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Five Success Factors in Elite Interviewing for Qualitative Research

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The purpose of this paper is to describe the challenges of elite interviewing and identify key factors that ensure success for qualitative researchers. The authors draw on their own experiences of interviewing powerful and influential members of government and various professions as well as tips from experienced researchers from the fields of social sciences and health. They identify five essential steps to successful interviewing: (1) identifying the key informants; (2) negotiating access; (3) background research and preparation; (4) site selection, presentation, questioning approach, and execution; and (5) follow-up. Each of them is discussed in detail. The authors argue that the most important quality for the elite interviewer is self-management which involves developing an individual style of interviewing that is responsive to setbacks and unexpected opportunities.

Keywords: elite interviewing, data generation, qualitative research, success factors

Introduction

The personal interview is a key method of data collection across many academic disciplines. Reflections on the methodological issues associated with interviewing frequently focus on asymmetrical power relations and their ethical implications. However, a review of the literature confirms that little of this reflection concerns “researching up”—situations in which the researcher does not have authority and control over the participants. In the political sciences, this is described as elite interviewing. In this paper, we describe and identify the key factors that contribute to successful elite interviewing, drawing on our own experiences of interviewing the elite in health and nursing educational policy in Thailand and health and regional policy in Australia.

Beginning the Research Journey

Undertaking a research study commences with the delineation of the research questions and the isolation
of an appropriate research design, the research design or methodology informs the methods adopted for data generation and analysis. Interviewing is a common data collection method utilized by qualitative researchers. Identifying who the participants are and considering how they will be recruited and the processes to be adopted when conducting the research study are some of the matters researchers must consider (Nagy, Mills, Waters, & Birks, 2010). Interviewing the “elite” can be daunting and requires careful planning that commences with understanding who the “elite” are.

**Definitions**

Defining the “elite” is an exercise that is influenced by academic discipline, national culture, and often hidden assumptions. In general terms, the elite are those with power and influence, expertise, and insider knowledge. In American political science, for example, the elite are usually defined in a straightforward way as senators and representatives, supreme court justices, White House staff, and political party officials (Peabody, Hammond, Torcom, Brown, Thompson, & Kolodny, 1990, p. 451). In post-communist countries, higher levels of political instability mean that top-level bureaucrats and parliamentary deputies form the national political elite (Rivera, Kozyreva, & Sarovskii, 2002). In the context of health sciences research, Chapple identified doctors (general practitioners, specialist hospital consultants, and general physicians) as an elite group within the healthcare professions (Chapple, 1997). In the social sciences, UK geographer Linda McDowell uses the term elite to refer to high-status workers employed in merchant banks in the City of London (McDowell, 1998). Some researchers use “elite” to refer to well-informed or influential people, such as activists, who are not elite in the socioeconomic sense of the word, but who possess expertise about the topic at hand (Leech, 2002, p. 663). In our own research, we have defined the elite as elected representatives and politicians, chairpersons, and executive staff members of influential non-government organizations and high level bureaucrats with influence over government policies.

**The Challenges of Elite Interviewing**

If you are reading this paper, we can probably assume that you have already considered the question of whether or not interviews are an appropriate research strategy for your purposes. Therefore, we will address what we consider to be the key success factors for elite interviewing. These are grouped into five areas: (1) identification; (2) access; (3) preparation; (4) execution; and (5) follow-up. The final phase of elite interviewing is elite data analysis, which we address separately in the paper “Qualitative Data Analysis for Elite Interviewers”.

**Identification**

Perhaps the primary challenge in interviewing the elite is identifying them, especially when the researcher is seeking those who wield influence behind the scenes. Goldstein (2002) discussed how some elite groups such as judges or members of Congress are readily identifiable, while others such as lobbyists and activists are much harder to identify. Goldstein described how he scanned industry journals and news media reporting for every instance in which an ideological group, union, corporation, or trade association was mentioned as having used the lobbying strategy that was the focus of his study (Goldstein, 2002, p. 670).
Similarly, Cochrane warned of the dangers of assuming that local politicians and officers comprise the local political elite, noting the growing influence of business people, health agencies, and the non-for-profit sector in British political world, together with the diminishing of influence of some traditional groups, such as trade unions (Cochrane, 1998, p. 2128). Techniques used by the authors to identify the elite have included snowball sampling, in which interviewees are asked to recommend others who are influential in or knowledgeable about the field; scanning the media to identify spokespersons on issues relevant to the area of research; and checking government publications to identify leaders on advisory committees and boards of management.

**Access**

Elite members of society, almost by definition, are busy people who are often surrounded by gatekeepers (secretaries, advisers, and the like). This makes them a difficult group to reach and engage in research. In the case of medical physicians, the now widespread practice by pharmaceutical companies of using conferences, dinners, and gifts to attract doctors to “information” sessions has created the expectation among many that there will be some sort of reward for participation (Chapple, 1997, p. 84). Politicians are another group often courted by well-heeled corporations and lobby groups, and who often expect to be wined and dined in return for their time. Researchers working in these fields, who cannot offer such inducements, must rely on other strategies to win access.

One of the most successful of these is to offer the opportunity to participate in research that carries the imprimatur of a prestigious institution (Aberbach & Rockman, 2002, p. 673). The status and authority of the research can be further augmented through the use of official stationery and the endorsement of senior members of the institution. Co-author Boontip Siritarungsri, for example, was greatly assisted by a letter of endorsement sent to all potential interviewees by the president of her university, thus enhancing the integrity of the research and producing a near perfect recruitment rate. It is also important to be aware of external factors, such as the heated political climate that surrounds elections and that may cause suspicion among potential participants about the purposes of the research (Rivera et al., 2002, p. 684).

There may also be unique cultural factors that can be used to advantage by the elite researcher. In the case of Dr. Siritarungsri, her status as a doctoral candidate and associate professor in a public open university was important factors in her gaining access to members of the elite in Thailand, because the Thai culture carries high levels of respect for educated people. Furthermore, in her role as an administrator at the university, Dr. Siritarungsri was experienced in interacting with professors, administrators, and policy makers. In addition, her membership of the sub-committee of the Thailand Nursing Association and the Thailand Nursing and Midwifery Council assisted in gaining access to senior decision-makers. Similarly, Professor Francis’ appointment to a range of high level nursing boards and councils in Australia has been influential in opening doors to senior policy makers.

Another effective strategy is to use personal networks and contacts. When UK geographer Linda McDowell found it difficult to gain access to the privileged world of merchant banking in London, she used what she described as chance and the shameless use of college connections to pull strings (McDowell, 1998,
p. 2136). Dr. Siritarungsri also relied on a personal contact who worked for a senior government member, as did Ms Grant through contacts in political circles and friends employed in politicians’ offices. These techniques need to be carefully managed to meet the approval of ethics committees, but a pragmatic justification is that without the interview there is no research.

Finally, the importance of patience and persistence cannot be overemphasized. We recommend sending two short explanatory letters of invitation with reply slips, consent forms and stamped addressed envelopes included. These should be followed up with telephone calls: Do not be intimidated by “gatekeepers” who are only doing their job (Peabody et al., 1990, p. 453) and try to speak directly to the potential participant wherever possible.

**Preparation**

Getting in the door is important but what you do next is more so. Before considering which style of questioning is most appropriate, it is essential to do your homework about each participant. Being well-prepared increases the likelihood that you will be taken seriously. Such preparation may include being able to refer to the latest research in the subject area, or the interviewee’s own published work (McEvoy, 2006). As part of her own preparation, Dr. Siritarungsri read widely from the work of a senior government policy expert. Being able to comment approvingly on her work helped to establish a good rapport and attain a relaxed and lengthy interview. Policy researcher and co-author Julie Grant also found it important to be well-prepared when interviewing senior politicians:

> Before the interview was even underway, he wanted to know if I knew who he was. Clearly, I was not going to be taken seriously if I couldn’t demonstrate I had already familiarized myself with his political career and which portfolios he had as a reflection on his experience. (Peabody et al., 1990, p. 452)

Political scientists also stress the importance of preparing as much background material as possible so that you do not waste the participant’s time asking questions to which you should know the answers.

**Execution**

Having prepared comprehensively for an interview, the researcher next needs to decide on her/his approach to questioning whether or not to use an interview schedule, how tightly questions will be focused on, and whether or not to record the interview (McConnell, Chapman, & Francis, 2009). Modern recorders are small and unobtrusive, and allow the interviewer to maintain eye contact, build rapport, and conduct the interview in an informal, conversational manner without trying to write notes or remember important points and phrases. Moreover, the audio or digitally recorded interview results in a complete and accurate transcript that can reveal subtle nuances and is extremely beneficial when you want to use quotations in your text (Peabody et al., 1990, p. 454). On the other hand, there can be confusion about what constitutes off/on the record commentary, and the presence of a tape recorder can inhibit the expression of full and frank views, even when assurances of anonymity have been made. Another drawback may be the time and expense involved in transcribing the interview. We find that replaying recorded interviews during the transcription phase enhances understanding of the participant’s viewpoint. An accurate rendition of the language and imagery used by each participant can also be of value in subsequent analysis (Opdenakker, 2006).
Next, the interviewer must consider the degree of open-endedness or focus the interview should have. The general consensus among experienced interviewers is that “elites especially, but other highly educated people as well, do not like being put in the straightjacket of close-ended questions” (Aberbach & Rockman, 2002, p. 674). Co-author Boontip Siritarungsri experienced this while interviewing a senior manager who disliked the way previous interviewers had doggedly worked their way through a list of prepared questions: He wanted to direct the discussion and engage in dialogue without being asked to repeat himself.

Some researchers use a combination of open-ended questions to establish rapport and get the interviews flowing, followed by more focused questions on the research subject. Rivera et al., for example, found that alternating open-ended and close-ended questions had several advantages: Once the introductory open-ended questions had been covered, it was easy to elicit answers to more formulaic questions: “We had demonstrated respect for the complexity of their views through the open-ended questions and thus had earned the right to ask questions from our own frame of reference” (Rivera et al., 2002, p. 686).

Time constraints will often determine how many and what types of questions can be asked. A balance needs to be struck between jumping straight into complex questions without first establishing rapport, and leaving key questions too late. Peabody et al. recommended that your interview schedule be short enough to be administered in 20-30 minutes. They suggested that the researcher start with the simple and factual and then move to the more interpretive or judgemental questions, warning that you will not get the rich data you want if you start with those questions before you have established rapport (Peabody et al., 1990, p. 453). We find that the open-ended approach is most useful when the interviewee has insider or authority status in a given subject area, or where the interviewer is unfamiliar with the field or experience under research. Open-ended questioning requires some experience to know when to probe and how to formulate follow-up intriguing, incomplete or unexpected answers (Berry, 2002, p. 679).

Another important consideration is how to phrase questions. In the political field, it is important to keep questions neutral. Co-author Julie Grant found that senior politicians and bureaucrats can be defensive about their own performance or track record, and it is important to deflect any implied criticism away from the individual if a more open answer is sought. A useful technique suggested by Berry (2002, p. 680) is to ask the subject to critique his/her own case: “Don’t show scepticism and don’t challenge the subject move the subject away from his own case (by using) a third party reference or opinion”. Asking about other participants and organizations can be a useful way to take the pressure off those who may become concerned about justifying their personal effectiveness.

Another consideration is that elites may fear looking silly or uninformed. As Alison Chapple found when trying to get doctors to agree to be interviewed, in addition to the problems of high workload pressures and feeling “over-researched”, some doctors feared they would feel foolish if they were not up to date with all the latest information (Chapple, 1997, p. 83). Many respondents regard interviews as a form of examination that they should have all the answers to, and may need to be reassured that there are no correct answers.

We stressed that they were members of a highly select group of individuals whose task it was to make key decisions in the realm of public money. As a result, any answers they could provide in and of themselves would constitute very valuable information for us. (Rivera et al., 2002, p. 685)
Some final points to consider in relation to questions are how to provide participants the opportunity to raise matters of interest to them. Activism researcher Laura Woliver suggested: “I end my interviews with a question like this: ‘Is there anything you would like to tell me about which I haven’t thought to ask you?’ It is amazing what I learn from this question” (Woliver, 2002, p. 678).

Researchers also need to be prepared for the fact that some of the most significant insights may be obtained after the recorder is turned off, so being prepared to stay and chat or make some written notes shortly afterwards.

It is also important to consider physical aspects of the interview, such as the site and mode of presentation of the interviewer. In Thailand, Dr. Siritarungsri found that more senior participants responded well to the researcher presenting in traditional dress, which carries an aura of formality and respectfulness. In Australia, business or office attire is generally recommended. Participants are also likely to respond differently according to the interview site. While people are generally more candid outside their usual work environment, the elite tend to prefer to be interviewed in their own offices where there is minimal disruption to their schedule and their status is on display. In some situations, however, political sensitivity may require the interviewer to arrange a neutral or low-key site, such as a meeting room in a public facility. Providing lunch or light refreshments is another suggestion that helps busy participants relax and extend the interview.

**Follow-up**

An important aspect of interview-based research that is often overlooked is the provision of feedback or follow-up. The can be as simple as a letter of thanks, or something more substantial such as a summary of the research report, a copy of a research paper, or even the full dissertation. Linking back to the issues of access discussed above, feedback is an acknowledgement that without the interviewee, our work would be diminished (Woliver, 2002, p. 678). Providing feedback to participants is more than just a matter of courtesy or ethical behavior—it also enhances the likelihood that you or other researchers may be able to return to the participant for future research projects. Chapple’s experience in this regard is not unusual: She found that her participants (doctors) were tired of taking part in research without any feedback, and that if they felt they had learnt something from the research, they may be more likely to take part in future (Chapple, 1997, p. 89). For participants unfamiliar with the output of academic research, it can be reassuring both to see that their views have been instrumental in the construction of a piece of scholarly work and that their anonymity has been protected.

As McDowell found, even the elite can feel vulnerable about the prospect of their lives and views appearing “fixed on the page, open to the cold gaze not only of the social science community but also their colleagues in the relatively small and close-knit world of banking” (McDowell, 1998, p. 2144).

And finally, some words of warning about providing feedback to elite interview participants. The elite are often unused to and extremely sensitive about anything that might be perceived as criticism. One of the co-authors found that offering participants the opportunity to review their interview record resulted in demands for substantial changes to paint the interviewee in a more flattering light. Chapple related the experience of presenting study findings to a group of consultants that included criticism of their departments: They responded
angrily with accusations that the participants were not telling the truth and that the study was anecdotal (Chapple, 1997, p. 90). Her advice is prepared to defend both your study design and the value of qualitative research more generally, particularly if your approach is founded in social science and your participant cohort have trained in the natural sciences.

