the time of the writing of this article.



Broadcasting House, headquarters of the BBC. The building in the center of the photo has stood for over eighty years. The structure at the rear right is the new extension.

¹⁶ See the BBC’s online news, at <http://www.bbc.co.uk/news/entertainment-arts-16448701> (dated January 6, 2012).



Headquarters of the Foreign and Commonwealth Office, King Charles Street, London

In addition to thus consolidating the editorial framework of its news operations, the BBC is also looking to integrate its overseas bases—which have so far been maintained separately for domestic news on the one hand and international broadcasts on the other—and to streamline the deployment of its correspondents. Until now, maintaining separate overseas bureaus for domestic news versus World Service operations has partly been to keep them distinct for budget-management purposes, since the former have been sustained by the license fee and the latter by government subsidy. With the incorporation of the World Service into the license-fee system on the funding side, streamlining is expected to become considerably easier on the organizational side as well.

V. CONCLUSION

With the emergence of numerous new broadcasters based in developing countries, competition in the field of international information dissemination is intensifying. At the BBC, those interviewed by this author expressed a strong desire to cooperate more closely with international broadcasting organizations that share its general news-reporting stance and overall values—its counterparts in France, Germany, and the United States, for example, as well as Japan's NHK—in such activities as audience surveys, program delivery, and even content production, with a view to helping one another reduce costs.

Since its first radio broadcasts to the world eight decades ago, the BBC has remained at the forefront of the field of international information dissemination, developing a number of world-first services. That it has maintained its credibility and influence in this field for so long can be attributed not only to its impartial, objective news content but also to its efforts in developing media, continuing to attract audiences by actively extending its operations into new media fields.

The BBC's management approach can be called a rational one, with measures even being prescribed in law to scrupulously monitor the need for and effectiveness of its services and make them more effective and efficient. It can also be said to be an approach attuned to cost-benefit performance, particularly for international broadcasting, whose effects are harder to ascertain than those of domestic broadcasting and which is prone to being prized simply for existing at all.

Furthermore, in a way that does not affect its editorial independence, in practice the BBC World Service enjoys a close partnership with the British government, one which is legally set down in a number of formal agreements and legal instruments. In anticipation of the termination of the World Service's government funding in 2014, its agreement with the Department for Culture, Media and Sport, which has jurisdiction over the broadcasting industry, was revised in September 2011. The provision placing the World Service's funding in the hands of the foreign secretary was deleted,¹⁷ but the provisions prescribing information exchange and other cooperation between the BBC and the foreign ministry in the operation of the World Service, and the provision that changes in its language services require the foreign secretary's approval, were retained.

In March 2012, Britain's foreign secretary, William Hague, stated that the government would maintain its stance of responsibility toward the World Service¹⁸ BBC officials say they are watching closely to see whether the thrust of the foreign secretary's remark is that the relationship between the government and the World Service will remain as it was before or that the government will seek to have a greater say in the service's practical operations.

For several years following its inception in 1932, the World Service was funded by the BBC's license fees. In 1938, when it commenced Arabic broadcasts for the Middle East as part of Britain's resistance to Nazi Germany, funding was switched to a government subsidy. At the time of the funding switch, Sir John Reith, the first director-general of the BBC, indicated that, while he welcomed the change, he was concerned about government intervention in BBC operations: "The corporation would from now on depend increasingly on the grace and favour of the Treasury and the Foreign Office, and the BBC as never before would be held to ransom when economic troubles loomed or when ministers and anonymous advisers took it into their heads to grind political axes at the slightest whim."¹⁹

It is fair to say that, despite decades of this somewhat strained and sometimes antagonistic relationship with the British government, the BBC has so far succeeded in maintaining its editorial autonomy and international credibility. In 2014, its financial footing will return to what it was before 1938, but how its relationship with the government will fare thereafter remains to be seen.

With the end of the government subsidy just two years off, will it be possible to secure sufficient funding? Will the BBC be able to maintain its global credibility and influence in the new funding era? In these and other respects, the outlook for the BBC's international operations remains difficult to predict.

The second part of this article looks at Deutsche Welle—its current state, its strategies, and the challenges it faces as it strives to enhance its television services.

¹⁷ This was paragraph (6) of clause 75, which read: "For the purposes of the World Service, the Foreign Secretary shall, in each year, pay to the BBC out of money provided by Parliament such sums as the Treasury may authorize."

¹⁸ In a speech given on March 1, 2012. A transcript of the secretary's speech, titled "Marking 80 Years of the BBC World Service," is available at <https://www.gov.uk/government/speeches/marking-80-years-of-the-bbc-world-service>.

¹⁹ Quoted in Andrew Walker, *A Skyful of Freedom: 60 Years of the BBC World Service* (Broadside Books, 1992), p. 31.