

From Broadsheet to Broadband: The development, challenges and regional collaboration in the Malaysian media industry

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Abstract: In less than eight years, Malaysia's goal of becoming a developed economy is in the horizon. The advent of this new technological atmosphere in Malaysia has resulted in conflicts and challenges to the country, especially in the areas of the local business sector, social values of the different cultures living in Malaysia, new technology acceptance from the law-makers and the appropriate regulatory approaches to content development, and intellectual property. In order to encourage media to play a key role in Malaysia's envisioned developed knowledge economy by 2020 – within the context of local values and culture, the Malaysian government needs to look at the appropriate strategies that will promote this. This paper attempts to examine the development of the Malaysian media industry, starting from the newspapers and the challenges it is facing.

Key words: Media, media convergence, Internet, media industry, knowledge society

INTRODUCTION

Malaysia is on the throngs of becoming a developed nation by the year 2020 in terms of economic development and social transformation. Despite the upheavals of the 1997 Asian financial crisis, and more recently the slump in the US, Japanese and European economic markets, Malaysia is striving on. Being part of the 550 million-populated 10-member ASEAN community its aspiration is to showcase itself as a modern, progressive and economically and socially balanced country to its other developing neighbours.

In fact, one of the pillars of socio-economic development as a result of globalization is wider access to information in terms of reliable infrastructure, friendliness, and the flow of trustworthy knowledge. After all, Burd (2005) had argued that knowledge is crucial not only for economic development but for “empowering and developing all sectors of society”.

Therefore, gone are the days of the sixties generation whose thirst for knowledge was not as powerful and evident as the current generation Y, who have been exposed to various forms of media, and whose values differ in many ways to them. After all Rahim and Pawanteh (2010) have expressed that over 49 per cent of Malaysians are well below the 35 age group mark – and all are “keen participants” in the global economy.

Concept of Media Convergence and Generation Y:

There is a specific reason as to why this paper is looking at the influence of media convergence towards Generation Y. Gardner & Eng (2005) referred to them as the “Net Generation, the Digital Generation, the Echo Boom Generation, or the Millennials”. They added “as profiled in Howe & William Strauss' watershed 2000 book, Millennials Rising: the Next Great Generation, the new generation is unique because they are more ambitious and optimistic than Generation X, [and] are the most ethnically diverse”. Although Howe & Strauss referred to Generation Y in the United States, in Malaysia's case it is no different, as the population is made up of ethnic Malays, Chinese, Indians, and other minorities. Howe & Strauss added this segment of society favour different values and learning styles than their predecessors (Generation X) and are indeed technologically savvy. As Schiller (1999) rightly suggests that telecommunication does offer exceptionally agile options to nurture consumerism.

Vision 2020 Defined:

The Malaysian government had undertaken a several national development policies from 1970 onwards. These policies involved long term, medium term, and industry specific blue prints. All of the policies fall into the ambit of three broad policies: New Economic Policy (NEP) – 1971-1990; National Development Policy (NDP) –1991-2000; National Vision Policy (NVP) – 2001-2010; and the current New Economic Model which started from 2011.

The Evolution Malaysia's Media Landscape:

Print:

According to Lent (1990) the presence of Western colonialists and missionaries had much to contribute towards the advancement of the printing press in much of Southeast Asia.

Fast forward to day, there are currently several English and vernacular language newspapers like The New Straits Times, the Star, Berita Harian, Tamil Nesan, Nanyang Siang Pau, and other dialects newspapers. These papers are either directly or indirectly owned by government political parties or individuals politically linked to the government like Tan Sri Vincent Tan (who owns the Sun free newspaper). Most of these pro-government newspapers are basically agenda setting tools for the government under the Barisan Nasional, or National Front party. For example the New Straits Times and Berita Harian are owned by UMNO, the dominant Malay-linked coalition party. Meanwhile the Star and Nanyang Siang Pau are owned by MCA, the Chinese-linked coalition party, while the Tamil Nesan is owned by MIC, the Indian component of the coalition government. Although a minority, there is the existence of independent online publications like 'Malaysiakini'.

Radio:

The history of Malayan radio began in 1921 when an electrical engineer from the Johor Government, A.L. Birch, brought the first radio set into the country.

It can be inferred from various literature readings that similar to the press, the government-owned radio stations until 1994 was mainly used as an agenda-setting tool for Malaysia's nation building purpose. In 1994, as part of Malaysia's privatisation process, the first commercially viable private radio station propped up, i.e. Time Highway Radio, although as early as in August 1949 Rediffusion (Malaya) Sdn Bhd was already established. Today there exist several private stations that generally provide light entertainment-type broadcasts, which steer away from potentially combative political issues.