**Conclusions**

From the authors’ experience interviewing, the elite can open up little-known aspects of governance, policy, and professional culture, and add quality and credibility to qualitative research. Generating valuable qualitative data from interviews with the elite require careful attention to researching your cohort, negotiating access to them, preparing a flexible approach to questions, respecting their expertise and ability to guide the interview without being unduly deferential, selecting a suitable interview site, presenting yourself in appropriate attire, and providing meaningful feedback after the completion of the research. The successful interviewer is reflective about her or his own reactions, as interviewer and understands that the elite influence both the nature and direction of the interview itself. Experience suggests that interviewing the elite calls for courage, resilience, the capacity to learn from errors, and to be able to manage both hostility and unexpected opportunities. The most important quality is self-management: the ability to develop a personal style of interviewing that can respond to setbacks and unexpected openings. These reflections on our experiences of interviewing politicians, policy-makers, senior bureaucrats, and educators should be of use to other researchers preparing to embark on the challenging and inspiring journey of co-constructing interviews with the most expert, influential, and powerful members of our society.

**References**


Role of Religion and Media Consumption in National Identity Formation of Youth in Pakistan

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This research intends to study the relationship between faith, media exposure, and national identity construction of youth in Pakistan. The purpose is to ascertain the level of influence of foreign and local media consumption on national identity formation in terms of collective self-esteem and self-image of youth with high and low level of religiosity. A survey has been conducted from students (n = 321) between the age group of 16-19 living in Lahore. The results of this study revealed that respondents with high religiosity did not prefer to consume foreign media (r = -0.435**, p < 0.01) whereas they did not show much preference to consume Pakistani media, either (r = 0.138*, p < 0.05). The level of religiosity and positive national identity had a strong and significant positive correlation (r = 0.619**, p < 0.01). This study also found that those respondents who preferred to consume foreign media texts demonstrated lower self-esteem and negative self-image as Pakistanis as compared to those who did not prefer foreign media consumption (r = -0.427**, p < 0.01). The researcher assumed that being Pakistani, a respondent would prefer to consume more national media texts over foreign and would have more positive national identity. However, results did not support this premise (r = 0.159**, p < 0.01) due to the fact that the respondents did not show preference to consume Pakistani media at first hand. The study also connects theoretical understanding of faith and identity in Pakistani perspective along with an additional factor of media consumption. Thus, it strengthens the argument that strong faith positively contributes towards consolidating an individual’s identity construction process. However, the results demonstrate that media tend to play a limited role in the process of identity construction compared to family and peers among Pakistani youth.

Keywords: religiosity, media consumption, national identity, Islam, Pakistani youth

Introduction

This study aims at analyzing relationship among faith, media consumption, and national identity formation of youth in Pakistan. The main objective of this study is to comparatively analyze two distinct groups of young students with higher and lower religious commitments in terms of their media consumption patterns and national identity formation as a Pakistani.

Identity is conceptualized as a self-image, self-esteem, or individuality to view oneself as a person in relation to other people. Identity is not only constructed based on national characteristics, but also on difference from “Others” (Prieler, 2010). This study takes it into account to analyze role and extent of influence of various factors that help individuals construct their identity including faith, family, and media exposure from constructionist point of view. Media and religion as social institutions interact to help individuals construct...
their identities.

**Media and Identity**

Media have been used extensively to strengthen national identity and to increase fidelity among citizens of the country. One way to inculcate a sense of national pride and identity is through production and diffusion of one national culture, promoting national harmony, unity, loyalty, and integration especially through mass media in the country. Media can help create and reinforce a sense of national unity and belonging by encouraging people living in different parts of the country to visualize and feel sympathy and oneness with other readers, viewers, or listeners, simultaneously consuming the same media products in the country. In Pakistan, this has been specially observed during crisis situations like wars, earthquake, and floods etc.. These crises not only brought Pakistani nation together but in return enhanced the self-esteem and self-image of Pakistani public as sympathetic, helpful, and compassionate.

It has been widely argued that in the present information society and media-oriented social structure, one can hardly consider identity without reference to media and communication technologies. They have altered and modified the ways and means, against which identity is constructed (Cerulo, 1997). It is also argued that popular media filter through everything that we do. Consequently, the exposure to the media is bound to infiltrate into people’s lives. This is especially the case when young people are in the process of constructing their identities. Through television, magazines, advertising, music, and the Internet, adolescents have a great deal of resources available to choose how they would like to present their “selves” (Hamely, 2001). By using certain imagery portrayed in the media, being slim fashion models, a character in a television drama, or a lyric from a popular song, young people and even adults are able to construct an identity for them. “Individuals actively and creatively sample available cultural symbols, myths, and rituals as they produce their identities. For teens, the mass media are central to this process because they are a convenient source of cultural options” (Brown, Dykers, & White, 1994, p. 813).

Identity is an ambivalent, fluctuating, vibrant, and vulnerable concept (Wodak & Ludwig, 1999) that has been widely addressed by many scholars from different perspectives and theoretical frameworks. Mostly past research focused on construction of identities within the media text like newspapers discourse (Dekavalla, 2010; Sahin, 2011), television (Drom, 2010), TV talk shows (Mazdon, 1999), and TV advertising (Piller, 2001; Prieler, 2010). These studies applied qualitative methods to analyze various frames in which certain community, national and social identities were comparatively constructed to differentiate between “Us” and “Others”.

Many other studies examined relationship between exposure to media and identity construction by the public (Cohen, 2008, Georgiou, 2001; Kiely, McCrone, & Bechhofer, 2006; Mastro, Behn-Morawitz, & Kopacz, 2008; Ong, 2009; Witteborn, 2007).

Cohen (2008) examined the relationship between various measures of exposure to and preference for Israeli television (as opposed to imported foreign programs) and the degree of national pride. Survey results ($n = 408$) showed that viewers who preferred Israeli channels and news programs did not feel more proud of being Israeli. However, the proportion of Israeli favourite television characters did predict national pride. The more religious the subjects and the more right-wing they were, the more patriotic they were respectively ($b = 0.159, p < 0.01$ and $b = 0.215, p < 0.001$).

People gain a sense of positive esteem from their identity group which furthers a sense of community and belonging. In case, the identity of a particular group, community or a nation is constructed negatively can lead
to their isolation from others and intolerance towards them. The researcher contends that identity of Muslims and Pakistanis has been constructed by the North in a simplified and stereotype manner as “Others” that is even widely documented now. Under the guise of fair and balance coverage, Islam has been condensed to a few often simply inaccurate, ethnocentric, and hostile clichés by the Western media (Christensen, 2006a, 2006b; Colachal, 2007; Kareem, 2008; Mishra, 2008; Moore, Mason, & Lewis, 2008; Pervez & Saeed, 2010; Pintak, 2006; Said, 1997; Seib, 2004; Shaheen, 1980).

The researcher argues that exposure to such repeated negative media portrayal of Pakistanis affects the self-esteem of their recipients while adversely influencing the process of their national identity formation and collective self-esteem as a nation. This premise is set in the perspective of cultivation effects. Therefore, it has been hypothesized:

H1a: Higher exposure to national media texts leads towards positive national identity construction among youth as Pakistanis;

H1b: High consumption of foreign media contents is negatively associated with positive national identity of teenagers.

Faith and Identity Construction

Commitment to religion or a set of ideology is supposedly taken as an important component and ingredient of individual’s identity formation experience (Good & Willoughby, 2007). Strong faith and religious commitment can also save from identity diffusion and crisis by an enhanced connection with God that helps consolidate identity commitments.

Good and Willoughby (2007) explored the identity construction processes of church-attending adolescents from rural and urban background and concluded that strong faith leads to adolescents towards the status of identity achievement as opposed to those with less attendance in the church. The study found prominent differences between the church-attending adolescents and the control group (those who have never attended church in their life yet) with regard to their personal identity construction experience. They differed significantly in relation to their role models, turning points in their lives, career goals, family-related goals of life, and their commitment to religious values on personal front. Thus, religious affiliation played a significant role in their identity formation experience leading them towards identity achieved status.

Small (2008) conducted a qualitative analysis to explore college students’ affiliation with religion and their spiritual identity construction. The researcher gathered data from Jewish, Protestant, Muslim Christian, and atheist college students through focus group, questionnaires, and interviews to determine how they talk about their spiritual identities, and how those spiritual identities are affected by their religious association. It was found that faith does affect the ways students view the world and the ways they discuss their identities with diverse peers. One’s worldview, established through the frame of faith, acts as a constant lens through which the structural changes in faith inherent in living, relating, and growing in society are filtered (p. 354).

Krause (1995) examined the relationship between religiosity and self-esteem in later life. Previous research in this area provides conflicting findings. Some studies indicate that greater religious involvement tends to bolster feelings of self-worth, whereas others suggest that more religious involvement is associated with less positive self-evaluations. A new perspective is tested in the present study, which predicts that there may be a nonlinear U-shaped relationship among these measures. More specifically, it is proposed that self-esteem is highest among elderly people with the greatest, as well as the least, amount of religious
commitment and lowest among older adults with only modest levels of religiosity. The data tend to support this new view largely. However, feelings of self-worth tend to be lowest for those with very little religious commitment rather than those with moderate levels of religious involvement.

Triandafyllidou (1998) explored the role of others in the (re-)definition of national identity. A brief review of dominant theories of nationalism shows that the existence of the “Others” is an implicit assumption made by most scholars. Nevertheless, the relationship between the nation and the others remains largely unexplored. However, national identity is defined not only from within, namely from the features that fellow-nationals share in common but also from without, that is, through distinguishing and differentiating the nation from other nations or ethnic groups. National identity becomes meaningful only through the contrast with others. This article introduces the notion of “significant others” to investigate the ways in which others may condition the formation or lead to a transformation of the identity of the ingroup. The Macedonian question and the emergence of a New Greek nationalism are used as a case study to highlight the role of significant others in shaping the identity of the nation.

Literature on adolescents’ ideological or religious inclination or commitment indicates that strong religious commitment is a strong determinant of identity formation (Good & Willoughby, 2007). Therefore, the researcher is interested in finding out relationship between media exposure and identity formation experience of youth in Pakistan belonging to two different backgrounds of religiosity. In the perspective of reinforcement effects of media, it is intended to analyze whether religious affiliation reinforces self-esteem of individuals. Therefore, it has been hypothesized:

H2: Higher level of religiosity is positively associated with positive national identity construction of youth as Pakistanis.

**Faith and Media Consumption**

On the other hand, keeping in view selective exposure theory, the researcher assumes that the more religious respondents will be more inclined towards national media consumption as it will help them enhance their self-esteem as Pakistani. Secondly, on the basis of Huntington’s concept of clash of civilizations and ample evidence of Islam bashing in the Western media as discussed above, the researcher is interested to explore whether strength of religious affiliation affects selection of media is national or foreign. Therefore, to check relationship between religiosity and preferred national or international media consumption, it is hypothesized:

H3a: High level of religiosity is negatively associated with low consumption of foreign media among teenagers;

H3b: High level of religiosity is positively associated with preferred consumption of national media among teenagers.

**Methodology**

This study is based on a survey through self-administered questionnaires with a response rate of 80.25%. Population of the study constituted teenagers at the age of 16-19 from Lahore. The sample was drawn from students of religious educational institutions and private colleges in order to access respondents with high and low religiosity. To access the highly religious segment of the population, two religious education institutions imparting specifically religious education \(n = 165\) were selected in Lahore: Markaz Quran-o-Sunnah wa
Ahle-Hadees \((n = 86)\) and Al-Huda Institute \((n = 79)\). For less religious segment \((n = 156)\) of the population, Kinnaird College \((n = 85)\) and National College of Arts \((n = 71)\) were selected.

**Independent Variables**

There are two independent variables, namely, religiosity and media consumption pattern. Religiosity of an individual is conceptualized as the quality of being religious, pious, and devout and self-righteously religious. For measuring religiosity, 10 items were carefully selected and adapted from modified Islamic Behavioural Religiosity Scale (IBRS) (Abou-Youssef, Kortam, Abou-Aishand, & El-Bassiouny, 2011). Higher score on this scale indicates high level of religiosity and vice versa. The scores of less religious respondents \((n = 176)\) ranged from 24 to 38 whereas highly religious respondents score on religiosity scale \((n = 145)\) ranged from 40 to 48 split on the median value 39. Highly religious respondents were found to be less conversant with conventional education \((M = 3.35, \text{SD} = 1.091)\) and belonged to slightly low socio-economic status \((M = 2.79, \text{SD} = 1.54)\). This variation was surfaced mainly due to the fact that people belonging to poor families were usually sent to religious Madrassa for education.

Media consumption was the second independent variable with two dimensions of local/national media texts consumption and foreign media texts consumptions. Respondent were provided with second instrument measuring their media consumption pattern. The consumption of local as well as foreign media contents was gauged along with duration, frequency, and type of contents respondents prefer of newspapers, magazines, books, religious literature, TV, radio, Internet, and social media. The highest consumption rate was of Internet that both groups equally preferred and used after television that majority of the respondents watched for entertainment.

**Dependent Variables**

The dependent variable national identity was measured through the level of respondents’ self-esteem and self-image as Pakistanis. An instrument was developed utilizing two subscales of cultural homogeneity and consumer ethnocentrism with minor amendments adapted from the National Identity Scale (Keillor, Thomas, & Hult, 1999, p. 71) and four subscales of membership, private, public, and identity from Reformulated Collective Self-Esteem Scale (Lilli & Diehl, 1999, p. 3). Second part included a list of 20 adjectives both positively and negatively to describe the image of Pakistani nation, like Pakistanis are self-reliant, proud, creative, likeable, hospitable, corrupt, terrorists, emotional and so on. A 5-point Likert Scale was used across all items.

**Data Analysis and Results**

This study analyzed pattern of respondents’ media consumption. Most extensively-consumed media among Pakistani youth is Internet \((M = 4.03, \text{SD} = 1.265, n = 321)\), followed by television \((M = 3.51, \text{SD} = 1.084)\) used by 90% of respondents with varying frequencies. Mostly, use of Internet is for getting information or education purposes (31%) as the population consisted of all students. It is important to note that 8% respondents use Internet only for preaching Islam and another 8% use for both preaching Islam and using social networking websites. Simultaneously, 11% occasionally and 30% seldom use social media to interact with religious scholars and visit their pages and communities on social media. It indicates that though occasionally, however, Pakistani youth has purposive media consumption to get in touch with Islamic communities to gain and share information and knowledge about Islam.
As many as 82% respondents believe that friends and peers play the most important role in constructing their identities ($M = 4.34$, $SD = 0.753$). On the other hand, as compared to family members ($M = 4.1$, $SD = 0.746$), mass media have limited roles to play in constructing individual identities ($M = 3.27$, $SD = 1.003$). One major reason is that teenage is that phase of human life when individuals have peer pressure while interacting with them and rely more on friends and peers so far their personal lives and major decision-making processes are concerned. Therefore, they consider friends and peers as a more important to their identity formation experience.

Many critics opine that young generation in Pakistan is confused about their national identity and they are undecided about what type of a nation they are. While analyzing data, it was found that overall 78.1% responses on the measure of identity as a Pakistani clearly indicated a decision of respondent whether they agree or disagree to the items. Only 21.9% overall respondents were undecided about national identity and whether they are proud of their identity or not. The results indicate that majority of the respondents hold a firm opinion and they are not confused as to what type of identity they hold as a Pakistani no matter positive or negative.

H1a: Higher exposure to national media texts leads towards positive national identity construction among youth as Pakistanis.

Table 1

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Preference Pakistani media</th>
<th>National pride</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman’s rho</td>
<td>Preference Pak media</td>
<td>Correlation coefficient</td>
</tr>
<tr>
<td>Sign. (2-tailed)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>N</td>
<td>321</td>
<td>321</td>
</tr>
<tr>
<td>National pride</td>
<td>Correlation coefficient</td>
<td>0.159**</td>
</tr>
<tr>
<td>Sign. (2-tailed)</td>
<td>0.004</td>
<td>-</td>
</tr>
<tr>
<td>N</td>
<td>321</td>
<td>321</td>
</tr>
</tbody>
</table>

Note. ** Correlation is significant at the 0.01 level (2-tailed).

Table 1 shows that the hypothesis is not supported as the correlation between preference for consuming Pakistani media and national pride is small ($r = 0.159^{**}, p < 0.01$).

H1b: High consumption of foreign media contents is negatively associated with positive national identity of teenagers.

Table 2

<table>
<thead>
<tr>
<th>Correlations</th>
<th>National pride</th>
<th>Foreign media exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman’s rho</td>
<td>National pride</td>
<td>Correlation coefficient</td>
</tr>
<tr>
<td>Sign. (2-tailed)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>N</td>
<td>321</td>
<td>321</td>
</tr>
<tr>
<td>Foreign media exposure</td>
<td>Correlation coefficient</td>
<td>-0.427**</td>
</tr>
<tr>
<td>Sign. (2-tailed)</td>
<td>0.000</td>
<td>-</td>
</tr>
<tr>
<td>N</td>
<td>321</td>
<td>321</td>
</tr>
</tbody>
</table>

Note. ** Correlation is significant at the 0.01 level (2-tailed).

The result (see Table 2) demonstrates that more exposure to foreign media contents is decreasing the level of self-esteem and pride as Pakistani ($r = -0.427^{**}, p < 0.01$).
H2: Higher level of religiosity is positively associated with positive national identity construction of youth as Pakistanis.

Table 3

<table>
<thead>
<tr>
<th></th>
<th>Religiosity</th>
<th>National pride</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religiosity</td>
<td>Pearson correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>321</td>
</tr>
<tr>
<td>National pride</td>
<td>Pearson correlation</td>
<td>0.619**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>321</td>
</tr>
</tbody>
</table>

Note. ** Correlation is significant at the 0.01 level (2-tailed).

Table 3 indicates that the two main variables of researching the level of religiosity and positive national identity are positively correlated. The relationship between these variables is significant ($r = 0.619^{**}$, $p < 0.01$). Thus, the hypothesis is supported.

H3a: High level of religiosity is negatively associated with low consumption of foreign media among teenagers.

Table 4

<table>
<thead>
<tr>
<th></th>
<th>Religiosity</th>
<th>Foreign media exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religiosity</td>
<td>Spearman’s rho</td>
<td>Correlation coefficient</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>321</td>
</tr>
<tr>
<td>Foreign media exposure</td>
<td>Correlation coefficient</td>
<td>-0.435**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>321</td>
</tr>
</tbody>
</table>

Note. ** Correlation is significant at the 0.01 level (2-tailed).

The result (see Table 4) indicates that a moderately significant negative correlation exists between level of religiosity and foreign media consumption ($r = -0.435^{**}$, $p < 0.01$).

H3b: High level of religiosity is positively associated with preferred consumption of national media among teenagers.

Table 5

<table>
<thead>
<tr>
<th></th>
<th>Religiosity</th>
<th>Preference Pakistani media</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religiosity</td>
<td>Spearman’s rho</td>
<td>Correlation coefficient</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>321</td>
</tr>
<tr>
<td>Preference Pakistani Media</td>
<td>Correlation coefficient</td>
<td>0.138*</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.013</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>321</td>
</tr>
</tbody>
</table>

Note. * Correlation is significant at the 0.05 level (2-tailed).
The result (see Table 5) shows that correlation between high level of religiosity and national media consumption is small and not highly significant \((r = 0.138^*, p < 0.05)\). It indicates that respondents do not prefer to consume national media no matter what the level of their religiosity is. Thus, hypothesis is not supported.

**Discussion**

This study measured level of religiosity, media consumption, and national identity with reference to collective self-esteem and self-image as Pakistani.

The study found that collective self-esteem and national pride are not associated with preferred national media consumption. The first hypothesis is not supported as the correlation between preference for consuming Pakistani media and national pride is small though significant \((r = 0.159^{**}, p < 0.01)\). It leads us to conclude that respondents do not prefer Pakistani media on the basis of being Pakistanis. Many reasons can be attributed to this result including quality and content of the programs being presented as compared to other media and lack of motivation to prefer Pakistani media due to more attractive contents available on other media outlets. An extensive boom in electronic, print, online, and social media has resulted in an intense competition among media outlets to grab more and more audience to be sold to the advertisers. This media competition has made the production process more challenging and global in its approach. This global approach also blurred the boundaries between national and foreign media as global media accessible anywhere any time. With a remote control in hand and unlimited media outlets available, probably, it is hard for the audience to remember that to which nation they belong to in selection of the media channel or any other outlet.

Secondly, Cohen (2008) concluded that previous findings also suggest that the association between television viewing and national pride is not nearly as strong or simple as suggested by much of the literature. Kiely, McCrone, and Bechhofer (2006) found that for Scottish nationals who mainly read the Scottish press, there is more of a taken-for-granted, non-contentious aspect to the media. What they read, watch, and listen to is mainly the result of habit, often focusing on local matters.

However, the type of content you are exposed to does affect the way audience perceive and construct social realities about yourself and others. This becomes evident from the result of the second hypothesis that demonstrates that more exposure to foreign media contents is decreasing the level of self-esteem and pride as a Pakistani \((r = -0.427^{**}, p < 0.01)\).

They have more negative self-image as Pakistani as uncivilized, emotional, divided into sects, corrupt, extremists, and terrorists. Those respondents with low or no exposure to foreign media expressed higher level of positive identity as Pakistani in shape of strong agreement with the premise that Pakistanis are more patriotic, proud, likable, and creative, whereas strong disagreement with the image of Pakistanis as terrorists, corrupt, and weak. High exposure to foreign media leads them to declare that they are not proud of their identity as Pakistanis.

Giddens argued that mediated experience has long influenced self-identity (as cited in McQuail, 1994, pp. 110-111). As discussed in the literature review part, propaganda against Islam is a common feature of Western media contents, therefore, exposure to such contents sets agenda for the audience what to think about and how to think about it. The more negativity viewers watch on the media, the more negative perception they might cultivate.

The results reveal significant differences between the self-esteem as a proud Pakistani of less religious segment \((M = 2.54, SD = 1.46)\) and highly religious respondents \((M = 4.15, SD = 1.46)\). Statistical analysis
demonstrated that two main variables including the level of religiosity and positive national identity are positively correlated. The relationship between these variables was found significant ($r = 0.619^{**}$, $p < 0.01$). Those respondents with higher level of religiosity have more positive national identity in terms of having higher self-esteem and pride as a Pakistani. Those respondents who are less religious have more negative image of themselves as Pakistanis as shown by lower scores on the scale of national pride and collective self-esteem. These results strengthen the relationship between faith and positive identity.

Seul (1999) opined that religions often serve to satisfy basic human and psychological needs better than other repositories of cultural meaning that contribute to the construction and maintenance of individual and group identities. Religions frequently supply cosmologies, moral frameworks, institutions, rituals, traditions, and other identity-supporting content that answers to individuals' needs for psychological stability in the form of a predictable world, a sense of belonging, self-esteem, and even self-actualization. The peculiar ability of religion to serve the human identity impulse can also lead to clashes based on religious issues.

As far as the relationship between faith and media exposure is concerned, the results also indicate a moderately significant negative correlation between level of religiosity and foreign media consumption ($r = -0.435^{**}$, $p < 0.01$). Respondents with less religiosity scores have more foreign media exposure as contrary to those with higher religiosity. As the religiosity level increases, the preference and consumption of foreign media decreases. Therefore, the hypothesis is supported ($p = 0.000$). It can be argued that due to personal preferences and predispositions selective attention is given to the media which do not contradict their views rather than reinforce them. Secondly, identity and media consumption become contentious when something in the media challenges their self-esteem and sense of identity.

The result shows that correlation between high level of religiosity and national media consumption is small and not highly significant ($r = 0.138^*$, $p < 0.05$). It indicates that respondents do not prefer to consume national media no matter what the level of their religiosity is. Thus, hypothesis is not supported. Since the preference for national media consumption was not sought in the result, therefore, on the same grounds it did not support ample evidence to support the hypothesis.

Conclusions

This study concludes that religiosity helps youth in positive identity construction and enhances self-esteem of the young generation in Pakistan. A significant positive correlation between the two variables supports that less religiosity leads to more negative perception of self-image and low self-esteem and vice versa. These findings harmonize with the previous literature related to faith and identity (Good & Willoughby, 2007).

Despite much patriotism and feeling of nationalism youth did not show any preference for using Pakistani media including newspapers, magazines, TV, etc. (Cohen, 2008). Kiely, McCrone, and Bechhofer (2006) also did not find such relationship for Israeli and Scottish nations. Therefore, findings of the present study are not different from the previous literature.

The assumption of selective exposure is supported by the results of the study in the case of religiosity level and foreign media exposure. More religious respondents demonstrated no preference and use of foreign media and they were found selective in their choice.

Overall, role of media consumption tends to be less than that of religiosity and family members in the identity formation of Pakistani youth. This study analyzed a limited sample of 321 respondents who belonged to two different groups. This study could not make a comparison on gender basis as all highly religious
respondents were males and less religious segments were predominantly females.

**References**


Mitt Romney, Mormonism, and Religion in the 2008 Presidential Election

Larry Powell, Mark Hickson
University of Alabama-Birmingham (UAB), Birmingham, USA

This study examined the impact of Mormonism on the 2008 presidential campaign of Mitt Romney. Romney faced a situation that reminded observers of John F. Kennedy’s 1960 campaign. In 1960, Kennedy faced doubts about his Catholicism while Romney faced questions about the Mormon religion. Kennedy faced those doubts directly with a speech in Houston, Texas late in the campaign. Romney tried to do the same thing with a speech on his religious beliefs early in the primary campaigns. Kennedy’s speech was effective, and he went on to win the presidential election. Romney’s speech was not effective, and he was out of the race within two months. Kennedy’s speech directly addressed the public’s questions about Catholicism, while Romney’s speech was an appeal for religious tolerance. The speech is examined in terms of the Pharisee Effect, a hypothesis which argues that religious appeals in politics fail if they are overused. Some voters were turned off by the negative image of his religion—a response consistent with the fanaticism backlash of the Pharisee Effect. Others may have reacted negatively to his perceived inauthentic attempts to reach out to evangelicals—a move that is consistent with the intentionality dimension of the Pharisee Effect. The Mormon issue did not become an issue in the 2012 election; Romney avoided it by simply not talking about his religion.

Keywords: Romney, religion, Mormons, presidential campaigns

Introduction

In the 2008 election, Mitt Romney was a religious man, campaigning for the Republican nomination for president. Republican voters were highly receptive to candidates with strong religious faith. And yet, Romney got a cool reception from those voters, with doubts raised about the nature of his Mormon religion. For many voters, Mormonism represented an unknown or mysterious religion that engendered doubts about the candidate. Consequently, no Mormon has ever received their party’s presidential nomination.

Romney faced a situation that reminded observers of John F. Kennedy’s 1960 campaign. Kennedy won the Democratic nomination, but faced questions in the general election about his Catholic faith. Would he let the Pope dictate United States policy? Kennedy faced those doubts directly with a speech in Houston, Texas late in the campaign. Romney tried to do the same thing with a speech on his religious beliefs early in the primary campaigns. Kennedy’s speech was effective, and he went on to win the presidential election. Romney’s speech was not effective, and he was out of the race within two months.

What was the difference? This study examines Romney’s speech and argues, which failed because it
triggered a negative reaction known as the “Pharisee Effect”. The Pharisee Effect refers to a boomerang, or voter backlash, toward candidates who overuse religion as the basis of a political argument (Powell & Neiva, 2006). The phenomenon derives its name from a New Testament passage in which Jesus criticized a Pharisee for being too public with his prayers. The Pharisees, as was argued, were so openly religious that they were subject to charges of insincerity and hypocrisy. Powell and Neiva (2006) argued that the same thing can occur with the use of religious appeals in politics. They identified five attributions that could lead to a negative evaluation of such a speaker: (1) self-serving motivation, or intentionality, i.e., the speaker uses a religious appeal for his or her own purposes rather than to promote a religious purpose; (2) deception, or hypocrisy, i.e., the speaker is viewed as basing their appeal on a set of religious values that they themselves do not personally hold; (3) inappropriateness, i.e., the particularly religious arguments used by the speaker are deemed inappropriate for public debates; (4) a perception of fanaticism on the part of the candidate; and (5) a perception that the candidate has an undesirable “holier-than-thou” attitude. This study uses the categories to analyze Romney’s campaign in the 2008 election and public response to that campaign.

Early Status and Initial Skepticism

As early as July, 2007, Romney faced doubts about his religion (Welch & Jensen, 2007). New York Times reporter Luo (2007c) noted that Romney appeared to be the leading Republican candidate among evangelical voters, but many of them also had doubts about his religion and his position on abortion. A survey released by the Pew Research Center found that 30% of Republican voters said they were less likely to support a Mormon candidate (Luo, 2007f). Still, another part of the survey reported that his Mormon religion was not a factor for 64% of voters. Thus, while the report noted that belief in God was a crucial factor for a presidential candidate, the researchers concluded that “The vast majority of Americans… care less about sectarian affiliation… and more generally about whether the candidate believes in God and how that lends itself to a moral framework” (quoted in Luo, 2007d, p. A4). The vast majority, maybe; but not for evangelical Republicans, where 59% said they could not support a candidate whose religious beliefs were different from theirs (Goodstein, 2007a).