Therefore apart from agenda-setting, another main purpose of radio stations post 1994 was to unify the Malaysian people through entertainment.

Television:

From sound came vision – in 1963, television was introduced into Malaysia, and in order to better reflect the combination radio and television, the supervision was merged under the Malaysia's Ministry of Information.

After privatization buzz and Astro's emergence, there were several other private television stations such as 8TV, TV9, and NTV 7 – all part of Media Prima Bhd – government linked company. Media Prima was incorporated in 2003, and since then, has grown to be Malaysia's leading media corporation in terms of broadcast coverage and advertising revenue. The group was actually created out of the de-merger of Malaysian Resources Corporation Berhad's media assets, namely Sistem Televisyen Malaysia Berhad (which runs TV3) and The New Straits Times Press (Malaysia) Berhad.

Internet and Multimedia:

The year 1996 was a watershed year for Malaysian media – the Internet had taken center stage, which had revolutionized the way the ordinary person communicated or received news. In actual fact Paynter and Lim (2001) stated in the first Malaysian Internet survey done by MIMOS and Beta Interactive Services from October till November 1995, one out of every thousand Malaysians had Internet access. Put it another way, out of a 20 million population, 0.1 percent or 20,000 people had Internet access.

Thus inadvertently, the "finger talking" generation has begun – for their ability abstaining from face-to-face talk time, and instead choose to communicate via touch or type via electronic means, resulting in an entirely different culture of the 60s generation.

Pro-convergence Strategies:

The Malaysian government is mindful that it needs to have well-balanced policies for its 28 million citizens to enjoy the benefits of converged media communication.

In this context, some of the relevant policies towards the media industry included:

- (1) *The Seventh Malaysia Plan (1996-2000) and Multimedia Super Corridor (MSC)*
- (2) *National IT Agenda*
- (3) *Communications Multimedia Act 1998 (CMA)*

Impediments to Unfettered Media Convergence:

As much as Malaysia is clamouring to improve its framework to have a seamless convergence of the various kinds of new media, there are also challenges in terms of ensuring unacceptable forms of media content does not penetrate and proliferate in the country.

Media Regulation:

In the first instance media regulation plays a central part towards this effort. As Kaur (2007) explains there are basically three main media regulators safeguarding the interest of Malaysian authorities: Ministry of Information (MOI); Ministry of Energy, Water and Communication (MEWC), and Ministry of Home Affairs (MHA).

However recent amendment to the Printing Presses and Publications Act has removed the Home Minister's absolute discretion over printing press licenses, as well as the publishing and printing of newspapers. The renewal of licenses is also no longer necessary. However the Home Minister's right to suspend or revoke printing permits still stands.

Political Connections:

Although the Malaysian media scene was privatised beginning 1984, which geared towards supporting media convergence, the inherent objective of the government was not to overtly lose control of it. This was partly contributed by Malaysia's New Economic Policy (NEP).

This is the reason many of the main stream media like the English dailies, including the New Straits Times, the Star, the Sun, the Edge Business Weekly, or the Chinese and Tamil dailies like Nanyang and Tamil Nesa, satellite broadcaster Astro were either controlled by the pro-government political parties, or individuals associated with pro-government politicians. As highlighted by Gomez (1994) and Wang (2001) it was basically to control editorial content.

Cultural Identity of Malaysians:

No doubt the call for the freedom of information is clearly stated in Article 4 of the CMA, there exists under its ambit the Communication Content Code Forum (CCCCF), which seeks to self-regulate the media industry with regards to content regarded as offensive and objectionable. This Code also spells-out the obligations of the content providers within the context of social values in this country.

However so, social mores are considered relative not constants, because what is socially acceptable to Malaysians may not so well received by another. For example, expanding on Rosenberg (2004) definition of the term "saving face" – this is a cultural norm practised by Malaysians in general of not wanting to humiliate others in public, or sometimes taking pre-emptive measures from humiliating themselves in front of others. This gesture can be viewed by Western individualistic societies as socially odd. For Westerners, confrontations are an acceptable and normal part of life. Therefore transmitting content that can humiliate the people in power is generally not acceptable in mainstream media – although such news is prevalent in alternative media platforms.

Therefore Malaysia is culturally bound by certain cultural inhibitions that can have an effect on total media freedom and convergence.

Discussion and Conclusion:

If a page from the world's early history book is taken, it will surely illustrate how countries always protect their boundaries from marauders by building by constructing stoned walls of sorts.

Similarly, as seamless as it may sound, Malaysia may also have its own trepidations when embracing globalization. A country steeped in Eastern cultural and social norms it may have fears of the proliferation of new cultural identities such as liberal sexual attitudes, less familial commitment, or even disrespect to parents. A question that comes to mind is should this be an influence that should be allowed to be passed on to the next generation cohorts?