Meanwhile, the evangelical wing of the Republican Party found itself in something of a dilemma early in the campaign. Their anti-abortion position—a litmus test for Republicans in previous presidential elections—seemed not to apply to many of the key Republican candidates (Toner, 2007). From their perspective, the leading candidates had weak records on abortion. Rudy Giuliani was officially pro-choice, with one reporter noting that Giuliani was “betting that he can do without the hard-core ‘religious right’” (Goodstein, 2007a, p. WK4). John McCain had a record of hostility toward evangelicals, once referring to them as agents of intolerance (Luo, 2007c, p. A15). And Romney, who had been pro-choice as governor of Massachusetts before shifting to a pro-life position to run for president, was “a relatively recent convert to the cause” (Toner, 2007, p. A13). For the evangelicals in the electorate, such a shift had a hint of self-serving motivation, or intentionality. In this case, intentionality could arise as a factor because of the timing of the shift to the religious appeal created skepticism that the change was one of political expediency rather than religious devotion.

Support from evangelicals came to an early focus in October, 2007 when 2,000 Christian conservatives gathered for the Values Voters Summit in Washington, D. C.. Every Republican candidate for president attended the event, knowing its straw poll could show if evangelicals had coalesced around one candidate. The importance of the meeting increased when, two days before the gathering, one of the evangelicals’ ideal
candidates—Kansas Senator Sam Brownback—withdrew from the campaign. As Luo and Bosman (2007) noted, Brownback had “entered the contest with hopes that their conservative credentials would make them the standard-bearer for evangelicals and other social conservatives” (p. A19), but an inability to raise money pushed him out of the race. Consequently, the resulting straw poll produced no clear favorite among religious voters. The uncertainty increased when a leading evangelical, Pat Robertson, publicly endorsed Rudy Giuliani—a pro-choice candidate (Kirkpatrick & Cooper, 2007).

Finally, a debate among Republican candidates on November 30 created a religious problem for Romney. One question was whether they believed every word of the Bible. Romney hesitated before answering, then provided a complicated-theological answer that supported literal interpretation. The problem, though, is that the Mormon faith argues that some parts of the Bible are in error. Thus, Luo (2007h) noted that while Romney’s answer might have appealed to evangelicals, he “may have tripped himself up among Mormons, who believe categorically that it includes errors” (p. A13).

**The Speech**

Those events were a warning sign that Romney’s religion was an issue for evangelicals. To address the problem, Romney gave a major speech, “Faith in America”, which drew national headlines (Jackson & Kelley, 2007) and provided him with a chance to “address head-on suspicions about his Mormon faith” (Luo, Cooper, & Healy, 2007, p. A18). The announcement also triggered speculation regarding what he might say. Ted Sorenson, the speechwriter who co-wrote Kennedy’s 1960 speech, suggested Romney should say, “I’m not the Mormon candidate for president, I’m a candidate for president who happens to have been born a Mormon”.

He added that Romney should say he was also “not bound by every statement or issue adopted by some Mormon group, conference, or leader” (quoted by Jackson, 2007, p. A7).

Even with such advice, some of his supporters doubted that he would succeed. Doug Wead, a Republican adviser on religion who supported Romney, noted that:

> You can’t win the Republican nomination without a substantial piece of the evangelical movement… The hope will be that people see him as a leader and he won’t back down from what he believes… I think it represents a real desperate moment in the campaign—a realization that it’s slipping from him because of his religion. (Jackson, 2007, p. A7)

There were also inevitable comparisons to John Kennedy’s speech delivered to a meeting of Southern Baptists in Houston during the 1960 campaign. As Jackson and Kelley (2007) wrote, “Much as John F. Kennedy once confronted skeptics of his Roman Catholic faith, Republican presidential candidate Mitt Romney… will deliver a speech on religion as he seeks to become the first Mormon in the White House” (p. A5). Luo, Cooper, and Healy (2007) noted that the locations for both speeches were in Texas, since Romney set his speech for December 6, 2007 at the George Bush Presidential Library Center at Texas A & M University. Despite the comparisons to Kennedy, though, Romney appeared to face an uphill battle in addressing the topic. Romney himself discounted the comparisons to Kennedy, saying, “I am not going to be giving a J. F. K. speech”, “I am going to be talking about the role of religion, faith in America and in a free society” (quoted by Santora, 2007, p. A33). Even had he tried to emulate Kennedy, Romney would have faced obstacles. Kennedy has had an easier task, since 42 million Americans were Roman Catholics when he gave his speech. When Romney gave his, there were only an estimated six million Mormons in America—just two percent of the population (Luo, 2007i).
The campaign identified the theme in advance, telling reporters that the candidate would “share his views on religious liberty, the grand tradition religious tolerance has played in the progress of our nation and how the governor’s own faith would inform his presidency if he were elected” (Luo, Cooper, & Healy, 2007, p. A18). That is precisely what he did. Rather than addressed evangelical concerns, Romney talked about the need for religious tolerance. He quickly addressed the Kennedy comparisons, saying, “Like him, I am an American running for President. I do not define my candidacy by my religion. A person should not be elected because of his faith nor should he be rejected because of his faith. Let me assure you that no authority of my church or of any other’s church for that matter will ever exert influence on presidential decisions” (Romney, 2008, p. 41). As he continued, Romney tried to emphasize that separation further. “When I place my hand on the Bible and take the oath of office, oath becomes my highest promise to God”, he said, “If I am fortunate to become your President, I will serve none religion, no one group, none cause, and none interest. A president must serve only the common cause of the people of the United States” (p. 41).

But he refused to completely separate himself from his religion. Thus, he said:

There are some for whom these commitments are not enough. They would prefer it if I would simply distance myself from my religion, say that it is more a tradition than my personal conviction, or disavow one or another of its precepts. That I will not do. I believe in my Mormon faith and I endeavor to live by it. (Romney, 2008, p. 41)

Ultimately, the theme was a plea for religious tolerance based on common moral values. “Religious tolerance would be a shallow principle indeed if it were reserved only for faiths with which we agree,” he said (p. 42). He also noted that “It is important to recognize that, while differences in theology exist between the churches in America, we share a common creed of moral convictions” (p. 43).

As Parker (2007) noted, the idea of religious tolerance was:

… the crux of Romney’s argument, or rather, his plea for understanding. It is also a big idea, a review of which is timely at this juncture in our nation’s history. Americans are not religious bigots. We are better than those who deliver religion at the tip of a sword, or who express disapproval of others’ beliefs by the hands of an angry mob. We do not apply a religious litmus test in electing our leaders. At least, we shouldn’t. (p. 13A)

The initial response seemed to be “Well, It’s over”. Romney and his supporters were hopeful that it was good enough to win over conservatives (Jacoby, 2007). Republican strategist Tony Fabrizio described the speech as a “master stroke”, adding that “I think we were all hoodwinked into thinking that this was going to be Romney’s defense of Mormonism when, in fact, this was a celebration of his Mormon values”.

However, the speech seemed to have little impact—neither positive nor negative. Medhurst (2009) concluded that it was “a sort of Rorschach test through which various segments of the voting public read their own beliefs, values, fears, and prejudices” (p. 195), a conclusion he reached by examining press coverage of the speech. The press and some Republicans liked it. Parker (2007) wrote that:

Mitt Romney’s “Faith in America” speech might have surpassed even his own expectations. By changing the debate from doctrinal differences of his Mormon belief to a principled discussion of religious liberty, he not only raised the bar for political discourse, but he also effectively made a case for uniting all faiths in defense of Western civilization. (p. 13A)

Tolson (2007) said “The message was possibly a turning point in Romney’s candidacy, potentially securing his standing with many conservative Christians who had reservations about the distinctive doctrines of Mormonism” (p. 32).

wondered why Romney did not “publicly renounce his church’s discriminatory practices before they were revoked” and asked why the media had given Romney a free ride on the issue (p. WK12). Washington Post columnist Broder (2007) wrote that “Romney camouflaged the ‘idiosyncratic’ in his religion, affirming his faith in Jesus Christ as Savior, and wrapping his speech in layers of patriotic rhetoric” (p. B7). Columnist Thomas (2007) gave it a backhanded compliment when he wrote that “Atheists are the only people who appear to have been offended by Mitt Romney’s speech” (p. 11A). Along this line, Tolson (2007) wrote that “If anything, the speech may have alarmed secularists and nonbelievers” (p. 32). Reporter Luo (2007j) noted that Romney used the word “Mormon” only once, adding that “The passing mention of his Mormonism in his 20-minute speech…underscored just how touchy the issue of Mr. Romney’s faith has been” (p. A1).

The problem was that the speech may have pleased the media but had little impact among evangelicals. Parker’s description of it as a “plea,” rather than an argument, was accurate. He was hoping that his call for religious tolerance would provide him an entry into appealing to evangelical voters, but religious tolerance wasn’t a theme that resonated with those voters. Nor did his speech do anything to alleviate concerns about the cult-like nature of Mormonism. Soon after the speech, former Arkansas Governor Mike Huckabee, a conservative Christian, showed his ignorance about the religion with a public misstatement. Speaking to reporters, Huckabee asked if “Don’t Mormons believe that Jesus and the Devil are brothers?” And, he explained:

In Mormon theology, God is literally the father of all beings, and all beings once existed in a “pre-mortal” state as “spirit beings”… Jesus was God’s first-born son, and everyone who came after that… could be considered the siblings of Jesus. (quoted by Goodstein, 2007c, p. A33).

Huckabee later apologized for the remark (Luo, 2007k), but his over-simplification of Mormon theology was merely a symptom of a larger problem. As Goodstein (2007c) noted, Huckabee’s ignorance of the Mormon religion was a situation shared by many Americans. Similarly, Jan Shipps, a writer who studied Mormonism, noted:

Romney’s problem is a lot more difficult than Kennedy’s was. Catholicism is a lot closer to Protestantism than Mormonism is to Protestantism or Catholicism... The mystery of Mormonism is not the way [members] live, but what they believe. (quoted by Jackson, 2007, p. A7)

In a similar view, Woodward (2007) wrote, “To many Americans, Mormonism is a church with the soul of a corporation” (p. A19).

Further, the speech only served to make some commentators look more closely at the history of Mormonism. Lawrence O’Donnell argued that until 1978 Mormonism was “an officially racist faith” (quoted by Rich, 2007, p. WK12). The ultimate problem, though, was described in a New York Times editorial:

Mitt Romney obviously felt he had no choice but to give a speech yesterday on his Mormon faith. Even by the low standards of his campaign, it was a distressing moment and just what the nation’s founders wanted to head off with the immortal words of the First Amendment: A presidential candidate cowed into defending his way of worshiping God by a powerful minority determined to impose its religious tenets as a test for holding public office. (The Crisis of Faith, 2007, p. A30)

The ultimate ineffectiveness of Romney’s speech on religion can be judged by its impact on his campaign. In early 2007, Romney was the favorite to win the Iowa caucus (Nagourney & Luo, 2008a). Two months after Romney delivered the speech, he was out of the race. If anything, the speech seemed to have a negative
impact—one predicted by John Green, a fellow at the Pew Forum on Religion and Public Life. Green noted that one risk of him giving the speech was that “It could remind people of why they were skeptical” (quoted by Jackson & Kelly, 2007, p. 54).

**The Campaign Winds Down**

**The Iowa Caucus**

The wheels started to come off the campaign in the Iowa caucus. Romney allocated major campaign resources in the state; his ad campaign alone was massive. By June, 2007—seven months prior to the caucus—Romney had spent more than $4 million on his campaign, with much of that in Iowa (Luo, 2007b). His television ads aired more than 2,000 times in the state by that time (Hossain, 2007). The candidate put a major focus on the state in July, trying to push his numbers upward for the state’s straw poll in August (Luo, 2007e). He eventually won the straw poll with 31.5% of the vote, with Huckabee finishing a distant second (“Romney Wins GOP Popularity Contest”, 2008). Still, it was a hollow victory—a win in a contest with a poor record of picking eventual Republican nominees (Hossain, 2007).

Romney’s problem was that the demographics of Iowa’s voters didn’t fit with Romney’s religious views. As Rich (2007), “God is a swing voter in Iowa” (p. WK12). There was a definite religious tenor to the Republican caucus there, but not one that played well with Romney’s campaign. From the beginning, the evangelicals in Iowa were skeptical of his recent conversion on abortion (Toner, 2007). As the campaign moved into August 2007, the skepticism remained and Romney came under a furious assault from some of his rivals and the powerful network of abortion opponents in this state. He has been pummeled in videos on YouTube, in automated telephone calls, in daily barrages of e-mail to lists of Republican caucus voters and on the airwaves of the state’s conservative talk radio network. (Nagourney & Luo, 2007, p. A14)

As Luo (2007a) noted, Romney was fighting against “continued concerns of many conservative Christians about his religion—some evangelicals view Mormonism as something akin to a cult—and his relatively recent shift from supporter of abortion rights to opponent” (p. A1). Similarly, columnist Dowd (2007) wrote, “Even for those of us in religions that were once considered cults by other religions…Mormonism is opaque” (p. WK11). As the primary campaign progressed, Romney’s religion continued to be a primary focus. Baker and Campbell (2010) reported that Romney’s Mormonism accounted for 50% of all religion coverage of the campaign and 30% of total media coverage of his campaign. The result was the perception of a lack of authenticity. As *New York Times* columnist Brooks (2007) wrote, “Somehow, the Romney campaign seems less like an authentic conservative campaign than an outsider’s view of what a conservative campaign should be” (p. A19).

Still, Romney continued to seek the evangelical vote. He frequently cited biblical passages, referred to the popular Rev. Rick Warren, talked about his belief in Jesus Christ as his personal “savior,” and mentioned the *Gideon Bible* as his favorite “late-night reading”. As Luo (2007g) noted:

As Mitt Romney has had to grapple with suspicions about his Mormon religion during his presidential run, he has tried in various ways to signal his kinship with evangelical Christians, who represent a crucial constituency of the Republican base but consider his religious beliefs to be heretical. (p. A1)

Still, Romney was able to pick up some crucial evangelical endorsements. Paul Weyrich, co-founder of the Moral Majority, endorsed Romney in November (Luo, 2007h). That endorsement followed one from Bob Jones
III, of Bob Jones University, in October. Still, even these seemed like half-hearted efforts. In making his endorsement, for example, Jones was critical of Mormonism, saying “What’s the alternative, Hillary’s lack of religion or an erroneous religion?” (quoted by Wickham, 2007, p. A11).

Meanwhile, those same voters began listening to another Republican candidate with a more solid record on evangelical issues—former Arkansas governor Mike Huckabee (Nagourney & Luo, 2008a). Iowa voters started paying attention to Huckabee by early December, 2007—a response that created problems for other Republicans. As Washington Post columnist Robinson (2007) noted, “It’s amusing to see how thoroughly Huckabee vexes, confounds, and unnerves the Republican establishment” (p. A39). Huckabee’s early inroads in Iowa came with home-school families (Vitello, 2007b). Huckabee’s blend of religion and conservative politics fit well with those voters. As Vitello wrote, “As a group, they are fundamentally religious people who say they have learned politics at the ground level, in a constant struggle with public authorities who they say oppose home schooling on principle” (p. A19).

In mid-December, Huckabee openly courted evangelicals by releasing a television ad in Iowa in which he addressed the camera as “Silent Night” played in the background. The camera pans across a bookcase that looked like a white cross, then to a Christmas tree, and Huckabee made references to “The birth of Christ” and “God”, adding that the Christmas season should be about religion, friends, and family. As New York Times reporter Cooper (2007) noted:

> By mentioning “Christ” and “God” so prominently, though, Mr. Huckabee...may be trying to rally the conservative evangelical Christians who are flocking to him while simultaneously drawing a tacit comparison with his closest rival, Mitt Romney, who is a Mormon. (p. A26)

Similarly, New York Times reporter Kirkpatrick (2008a) noted that:

> Mr. Huckabee never brings up the Mormon faith of his rival Mitt Romney, but he does not have to. In a state where conservative Christians usually make up more than a quarter of Republican caucus-goers, suspicions about Mormonism have undeniably helped propel him from dark horse to front-runner. (p. A17)

The ad drew criticism that Huckabee was mixing church and state (Wehner, 2007), but that only increased his popularity among Iowa’s evangelicals. Thus Vitello (2007c) wrote, Huckabee was “Clearly delighted over a controversy set off by a recent campaign advertisement” (p. A20). And, Vitello added, when Huckabee returned to Iowa after the ad had aired for a while, he was “received by supporters... like the second coming of Santa Claus” (p. A20).

Essentially, the campaign in Iowa developed into a Romney-vs-Huckabee face-off, with the press viewing it as a test of Romney’s national viability (Nagourney & Luo, 2007). That was not a good scenario for Romney. As Goodstein (2007b) wrote:

> Many voters trying to choose between Mr. Romney and Mike Huckabee may not perceive the contest as governor versus governor. They will see it as grown-up Mormon missionary versus Southern Baptist preacher, and they will not vote for what scares them. (p. WK2)

The final week became a turnout war between the two candidates. Luo (2008a) described it as “a battle between a sophisticated campaign machine that in many ways reflects Mr. Romney’s corporate background and the much more haphazard but self-motivated evangelical shock troops loyal to his rival Mr. Huckabee” (p. A17). When Iowa’s voters gathered caucus on January 3, 2008, Huckabee’s “evangelical shock troops” won,
with Romney finishing in the second place (Healy, 2008; Nagourney, 2008a). More than 80% of Huckabee’s supporters were evangelicals. As Luo and Kirkpatrick (2008) noted, “The loss was a major setback for Mr. Romney, who spent more than $7 million in advertisements in the state” (p. A14). Romney tried to put the best spin on the Iowa results, saying “I was pleased to come in second. I could have come in third or fourth or fifth even” (quoted by Powell, 2008, p. A17).

Romney’s defeat in Iowa not only disappointed him, but Huckabee’s win also created unrest with an Republican establishment that viewed Huckabee as a candidate who could not win the general election. Thus, Nagourney and Hulse (2008) concluded, “Mike Huckabee’s defeat of Mitt Romney in the Iowa caucuses jolted a Republican Party establishment already distressed about the state of its presidential field” (p. A1).

**New Hampshire**

The loss in Iowa was a blow to Romney’s chances of winning in New Hampshire. He was already facing an uphill battle, since Huckabee had been campaigning in the state since December (Vitello, 2007a). Meanwhile, an anti-abortion group—“Republican Majority for Choice”—had run a full page ad in the *New Hampshire Union Leader* attacking Romney (Luo, 2007h). Huckabee’s evangelical base did not play well in New Hampshire, and the former Arkansas governor tried to re-tool his message. He dropped his emphasis on religion and pitched himself as an “authentic conservative” and “proven leader” (Kirkpatrick, 2008b, p. A13).

Meanwhile, Romney’s loss in Iowa had boosted the stock of McCain—a candidate who appeared to be out of the race when he fired his campaign staff prior to the Iowa caucus. In the early days in New Hampshire, Huckabee and McCain became a tag-team match against Romney. During a debate on January 6, both candidates attacked Romney for raising taxes while serving as governor of Massachusetts (Luo, 2008b). The New Hampshire primary quickly became a Romney-vs-McCain battle with barbs flying from both campaign (Luo & Broder, 2008). Religion was not the issue, as the economy dominated the debate and both candidates questioned the other’s credentials on the issue. McCain questioned Romney expertise, referring to him as “a mere manager”, while Romney responded by saying he had experience in the “real economy” (Luo & Broder, 2008, p. A14). Romney eventually complained that McCain’s attacks were unnecessarily personal, saying that McCain was “scornful” and “even petty” (quoted by Luo, 2008b, p. A16). Those attacked backfired, as most of the other candidates turned against Romney. Luo (2008c) noted that, after a debate in New Hampshire, the other candidates mingled with each other freely, but Romney was left standing alone.

Both major papers in the state sided with McCain (Falcone, 2007). *The Monitor* described Romney as a Ken doll while calling him “a disquieting figure who sure looks like the next president and most surely must be stopped”. The Manchester Union Leader wrote that Romney “has not been able to convince the people of this state that he’s the conservative he says he is” (cited by Falcone, 2007, p. A25). When the votes were cast on January 8, Romney again finished second (Healy & Cooper, 2008).

**Michigan**

Following the loss in New Hampshire, Romney’s campaign turned its attention to effort in Michigan—a state where his father once served as governor (Broder, 2008a) and “one of the many, many states he calls home” (Collins, 2008a, p. 27A). He dropped his television ads in South Carolina and Florida to focus most of his spending on the state (Santora & Nagourney, 2008). The voters of Michigan were reeling from a 7.4 % unemployment rate—the highest in the nation at the time (Davey, 2008). Romney and McCain faced off on the economy, with Romney emphasizing the need for more research and McCain preaching the mantra of
re-training workers (Jackson, 2008a). Early polls indicated that Romney was leading, but not by much—as little as one point in one survey and as much as five points in another (Jackson, 2008a).

Romney changed his campaign theme to address the voters’ economic concern, depicting himself as an agent of change for an economy gone sour (Luo, 2008c). Romney’s version of the message allowed him to talk about his strengths on the economy (Luo, 2008c) and his work on the Olympics (Collins, 2008a). The shift came after that theme had propelled Barack Obama to success in the Democratic contests. As Collins (2008a) wrote:

> Ever since Barack Obama won big in Iowa, Mitt Romney has been running as a “change” candidate. It is a little strange to see a guy whose party has been in power for years standing in front of a big blue “Washington is Broken” sign, but I think we have already determined that Romney is nothing if not really, really adaptable. (p. A27)

Meanwhile, the sniping between Romney and McCain continued, with most of the other candidates unofficially backing McCain. Romney ended up branded as a negative campaigner. As Luo (2008d) noted, observers could easily spot “the almost visceral scorn directed at Mr. Romney by his rivals” (p. A16). McCain, when asked to comment on Romney, said, “Never get into a wrestling match with a pig. You both get dirty, and the pig likes it” (quoted by Luo, 2008a, p. A16). Cooper and Thee (2008) simply wrote that McCain and Romney “have shown little affection for each other” (p. A1). Columnist Collins (2008b) was more graphic, writing that “They’re such complete opposites you always worry that when they appear in the same place, there’ll be a rift in the space-time continuum” (p. A29).

When the mud cleared, Romney won Michigan (Jackson, 2008b), becoming the third different Republican winner in the party’s first three campaigns (Broder, 2008b). His success was unrelated to religious issues, relying instead on his Michigan roots and his ability to address economic issues (Jackson & Gomez, 2008). Concern about the authenticity of his conservatism was not an issue in Michigan; instead, the important issues in Michigan “where the ones he seems to connect with most deeply: business and the economy” (York, 2008, p. 17A). McCain, meanwhile, was limited by his inability to attract crossover votes in Michigan—a factor that played a key role in his win in New Hampshire (Jackson, 2008b).

The win put Romney back in the race, but it did little to alleviate his problem nationally. As York (2008) noted, “That problem can be summed up in one word: authenticity. A lot of voters, especially social conservatives, believe Romney is telling them what he thinks they want to hear rather than what he believes” (p. 17A). Nagourney (2008b) also noted a problem in that Romney “won, but only after a major effort in a state he once expected to win in a walk” (p. A1). Still, it was enough to keep Romney in the campaign—at least until February’s Super Tuesday.

**Super Tuesday**

Initially, much of the attention following the Michigan primary focused on the McCain-Romney battle in South Carolina—with the state considered key to McCain’s campaign (Jackson, 2008c). But Romney’s opponents quickly went on the attack to try to limit any momentum from his victory in Michigan (Luo & Cooper, 2008). Much of the attacks criticized his new-found focus on change (Luo, 2008c). However, one attack was a smear campaign that addressed his Mormon faith. In mid-January, someone sent out bogus Christmas cards claiming to be from Mitt Romney. The cards endorsed polygamy, were postmarked from South Carolina, but falsely claimed they were being sent by a Mormon temple in Boston (Wayne, 2008a). Romney tried to shift the topic by introducing a proposal for a $250 billion economic stimulus plan, but it drew
little attention (Harwood, 2008).

Romney realized that his chances in South Carolina were slim and focused on Nevada instead—a state founded by Mormons and with a significant Mormon population (Nagourney & Luo, 2008b). That meant the confrontation between McCain and Romney would wait until Super Tuesday (Nagourney & Luo, 2008c). Florida became a key battleground state. A Republican debate was set for late January in Boca Raton, while a statewide survey found McCain leading but Romney within striking distance—McCain 25%, Romney 23% (Jackson, 2008d).

Elsewhere, Romney was still having problems connecting with voters. His Republican opponents were attacking him constantly, catching him on making inconsistent statements frequently. As Republican strategist Dan Schnur said, “There’s something about Mitt Romney that makes people disinclined to cut him a lot of slack. Every candidate for every office pushes the envelope in their message. You do not win a lot of elections with subtlety, but Romney seems to get called on it more frequently” (quoted by Luo, 2008c, p. A11).

Even the Democrats joined the chorus. Barack Obama, while appearing on the “David Letterman show”, quipped that he would “name Oprah Winfrey his vice-president and appoint Mitt Romney the ‘secretary of lookin’ good’” (quoted by Stelter, 2008, p. A21). Columnist Rich (2008), addressing the problems faced by all of the Republican candidates, wrote, “I do not mean to pick on Mitt Romney—though heaven knows it is a thriving national pastime—but his retro persona exemplifies much of the present Republican dilemma” (p. WK11).

Romney, meanwhile, tried to shake off that persona by increasing his emphasis on the change theme. As Luo (2008f) wrote,

It may seem an unlikely role for a PowerPoint-loving, buttoned-down multimillionaire, but there Mr. Romney was, on stage... in his starched white shirt and tie, raising his voice to be heard above the crowd and portraying himself as the anti-establishment insurgent. (p. A18)

As Super Tuesday approached, Romney and his supporters tried to stay optimistic (Stone, 2008). Romney, in fact, put more of his own money into the campaign in an effort to keep his chances afloat (Luo, 2008e). When the ballots were cast on Super Tuesday, it could have been described as a split decision. John McCain came out the best, winning several states and most of the delegates. Huckabee finished second, winning five Southern states, while Romney was the victor in five states, mostly in the West—Colorado, Massachusetts, Minnesota, Montana, North Dakota, and Utah (Dean & Gordon, 2008; Gomez, 2008).

Romney’s initial response was to stay in the race (Luo, 2008g), but the few delegates that he won in those states were not enough to keep his campaign going. The next day, he dropped out of the race (Bumiller, 2008). A week later, he endorsed McCain (Cooper, 2008). By then, he had spent $109.7 million on his campaign, only to lose (Wayne, 2008b).

**Explaining the Loss**

Commentators soon conducted verbal autopsies on the Romney campaign. Douthat (2008) noted that his loss was a blow to Republican party leaders who supported his campaign against McCain and those outside of Washington (e.g., Huckabee). Some attributed it to his attempts to shift from moderate to ultra-conservative positions, shifts that created questions about the authenticity of his ideology (Collins, 2008a; Luo, 2007a; Nagourney & Luo, 2007). Luo (2008h) wrote that his campaign failed because it “failed to overcome doubts
about Mr. Romney’s authenticity as they sought to position him as the most electable conservative in the race, a jarring contrast to his more moderate record as governor of Massachusetts” (p. A17). Collins (2008b) agreed, writing “All the stuff he acquired in his Massachusetts era was carted away to make room for a new ultraconservative decor” (p. A29). That attitude was reflected in a New York Times editorial (McCain, 2008, January 25) which said of Romney, “It is hard to find an issue on which he has not repositioned himself to the right since he was governor of Massachusetts. It is impossible to figure out where he stands or where he would lead the country” (p. A26). Similarly, Luo (2008c) wrote, “As has often been the case with Mr. Romney, there have been parts of his change mantra that have rung inauthentic to some, engendering fresh accusations of pandering and political misspeak from critics and rivals” (p. A11).

But religion also played a factor. Despite his efforts to reach evangelical voters, Romney never fully succeeded. In Alabama and Georgia, for example, McCain split the frequent-churchgoer vote with Romney, and Romney lost the evangelical vote to McCain despite the skepticism that those voters had for McCain (Douthat, 2008). The attribution which most approximates his situation is that of fanaticism—not for Romney himself, but for his religion. The image of the Mormon religion was simply out of the mainstream. Feldman (2008) argued that Mormonism was viewed with such mistrust that Romney never had a chance of winning, noting that the political challenges of a Mormon candidate “run deeper than theology” (p. 34). And, he added:

Mormonism’s political problem arises, in large part, from the disconcerting split between its public and private faces. The church’s most inviting public symbols—pairs of clean-cut missionaries in well-pressed white shirts—evoke the wholesome success of an all-American denomination with an idealistic commitment to clean living. Yet at the same time, secret, sacred temple rites and garments call to mind the church’s murky past, including its embrace of polygamy. (p. 36)

Feldman (2008) concluded that “Today, the soft bigotry of cultural discomfort may stand in the way of a candidate whose faith exemplifies values of charity, self-discipline, and community that we as Americans claim to hold dear” (p. 39).