Which is why in the context of converging digital media – which drastically phased in after the Internet revolution – the Malaysian government is quite wary. Therefore, although globalization has compelled for the liberalization and deregulation of its media environment, the country has created its own set of cyber laws.

This is one of the main reasons that the Malaysian government has concerns about a *laissez-faire* tactic with regards to non-government ownership, or partial ownership and unregulated control and by-laws concerning the media. Therefore this paper asserts legislations and codes are not necessarily a bad thing for media convergence. In fact it can bring about some form system and order, to an otherwise chaotic environment of massive information flow.

Notwithstanding this paper's stand is that "obsessive" control in relation to convergence of media should not be the government's main concern. Instead consumers should be given preference and sovereignty of the right to choose, listen or watch the type of content they want. In addition there should not be any disparity between the "have" and "have not" with regards to access to gaining knowledge.

Table 1: Comparison of Internet Hosting and Computers in ASEAN

| Country | Hosts/10,000 pop. Jan 2000 | Computers/1000 pop. 1998 |
|------------------------|-------------------------------|-----------------------------|
| Singapore ¹ | 452.00 | 458.00 |
| Hong Kong | 162.82 | 254.20 |
| Korea | 60.00 | 156.80 |
| Malaysia | 25.43 | 58.80 |
| Thailand | 6.46 | 21.60 |
| Philippines | 1.58 | 15.10 |
| Indonesia | 1.00 | 8.20 |

Source: World Bank, *World Development Report 2001*

1.Singapore is indicated as a reference only

Table 2. Comparison in Internet, Cellular and Fixed Broadband Penetration in ASEAN

| Country | Internet/100 people | Mobile Subscribers/100 people | Fixed Broadband Internet subscribers/100 people |
|------------------------|---------------------|-------------------------------------|---|
| Malaysia | 55.30 | 121.00 | 7.32 |
| Singapore ¹ | 70.10 | 144.00 | 24.77 |
| Indonesia | 9.10 | 92.00 | 0.79 |
| Thailand | 21.20 | 101.00 | 3.87 |
| Myanmar | 0.2 (2009) | 1.00 | 0.03 |
| Vietnam | 27.80 | 177.00 | 4.18 |
| Philippines | 9.0 (2009) | 86.00 | 1.85 |
| Brunei | 50.00 | 109.00 | 5.44 |
| Cambodia | 1.30 | 58.00 | 0.25 |
| Lao PDR | 7.00 | 65.00 | 0.19 |

Source: World Bank, *World Development Report 2010*

1.Singapore is indicated as a reference only

The government should also understand that the growth of media and the convergence of media cannot be curtailed – as both are not a means to an end. The term media convergence is relative and does not occur in a vacuum. In contrast it occurs in a time continuum for the benefit of mankind. It also takes into account the opportunity gaps in consumer demand, and entrepreneurs taking advantage by introducing related products – for example from free-to-air television to satellite television, to mobile television – all thanks to the Internet.

In reality media convergence can be regarded as a move forward in Malaysia’s Vision 2020 plan – to create a knowledge society to catalyze the economy. This paper is also of the opinion the future of Malaysia lies in hands of the new inquisitive Generation Y – the finger talking generation, who get excited and value multiple forms of communication to gain information.

As Huff (2002) had already acknowledged that if Malaysia’s MSC was viewed as a national agenda for Malaysia’s economic betterment, then as a case study for the Muslim world it deserved a pat on its back. He also noted that except for Singapore, Malaysia had done well in comparison with some ASEAN countries like Thailand, Philippines, Indonesia and Vietnam (Table 1).

However Huff failed to realise that Singapore was already classified as a high-income developing economies (GNP per capita was US\$9,386) in 1995 by the United Nations, whereas the rest of the countries in his survey were categorised as developing. Fast forward Huff’s opinion to 2010, and Malaysia is still leading the pack in terms Internet, broadband and mobile users (Table 2).

Evers (2003) confidence in Malaysia’s MSC can also be evidenced when he compared Malaysia’s competitive advantage to other world regions in terms of investing in the “knowledge production, dissemination and infrastructure” – as catalysts for economic growth – as Malaysia stood out in contrast to other ASEAN countries.

This certainly indicates that Malaysia is slowly but surely undertaking the necessary steps to ensure that convergence of media is taking shape at a balanced pace, which can be a case study for the other developing ASEAN countries as well.

In the final analysis nation building and modernization are inter-related, but are exact opposite challenges

facing all developing countries. Malaysia is no exception. In making both objectives possible, media convergence must be looked upon as crucial mouthpieces – not only for the government, but for the consumers as well. After all this was what was espoused in Mahathir's Vision 2020 as well.

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