Rich (2007), though, thought that Romney’s religious problem ran deeper than just his Mormon faith. It was, Rich argued, the fact that he was placing too much emphasis on religion as he tried to reach conservative Republicans. Rich wrote, “This country has had its fill of often hypocritical family-values politicians dictating what is and is not acceptable religious and moral practices” (p. WK12).

Either way, Romney seems to have gone too far in his efforts to mix religion and politics. Some voters were turned off by the negative image of his religion—a response consistent with the fanaticism backlash of the Pharisee Effect. Others may have reacted negatively to his perceived inauthentic attempts to reach out to evangelicals—a move that is consistent with the intentionality dimension of the Pharisee Effect.

Romney fell to the wayside quickly, undone by religion and an image that depicted him as a person who lacked authenticity. Ultimately, though, all of the candidates who used religion fell short of the mark. Thus, the Pharisee Effect may be a natural by-product of mixing religion and politics. As commentator Thomas (2007) noted, “Voters who require statements of faith from presidential candidates risk disappointment” (p. 11A). He might also add that candidates who use religion as the anchor of their political campaigns risk similar disappointment.

In retrospect, how effective was Romney’s speech on his faith? Not very effective at all. As Terry (2010) noted, many Americans voters still view the God of the Mormons as different from the deity that they worship. Similarly, Green and Silk (2009) argued that the Mormon faith might be an insurmountable obstacle for a
presidential candidate. Romney’s answer for handling the issue in 2012 was simply not to talk about his religion. That seemed to work; he was able to capture the Republican nomination. And, while he did not win the presidency, his loss did not seem to be a result of his religious belief.

References


The Shanghai Cooperation Organization (SCO): Prospects and Problems in Russia-China Relations

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After the collapse of Soviet Union, both Russia and China started to normalize their bilateral relations. Russia lost her geopolitical sphere and China started to broaden his influence in Asian-Pacific and Central Asian regions. The function of the Shanghai Cooperation Organization (SCO) is changing from symbolic to more substantial cooperation. It seems to be that the SCO plays multiple roles in Russia-China relations both in anti-terrorism and in energy economy. This paper is devoted to exploring the functions of the SCO and to seeing the problems in furthering Russia-China relations.

Keywords: Shanghai Cooperation Organization (SCO), Russia-China relations, prospects and problems

The Short History and Organizational Framework of the SCO

The Shanghai Cooperation Organization (SCO), initially a “constructive partnership” in 1994, which was based on the bilateral Sino-Russian security cooperative arrangement and gradually developed into a multilateral framework for strategic partnerships, was upgraded to a strategic partnership in 1996, when the “Shanghai Five” was founded (with Kazakhstan, Kyrgyzstan, and Tajikistan). These states (and Uzbekistan, which became a member in 2001) together with China and Russia allied together to establish the SCO which was designed to address the issues of terrorism, separatism, and extremism. Mongolia (2004), India, Iran, and Pakistan (2005), and Afghanistan (2012) are the observer states. Belarus, Sri Lanka, and Turkey (2012) are the dialogue partners.

The SCO’s predecessor, the Shanghai Five mechanism, originated and grew from the endeavor by China, Russia, Kazakhstan, Kyrgyzstan, and Tajikistan to strengthen confidence-building and disarmament in the border regions. In 1996 and 1997, their heads of states met in Shanghai and Moscow respectively and signed the Treaty on Deepening Military Trust in Border Regions in Shanghai and the Treaty on Reduction of Military Forces in Border Regions in Moscow. The topics of the meeting gradually extended from building up trust in the border regions to mutually beneficial cooperation in the politics, security, diplomacy, economy, trade, and other areas among the five states. Subsequent annual summits of the “Shanghai Five” group occurred in Almaty (Kazakhstan) in 1998, in Bishkek (Kyrgyzstan) in 1999, and in Dushanbe (Tajikistan) in 2000.

On the 15th anniversary of the Shanghai Five in June 2001, the heads of states met in Shanghai and signed
a joint declaration admitting Uzbekistan as a member of the Shanghai Five mechanism and then issued the Declaration on the Establishment of the SCO jointly. The document announced the purpose of upgrading the level of cooperation to more effectively seize opportunities and deal with new challenges and threats. In June 2002, the heads of the SCO member states met in St. Petersburg and signed the SCO Charter, which clearly expounded the SCO purposes and principles, organizational structure, form of operation, cooperation, orientation, and external relations, marking the actual establishment of this new organization in the sense of international law.

The structure of the SCO is the framework of functioning which could be divided into three parts: intergovernmental mechanism of annual summits of states heads, governments heads (prime ministers), meetings of heads of ministries or departments; permanent organs of secretariat and Regional Counter-Terrorism Structures (RCTSs); and nongovernmental institutions (the SCO Business Council, the SCO Interbank Consortiums, and the SCO Forums). The SCO Organizational Structure Chart could be illustrated as following (see Figure 1).

From the SCO documents (see Table 1), we can know that the SCO time by time is becoming a more functional and effective intergovernmental organization. However, the SCO is influenced by the international situation and Sino-Russian relations. On June 16-17, 2004, the SCO summit, held in Tashkent, Uzbekistan, and the staff of the Executive Committee of the Regional Counter Terrorism Structure (RCTS) is established and headquartered in Tashkent, where US built a K-2 Karshi-Khanabad airbase after September 11 terrorist attacks but withdrew after 2004 Velvet Revolution in Georgia. Russian leaders have not hidden their desire to drive the United States out of Central Asia. Moscow, for instance, was instrumental in getting the SCO to adopt an early July resolution that called on the United States to set a deadline for withdrawal from air bases in both Uzbekistan and Kyrgyzstan. In making the call, Russian officials contended that Afghanistan is stabilizing, thus eliminating the strategic rationale for the continuing presence of American forces in Central Asia.

Soon after the terrorist attacks on the United States on September 11, 2001, all the Central Asian “front-line” states offered over-flight and other support for coalition anti-terrorism operations in Afghanistan. Kyrgyzstan, Tajikistan, and Uzbekistan hosted coalition troops and provided access to airbases. In 2003, Kazakhstan and Uzbekistan also endorsed coalition military action in Iraq. About two dozen Kazakhstani troops served in Iraq until late 2008. Uzbekistan rescinded the United States basing rights in 2005 after the United States criticized the reported killing of civilians in the town of Andijon. In early 2009, Kyrgyzstan ordered the United States base in that country to close, allegedly because of Russian inducements and the United States reluctance to meet Kyrgyz requests for greatly increased lease payments. An agreement on continued the United States use of the Manas Transit Center was reached in June 2009. In recent years, most of the regional states also participate in the Northern Distribution Network for the transport of the United States and North Atlantic Treaty Organization’s (NATO) supplies into and out of Afghanistan (Nichol, 2012).

Figure 1. The structure of the SCO\(^3\).

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<tr>
<th>Year</th>
<th>Location</th>
<th>Important Documents and Action Agendas</th>
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<tbody>
<tr>
<td>2001</td>
<td>Shanghai, China</td>
<td>Statement of Heads of Governments of the Member States of the SCO Declaration of Creation of the SCO Shanghai Convention Joint Statement of Heads of State of the Republic of Kazakhstan, China, the Republic of Kyrgyzstan, the Russian Federation, Tajikistan, Uzbekistan</td>
</tr>
<tr>
<td>2002</td>
<td>St. Petersburg, Russia</td>
<td>Joint Communiqué of the meeting of the Council of Ministers of Foreign Affairs of the SCO Member States TIME CHART relationship the SCO with other international organizations and states Statement of Ministers of Foreign Affairs of the member states of the SCO Declaration of Heads of States of the SCO Charter of the SCO Joint Statements of the Foreign Ministers of States Parties to the SCO</td>
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<td>2003</td>
<td>Moscow, Russia</td>
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<td>2004</td>
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<td>Astana, Kazakhstan</td>
<td>Protocol on Establishment of the SCO-Afghanistan Contact Group between the SCO and the Islamic Republic of Afghanistan Joint Communiqué of the meeting of the Council of Heads of Government/Prime Ministers/SCO Declaration of the Heads of State of the SCO Joint Communiqué meeting of the Council of Foreign Ministers—the SCO</td>
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<td>Chronicle of main events at the SCO in 2007 Joint Communiqué of Meeting of the Council of Heads of Member States of the SCO Bishkek Declaration of Heads of the Member States of the SCO Treaty on Long-Term Good-Neighborliness, Friendship and Cooperation Between the Member States of the SCO Memorandum of Understanding between the Secretariat of the SCO and the Collective Security Treaty Organization (CSTO) Informational Announcement for the meeting of the Council of foreign Ministers of the SCO Member States</td>
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<td>Chronicle of main events at the SCO in 2008 Joint Communiqué of Meeting of the Council of the Heads of the Member States of the SCO Dushanbe Declaration of Heads of the Member States of the SCO Regulations on the Status of Dialogue Partner of the SCO</td>
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<td>2009</td>
<td>Yekaterinburg, Russia</td>
<td>Chronicle of main events at the SCO in 2009 Joint Statement on fighting against infectious diseases in the region of the SCO The SCO Joint Initiative on increasing multilateral economic cooperation in the field of tackling the consequences of the global financial economic crisis Joint Communiqué of Meeting of the Council of the Heads of Government (Prime Ministers) of the SCO Member States Joint Communiqué of Meeting of the Council of the Heads of the Member States of the SCO Yekaterinburg Declaration of Heads of the Member States of the SCO Statement by the Shanghai Cooperation Organization Member States and the Islamic Republic of Afghanistan on combating terrorism, illicit drug trafficking and organized crime Plan of Action of the SCO Member States and the Islamic Republic of Afghanistan on combating terrorism, illicit drug trafficking and organized crime Declaration of the special Conference on Afghanistan convened under the auspices of the SCO</td>
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<th>Year</th>
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<td>2010</td>
<td>Tashkent, Uzbekistan</td>
<td>- Chronicle of main events at the SCO in 2010&lt;br&gt;Cooperation between the United Nations and the SCO&lt;br&gt;Declaration of the Tenth Meeting of the Council of the Heads of the Member States of the SCO&lt;br&gt;Joint Communiqué of the Tenth Meeting of the Council of the Heads of the Member States of the SCO&lt;br&gt;Joint Communiqué of Meeting of the Council of the Ministers of Foreign Affairs of the SCO Member States&lt;br&gt;Joint Declaration on the SCO/UN Secretariat Cooperation</td>
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<td>2011</td>
<td>Astana, Kazakhstan</td>
<td>- Astana Declaration of the 10th Anniversary of the SCO&lt;br&gt;Joint Communiqué of meeting of the Council of the Heads of the Member States of the Shanghai Cooperation Organisation commemorating the 10th anniversary of the SCO</td>
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<td>2012</td>
<td>Beijing, China</td>
<td>- The Declaration of Heads of the SCO Member States on the construction of the region of lasting peace and common prosperity&lt;br&gt;The Resolution on the Strategic Plan of the SCO development for the medium term&lt;br&gt;The resolution of the Statutes of the political and diplomatic measures and mechanisms to respond to the SCO situation that endangers peace, security and stability in the region&lt;br&gt;The resolution of the Program of cooperation in combating terrorism, separatism and extremism for 2013-2015 years&lt;br&gt;The resolution on the report of the SCO Secretary General on the activities of the SCO in the past year&lt;br&gt;The resolution on the report of the Board of the Regional Anti-terrorist Structure (RATS) activity in 2011&lt;br&gt;The resolution on granting observer status to Afghanistan in the organization&lt;br&gt;The resolution to grant Turkey the status of dialogue partner&lt;br&gt;The resolution of the SCO Secretary General and Director of the resolution of the Executive Committee of the RATS SCO</td>
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**The United States Factors’ Influence on the SCO**

The 12th anniversary SCO summit in Beijing 2012 has its significance because time by time the SCO has become the influential regional organization. Both China and Russia do not want to be the enemies of USA but hope to balance their power after the global financial crisis. Russian analysis stressed that the refusal of Iranian’s membership application showed the SCO’s unwillingness to be seen as an anti-Western organization, since the United States authority considers Iran’s nuclear weapons’ plan has endangered the security of the United States and has put the sanctions on Iran into work. China attempts to vast its economic influence in Central region and insists on the principles of territorial dignity and anti-terrorism and separatism as a whole of the principles when facing the border disputes and regional separatism. China has been poor and weak for a long time and prefers to improve the economic power to increase China’s image and the national self-confidence of the Chinese people in the world.

Russia cares about the stable regime and the drugs and terrorism which have endangered the national security and damaged the prestige of the regime in Russia. Putin came back as the security saver but did not imitate the Western democratic paradigm. Putin has paid more attention to broadening his diplomatic influence on the international intervention as part of his global strategy for pursuing the super power status again. Russia has expressed her opposition toward the unilateral resolution by the United States but is not able to confront them by herself. Russia shows her traditional independent diplomacy to maintain her national interests, and it is very important to know that the Russian political thoughts and ideology of anti-imperialism remain functioning from the past. Russia’s diplomacy is preventive than aggressive but using the confrontation as the negotiation
approaches and bargaining chips. Russia believes that the independent diplomacy will enhance her global governance, bring benefits to her domestic economic interests, and meet the psychological feelings of national security and national dignity as a whole.

The author assumes that Russia will strengthen her economic interests with China and India, and in this situation, Russia may not hope that China has military conflicts with the Asian countries. The SCO will not be the backup force for China, but Russia will express the opposite attitude toward China’s military actions in Asian-Pacific region. Therefore, the SCO might play the role of economic and strategic cooperation function but not the military alliance, because Russia needs to open the Asian energy market. Military confrontations in Asian-Pacific region and establishing military alliance anti-NATO do not cope with Russia’s global governance and economic interests to broaden energy market if the United States lunches out economic sanctions and geopolitical containment. So producing the real Cold War confrontation is not beneficial for Russia’s domestic development in the whole situation.

China is facing the challenges in the whole aspects. Now China is the second biggest economy but the per capita income is still in the low standard of the developing countries, because bureaucracy and corruption is eroding the society. In order to support the high GDP and industry, China needs the stable energy supplies from the SCO members to reduce the risk of relying on the Iranian oil which is under the influence of USA’s sanctions. China is afraid of the United States’ economic sanctions and military intervention in the Asian-Pacific region. China also needs the SCO consuming markets of the daily necessities. In this situation, Russia and China both have mutual economic interests, but China relies on Russia more than Russia relies on China, because after Russia becomes the 156th member of WTO, the diversified goods from the WTO members will reduce China’s goods sold in Russia.

Therefore, China might follow Russia’ international interventional actions and offend the United States’ interests. This tendency of going closer to Russia will arouse the inner fight in the process of transformation of China’s political regime. China’s intelligentsia does not like this tendency, but Chinese military will not be satisfied with the pro-US intelligentsia. The inner political fight in China will threaten the stability of new political regime. Now the Russia’s independent foreign policy is very practical to help Putin’s reforms but China’s foreign policy has not formed because of the political fights. Therefore, the SCO will not be developed into the military-aliened organization anti-NATO but plays the role of negotiating the economic interests and confirming geopolitical strategy of security in Central Asia and in the Asian-Pacific region in the whole scale. We do not see that China could find the consensus in foreign policy but Russia is ready to enter into Asia. If China and Russia could achieve the agreement for developing the energy markets, Russia’ Asian-Pacific strategy will be successful. The SCO could be a very active actor in impacting the international system in the future years. The collective security and energy security strategy beyond the geopolitical conception for the SCO will promote Russia to be the leader after the communism ideological camp collapsed and will also be an effective actor in the post-financial crisis era and Georgian War. So, will a new Cold War happen between Russia and the United States?

**Will a New Cold War Happen?**
Hanova (2009) assumed that the economic factor might play the more important role in anti-Western perception of the SCO created for anti-enlargement of NATO. In fact, enhancement of the economic dimension of cooperation within the organization was frequently mentioned in many official documents of the organization, such as the 2002 SCO Charter and the Astana Declaration of 2005. However, closer examination of the comprehensive energy policies in the region might suggest that “multilateral agreement that integrates energy policy throughout the entire region is a difficult proposition, and that the agreements which have emerged are not products of the SCO, even if they are influenced by the SCO process”. Rather, bilateral agreements between the member countries seem to be dominating, while the SCO serves as a context or framework for such agreements. For Russia, it appears that EurAsEc (Eurasian Economic Community) and the Commonwealth Independent States (CIS) fulfill the role of concluding agreements.

Obliviously, China and Russia play the key roles in Central Asian region, which is transport hub between Asia and Europe. At the same time, the SCO might play the multiple roles in energy supply, military defense, and anti-terror criminal activities. The SCO has formed itself as a regional ally occupying the privilege in global governance and the ally will be usually connected and compared with the NATO. Under the pressure of NATO’s expansion, the SCO plays the role of mechanism of joint military exercises and recently the role of energy strategy which is rooted both in Central Asian region to meet Russia’s Eurasian strategy and Asian-Pacific strategy after the 2008 global financial crisis.

We can see that Russia has launched her global political governance by establishing alliance such as the SCO and BRICKs from its Asian-Pacific policy under Putin’s new ruling regime in 2012. The establishment of the SCO is the result of that Russia and China hope to counterbalance the enhancing power of the United States in this region when the 9/11 terrorists attack accident occurred in 2001 and this event let the USA launch the war into Afghanistan and Iraq. Russia and China felt that the USA has intervened into the Central Asia and the Middle East. Therefore, these two countries were afraid of that the United States will take use of the anti-terrorist war to expand their military sphere for geopolitical containment. So Russia and China found the timing to establish the quasi-military cooperation organization to contend NATO’s expansion in this region. To solve border disputes, oil price is also put into the agenda of the SCO. So we can see that the SCO is regarded as the mechanism to solve the problems of security which is related to the geopolitical competence, combating terrorism, defining border disputes, and promoting energy supply.

The SCO reflects that both Russia and China feel isolated in regional integration and demand mutual trust in the future. Russia recognizes that she could not compete with China in economic area but Russia is able to be dominant by expanding membership to include Mongolia, India, Iran, and Pakistan into the SCO. In this situation, the SCO will be the multilateral organization to contend the NATO in global political and military issues. In fact, China does not want to provoke USA to translate the SCO as a real military organization but would like to enhance its economic and technological functions to maintain China’s demands. Russia prefers the SCO which plays more important role both in political but also in economic area for global governance. The SCO plays more and more important role of geopolitical strategy in regional security and energy benefits. However, the controversial ideas between Russia and China remain strong.
The Perspective of the SCO

Nicola (2010) thought from the perspective of the organization’s internal power relations that Russia appeared to have acquired a more prominent role, while China, the driving force behind the creation of the SCO, and its leading member in the years following its establishment, appeared to have receded to a more discreet role. Firstly, Russia has been boosting its profile in Central Asian security affairs throughout the years 2008-2009 even outside of the SCO. Secondly, reports suggest that as of 2006, China has allegedly shifted its interest to cooperation in the economic sphere. Moreover, China has traditionally been a cautious actor on the international scene, and the present international juncture may be suggesting the expediency of maintaining a low profile in the face of the financial crisis and security challenges on the home front. A further consideration may be that China is willing to appease Russia on the security front after refusing to endorse its August 2008 Georgian venture. The expansion of the SCO’s areas of responsibility in recent years may have been dictated by this implicit deal. This could suggest that a more accurate reading of the current trend within the SCO may be of an emerging “division of labour” between the two powers in the context of a broader reframing of the organization’s mandate and positioning (Nicola, 2010).

Alyson and Dunay (2007) thought that the SCO, established in 2001 with China, the Russian Federation, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan as members, has remained one of the world’s least-known and least-analyzed multilateral groups. It makes little effort itself for transparency and is only patchily institutionalized in any case. The SCO’s founding documents already signaled the special interest of the member states in fighting what they defined as “terrorism, separatism and extremism”. Security relevant areas are the most frequent subjects of working-level meetings, which now include experts on information security, secretaries of national security councils, and heads of supreme courts (Alyson, Dunay, Guang, & Troitskiy, 2007, p. 1).

Pan Guang, who is the director of the SCO Studies Center in Shanghai, the Shanghai Center for International Studies, and the Institute of European and Asian Studies at Shanghai Academy of Social Sciences, thought that the SCO provides a good framework for China to cooperate closely in combating terrorism, extremism, separatism, and various other cross-border criminal forces. The primary target of the Chinese anti-terrorism campaign is the East Turkestan Islamic Movement (ETIM), which advocates the independence of Xinjiang and it is said to be supported by Osama bin Laden. From the Chinese perspective, it is of particular importance that China has been able, in the SCO framework, to count on the support of the other nine member and observer states in its campaign against ETIM. Moreover, China has also been able to draw support from the SCO partners in its efforts to frustrate other conventional or non-conventional security threats and to eliminate or ease the external factors of disruption to China’s stability and development (Alyson, Dunay, Guang, & Troitskiy, 2007, p. 46).

Mikhail Troitskiy, who is an associate professor at Moscow State Institute of International Relations (MGIMO University), thought, in the economic realm, Russia represents a moderating force vis-à-vis the ambitious Chinese free-trade agenda. Russia endorsed a framework agreement on enhanced economic cooperation among SCO member states in September 2003, and in September 2006 a Russian Foreign Ministry
spokesman outlined an extensive list of joint economic projects that Russia would be interested in promoting through the SCO. These included expanding Eurasian telecommunications networks and a transport corridor to connect the Caspian Sea with China through Russia, Kazakhstan, Uzbekistan, and Kyrgyzstan; developing agreements for exports of electrical power from states and regions with a surplus to interested SCO countries; and developing structures to coordinate trade in and transit of hydrocarbons among SCO member states, such as the SCO Energy Club that was proposed by Russian President Vladimir Putin at the Shanghai summit in June 2006. However, Russia’s vision of the SCO’s economic ambition falls short of creating the free-trade area that China called for at that summit. This controversy is discussed below in greater detail. The two countries have expanded bilateral trade and negotiated a number of deals in the energy field (Alyson, Dunay, Guang, & Troitskiy, 2007, p. 32).

Simbal (2009) thought that President Obama presented the draft of a new United States policy on Afghanistan and Pakistan, which aimed to address the security slide in Afghanistan with a spate of new strategies. One aspect of this new thinking was to address the increasing instability by addressing the regional dynamics and engaging the main regional actors. The SCO special conference on Afghanistan was held in March 2009 in Moscow. The participation of Iran’s Deputy Foreign Minister Mehdi Akhundzadeh along with the United States envoy at the conference was a testament to the fact that cooperation with the SCO offers the United States and NATO an acceptable format to bring Iran into the dialogue on Afghanistan. The SCO-Afghanistan Action Plan called for joint operations in combating terrorism, drug trafficking, organized crime, and for involving Afghanistan in a phased manner in SCO-wide collaboration in fighting terrorism in the region. The conference reiterated the SCO’s known opposition to the expansion of the United States military interests in Central Asia, but indicated its willingness to expand cooperation with the United States and NATO in Afghanistan albeit short of sending troops. Interestingly, President Obama announced a shift in the United States policy emphasis on the same day as the SCO summit, promising greater consultation with Afghanistan’s neighbors. Following this greater interaction, the United States/NATO has recently signed transit agreements with Russia and Central Asian states which allow for military and non-military supplies to transit their territories en route to Afghanistan (Simbal, 2009).

Konarovskiy (2012), Deputy Secretary General of SCO, gave his remarks for the Third Ministerial Conference of the Paris Pact Partners held in Vienna on February 16, 2012:

Continuous armed conflict in Afghanistan caused a serious concern of the SCO member states. The region has not only become a major transit route but also turned into an expanding market for distribution and consumption of drugs of the Afghan origin. Drug trafficking, providing a significant financial support for the forces opposed to Kabul, can pose a serious threat to the stability and national security of the SCO nations. Countering drug trafficking from Afghanistan will remain the SCO’s top priority in the short and medium term including the period after full withdrawal of foreign troops from that country. The Agreement on Cooperation in Combating Illicit Trafficking of Narcotic Drugs, Psychotropic Substances and Precursors of 17 June, 2004 laid legal foundations for joint actions by the SCO member states on combating drugs and drug-related crime in general. (Retrieved from http://www.sectsco.org/EN/show.asp?id=316)

In March 2009, a conference on Afghanistan was held in Moscow, in which the UN secretary-general and representatives of the Organization for Security and Cooperation in Europe took part. Now the SCO is playing an active role in solving the issue. Lukin (2009) said that the fight against drug trafficking is high on the SCO’s
agenda. Tajikistan had offered to create a center for fighting drug trafficking in a bid to prevent drugs from Afghanistan from being smuggled into other countries.

Irina Kobrinskaya, an expert at the Russian Global Economy and International Affairs Institute, told Xinhua Agency on the eve of the 10th anniversary SCO Tashkent summit that common interests inside the bloc include regional security, mainly in Afghanistan. On the one hand, people expect some really breathtaking prospective of the SCO as an economic alliance. On the other hand, the fact is that economic weights of SCO members are too different.

Leonid Moiseev, the Russian President Dmitry Medvedev’s special representative for SCO affairs, told Xinhua that five years ago when there was turbulence in Kyrgyzstan, the SCO helped to downgrade the level of adversity there. Now the situation in Kyrgyzstan is rather similar to that in 2005. The SCO plays its role again to decrease the tension on the borders, provide assistance to Kyrgyzstan. Another possible topic for the Tashkent summit would be the admission order for new members, “the first time in the organization’s history” (Retrieved from http://news.xinhuanet.com/english2010/world/2010-06/08/c_13339197_3.htm).

According to the different viewpoints of experts and scholars, the perspectives of SCO might be concluded into several points:

1. The SCO area might be the huge labor supply and consuming market which will attract more foreign investment and infrastructure export into Eurasian and Asian-Pacific region, especially in Russia after the global financial crisis;

2. The strengthened SCO will help maintain the security for anti-terrorism. The western counties could breathe to recover their economy. The collective security system of SCO will reduce the international criminals and the United States will focus on the economic transformation after the eight-year invasion in Iraq and global financial crisis;

3. The SCO might be the cartel of energy. The stability in this region could provide the stable energy supplies. Nevertheless, Europe and China try to diversify the energy sources and process the green energy strategy. The economic transformation will be the core elements of energy security.

The Problems of SCO

Some experts believe that the strongest aspect of the SCO is a convenient place for dialogue on security in Central Asia, including Afghan factors such as drug trafficking, terrorism, and organized crime. Currently, the SCO has been invited to every major international event related to Afghanistan.

Alexander Lukin, director for the Center for East Asia and SCO Studies at Moscow State University for International Relations, told Xinhua Agency that the SCO’s development bank of foundation has still been on paper only. Now the member states consider creation of a special account for the multipartite projects. Until then, these projects will remain stranded. Interest in working with the SCO has been growing in the world, from the European Union to the United States. Lukin (2009) said that “If the principles will be agreed, the issue of expansion could be mentioned. Iran and Pakistan, currently observers, applied to join”, he said, “Besides, at the

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previous summit, new partners for dialogue had been introduced and given to Belarus and Sri Lanka. It shows the growing interest to the SCO in the world” (Retrieved from http://news.xinhuanet.com/english2010/world/2010-06/08/c_13339197_3.htm).

Richard Weitz is a senior fellow and director of the Center for Political-Military Analysis at Hudson Institute. He, who is the author, among other works, of Kazakhstan and the New International Politics of Eurasia, thought that the SCO has yet to resolve the problem presented by Iran’s efforts to become the institution’s seventh full member. For the fourth consecutive year, existing SCO governments have declined to accept new full members or formal observers. Instead, the SCO has resorted to proliferating new categories of external association, producing a confusing hodgepodge of members, observers, “guests”, and now “partners”. Although SCO leaders say they are working on procedures to guide the organization’s expansion, it seems that the SCO’s major powers fail to agree on who should join and who should not (Weitz, 2009). Ruslan Y. Izimov, who is research fellow of Department of Foreign Policy Studies, Kisi, under the President of the Republic of Kazakhstan (Almaty, Kazakhstan), shared the same opinions about the range of expansion of SCO.

Fazal Ur-Rahman, director of the Institute of China, Pakistan Strategic Research Center, thought that it is true that in every multilateral organization there are always one or two lead countries, which serve as the mainstay of that organization. In the case of SCO, China and Russia happened to be the core countries. It is also true that the success or failure of SCO would largely depend on the strategic cooperation or strategic competition between these two major players. It will not be out of place to suggest that SCO is a bipolar organization and would need a fine balance between the two key players to be effective and to achieve its objectives (Ur-Rahman, 2008).

Wu Fei, the researcher on international issues of Guangdong Provincial government and the associate professor of Guangzhou Jinan University, thought if SCO turns to be an organization of energy, it will arouse the tension from USA and impact the uprising of China. China and India both get benefit in the trend of globalization, and China is promoting the political reform. Democracy and national interest will be the core of US foreign affairs. China using SCO as the approach of getting energy will affect US and NATO energy interest and anti-terrorism operation. China will pay more costs on the relations with the United States of America (WU, 2006).

Conclusions

Several problems of SCO for China will be discussed as following:

(1) Military union: The SCO units China, Russia, and the Central Asian countries, every state member has its own national interest and attitude toward the military cooperation. China remains need Russia’s military support both in strategic and technological aspect. China has the territorial disputes with its neighbors and facing the threat from Japan’s militarism and Taiwan’s independence. SCO is the framework to cooperate with Russia. At the same time, with the threat of North Korea’s nuclear weapons, Russia plays the key role in China’s decisions;

(2) National security: All the members are facing the same problems of terrorism and separatism. The

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security problem will have an impact on the national stability and economic development in the west area of China. China regards the terrorism in Central Asia as the main source of terrorism connected with the Turkestan Islamic Movement (ETIM) in Xinjiang. The anti-terrorism cooperation with the central Asian states should be strengthened. The situation in Afghanistan is cared after the United States’ troops withdraw from Afghanistan;

(3) Economic interests: China needs the energy import from Russia, Central Asia, and Middle East countries. The building of oil pipelines will provide long-term and stable resources for China. The energy cartel in SCO will make the international oil market prices controlled and monopolized by SCO. Russia also plays the key role in energy sales;

(4) Neighboring relations: The problem is that China views SCO as its energy and military provider and at the same time as the security umbrella for developing economy and balancing the United States-Japan union in the Eastern Asian region. SCO will be regarded as the similar military union against NATO. Its in-transparency will arouse doubt from the West countries. China wants to highlight its international status especially in Asian-Pacific region by replacing the United States after the 2008 global financial crisis. The tension between China and US will not benefit China;

(5) Interests conflicts: For Russia, SCO should be the base of enlarging cooperation with the Asia-Pacific region. If China cannot enlarge the free trade cooperation range for the SCO members and make the agreement for the oil prices, there will be neither prospect of SCO in economic prosperity nor military trust between Russia and China. If the direction and function cannot be confirmed, the function of SCO must be weakened;

(6) Direction of SCO: North Korea and Iran’s nuclear programs had aroused UN sanctions. Russia and China will not allow the United States to take use of the Democratic People's Republic of Korea (DPRK)’s military threat deploying the ballistic missiles defense system neither in South Korea nor in Japan. Both Russia and China look the United States military alignment as the containment and the excuse for deploying the ballistic missile systems. Russia and China might have more cooperation in UN Security Council. The relationship with Iran is also very sensitive. The SCO has yet to resolve the problems presented by Iran’s efforts to become the seventh full member of the institution. For the fourth consecutive year, existing SCO governments have declined to accept new full members or formal observers. Instead, the SCO has resorted to proliferating new categories of external association, producing a confusing hodgepodge of members, observers, “guests”, and now “partners”. Although the SCO leaders say they are working on procedures to guide the organization’s expansion, it seems that the SCO’s major powers fail to agree on who should join and who should not.

References
Management Challenges in Public Broadcasting Service: The Case of Radio Televisão Portuguesa (RTP)

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The aim of this paper is, on one hand, to emphasize—in theory as well as in practice—some of the essential success factors associated with management and innovation in public service television (TV) and radio, and on the other hand, to enhance the fact that it is possible to develop reactive and proactive management attitudes in State-owned media companies. The importance of leadership within innovation, management, change, and organizational development processes of media firms is also shown. In this case study, best TV public service management practices are also identified and analyzed. Present daily challenges to this channel are highlighted, mainly regarding the balance between its public service responsibilities and its financial performance.

Keywords: management, leadership, innovation, change, restructuring

Introduction

This paper also explores the past financial crisis and the strong restructuring process of Radio Televisão Portuguesa (RTP). The results that the restructuring has produced until today are described in the next pages. It was a complex process change, especially due to the impact on the human resources, including downsizing practices and new challenges for the company collaborators. There were two main leaders that contributed for this dramatic turnaround process: (1) Morais Sarmento (former Ministry for media sector) gave autonomy and encouraged the restructuring and (2) Almerindo Marques (former board president) led and believed in the possibility of putting RTP in good directions. The social democratic government changed in 2005 but the board only changed in 2008. The present government recognized that good job was made by Almerindo Marques’s team and invited him to lead other problematic restructuring in other State company (Estradas de Portugal). Guilherme Costa, the next president, assumed that he would continue the main policies adopted by former board (However, the current president is Alberto da Ponte).

As for methodology, this paper is mostly based on primary and secondary documental sources such as books on management and on the media sector, billing reports, internal RTP documents, reports made by banks, and press releases (including interviews with the RTP’s president and administrators, as well as the minister responsible for that sector at the time of the restructuring). Because of the author’s professional functions in the Presidency Ministry of the 15th and 16th Constitutional Governments, the access to privileged documental sources was easier. Furthermore, the author had the opportunity to share knowledge with some of the RTP’s administrators, who are still part of the company even though the Government is a different one.
This paper is divided into four main parts. The Literature Review starts by addressing a theoretical approach with regard to organizations’ management and innovation and then narrows down its scope to management and innovation in the media industry. The part presenting the RTP Case focuses on the description and analysis of the restructuring process that occurred in the RTP channel. The main restructuring measures are studied with particular attention to their contribution to the improvement of the company financial ratios and audience indicators. The following part, Implications, presents the conclusions of the RTP case, enhancing the critical factors of management and innovation success applied to the media industry, in particular to the public broadcasting service. Last but not least, section five aims to point out some clues and recommendations regarding best practices of business and journalistic management which can be adopted by the public broadcasting public channels to achieve a good performance in a competitive market without disregarding the public service objectives.

**Literature Review**

The themes related to management and innovation are, in most cases, associated with leadership. From the organizational management point of view—with an emphasis on the motivational human resource related aspects as well as from an entrepreneurial management point of view—with an emphasis on the strategic and market aspects, there are many important contributions by researchers to a better comprehension of global management of companies and organizations. Some authors establish a close connection between leadership and management, even though they separate the concepts. According to Bennis and Nanus (1985), to manage means to cause, to direct, to take responsibilities, and to lead; while leading means to influence, to guide, and to give orientation. In that sense, managers are people that know what to do; and leaders are people who know what needs to be done. On the other hand, Etzioni (1989), Adair (1988) and Kotter (1995) considered that, in order to be successful, organizations need to combine a strong leadership with a strong management.

The management of employees’ behavior, i.e., their motivation and satisfaction at work, is also a crucial aspect for the success of organizations. Theories by pioneer authors such as Maio (1960), Schein (1982), Maslow (1954), Argyris (1964), Herzberg (1966), and Etzioni (1989), among others, are still fundamental nowadays to better comprehend the social-organizational dimension of companies and organizations. Deep down, these authors enhance the need for leaders and managers to look at organizations as organic structures, but not mechanical (characterized by the primacy of the machines over people). Only organic structures can achieve productivity: Their success depends on the level of satisfaction and perception of the advantages (not necessarily material advantages) by the organizational members.

Nowadays, it is unanimously accepted in the scientific community as well as in the business community that innovation and leadership are two important pillars for a company’s success and competitiveness (Picard, 2002; Albarran, 2006; Lacy, 1992). And media companies are obviously no exception. A recurring emphasis on innovation and leadership occurs, in part, because of the constant need for media companies to adapt to the market. The origin of this need is multiple, starting from the transformations of the consumers’ tastes, the increase of competition, and the emergence of the new information and communication technologies (ICT). In particular, ICT are transforming every sphere within the media business, from the productive processes to the commercialization of products.

As the media industry heavily depends on the intellectual capital and the creativity of human resources, within such a dynamic context, the application of democratic and participative leadership concepts is key to
success. However, it is recognized by some authors (Picard, 2005a, 2005b; Albarran, 2006) that creative industries (consulting, advertising, and journalism, for example) can demand the application of specific management concepts which value more the behavioural component and the creation of more challenging work environments. In knowledge-intensive companies, such as the media, most employees are highly qualified professionals (Sveiby, 2000). In order to retain them, relations among professionals and managers must be transparent and based on mutual understanding. Only in this way, a favorable work environment for innovations can be created and fostered.

According to Redmond (Albarran, 2006, p. 138),

media organizations are where the creative process collides with pragmatic business concerns. If not carefully managed, a media organization, depending on creative excellence, can quickly lose the competitive edge necessary to fend off competition in a highly volatile operating environment. That may occur when the overriding business concerns, or the focus on them, are allowed to dampen individual creativity on which the media organization depends.

According to Mercedes (2005), the increase of competition in the communication sector made companies restructure their internal organization, their programming, and investment policy. In the Portuguese example, the answer given by the state’s media company to this new competitive scenery was very late. However, the existing indicators on RTP’s changing process, which started in 2002, seem to picture a brighter future. In this case study, some essential factors of success that seem to favor the set up of an innovation and organizational process in RTP can be identified.

**RTP’s Process Restructure**

Innovations emerge either internally from initiatives of the employees themselves or externally from suggestions by press officers, consulters and auditors. In the case of RTP, the players involved were both the 15th Portuguese Constitutional Government and RTP’s Board. The planning and set-up of RTP’s organizational change also had the collaboration of international experts of the Boston Consulting Group (BCG). The work done by this consulting firm followed a model similar to the one implemented at the Spanish public TV Radio Televisión Española (RTVE), and it was developed in four modules, as we can see in Figure 1.

The first module aimed at improving the production strategy: Some program genres were set to be produced inside the firm while others to be subcontracted to independent producers. The two following modules (Creation of a New Production Company and Rationalization of the Area Concerning Porto’s Production Centre) allowed the identification and analysis of the recurrent initiatives concerning the implementation plan for their execution. The last module (Quantification of the Impact and Plan of Implementation) contemplated the operationalization of the strategy impact and the execution planning. In the next section, a detailed description and analysis of the RTP case follows.

BCG’s plan for the restructuring of RTP was later adapted and implemented in Spain’s RTVE, after Enrique Bustamante Ramirez, a college professor responsible for a council created to address RTVE’s problems, visited Portugal in order to study and learn from RTP’s experience.

Prior to the analysis of the financial situation of TV operators, it should be noted that the Radio and TV of Portugal—aka RTP—has its main object as “the provision of public radio and TV, under the Laws of Radio and TV and the respective concession agreements”, according to the Law nº 8/2007, which proceeds to the restructuring of the concessionaire of public radio and TV. In this structure, and according to the No. 2, Article 1 of this diploma, RTP has incorporated the Portuguese Broadcasting—Public Service TV, S.A., Portuguese
Its mission, objectives, and obligations were established by the Concession of the Public TV, and they were concluded in March 2008. This agreement particularly consecrates the obligations to ensure as regards the sphere of TV: a comprehensive and varied program that addresses several audiences; ensure a programming reference of a high standard that stimulates cultural appreciation and education of citizens, strengthening their critical sense; promote a creative and alternative programming; and provide unbiased, plural, and rigorous information covering major national and international events.

The mission, objectives, and obligations related to the public broadcasting service between the Portuguese state and the Portuguese Broadcasting S.A. were set in 1999, stipulating in particular the obligations to ensure
among others: pluralism, accuracy, and objectivity of information and programming; balanced programming that is informational and recreational; educational promotion that respects the different ages, occupations, interests and backgrounds of the public; and promotion of the dissemination of the Portuguese language to strengthen the identity and solidarity among Portuguese both in and away from Portugal.

The long process of reflection of the audiovisual sector of the state and the proposed restructuring model culminated in the publication of laws (Law nº 30, 32, and 33/2003 on August 22, 2003) that would guide the behavior of the broadcaster in the coming years. One of the main aspects of this legislative intervention relates to the constitution of an operator of TV service, with RTP no longer being the holding of the public audiovisual sector.

With this reformulation according to the Annual Report of RTP 2003, it became expected that the Radio and TV of Portugal became a real catalyst for common structures and synergies in the technical and productive areas, as well as a strategic center of rationalization of the audiovisual sector of the State. In addition, to being the owner of holdings in Radio Broadcasting and TV Broadcasting, Radio and TV of Portugal should still be the natural vehicle of financial management, managing revenues and allocating them according to the needs of fulfillment of public service obligations.

The restructuring effects resulted in the review of organizational charts and the allocation of more adequate human resources with a rescaling of the structure. It was intended to optimize resources to ensure the viability of the financial model designed. The first steps for debt consolidation were taken in 2003, in order to reduce operating costs and to raise revenue and income that would ensure the economic balance and financial health of the institution. At the same time, there was a symbolic change of premises of the two public service operators—Radio and TV—through their concentration in one building. This process was a decisive step for the approximation and convergence of Radio and TV in a single, unified, and consistent project for the audiovisual sector. Furthermore, this step by itself is part of the disinvestment plan set within the reduced resources and the implementation of the financial restructuring plan.

This new model, set out in the Law and in the concession contracts, was complemented by a financial restructuring agreement that called for the gradual release of RTP financial debt accumulated in recent decades. The state assumed obligations to recapitalize the company and accepted RTP’s operating costs cuts across the Radio and TV departments.

In September 2003, the government and the Portuguese public broadcaster RTP made a financial restructuring agreement, valid until 2019, which aims to progressively reduce billions in debt that was accumulated as a result of long-term financing of its public service. This approval is the result of an investigation that began after the European Commission received complaints from private TV operators between 1993 and 2003 that would raise doubts about the commercial and financial performance of state-owned operator.

With the primary goal of responding to an RTP obligation in Clause 28.a of the Concession Agreement of the Public TV (CCSPTV), timely agreed between this company and the Portuguese State on 23 March, 2008, the institution began to prepare annual reports on the performance of public service obligations. These reports are divided into two parts, the first leaning on the fulfillment of public service obligations of a non-financial character and the second on the review under contract with the General Inspection of Finance, as the entity responsible for Financial Supervision, enshrined in Protocol signed on 23 February, 2009.
RTP’s Innovation and Management in an Adverse Conjuncture

According to Bustamante (2002, p. 216), “The revolutions endured by public TVs during the 1990s, are the perfect examples of a twisted policy, lacking of models, never adopted as a result of an open and public discussion and getting the consequences of its actions”. Public Broadcasting Service (PBS) has been lacking an innovative concept of management.

To understand the fall of RTP and the catastrophic situation it was facing at the beginning of the new century, it is necessary to take into account the social-economical context of the country, the media market situation, as well as the Internal reality of the PBS organizations. The “explosion” of the speculative bubble that surrounded the Internet and the “new economy” casted the first stone of an economic crisis at a worldwide level, which would be increased by the terrorist attacks of September 11th in the USA. The advertising market, structurally very dependent on the economic conjuncture, was one of the first to feel the crisis, compromising the expected revenue of the media companies in general and of the TV operators in particular. At the end of 2001, advertising revenues showed a negative growth of 6.3% when compared with 2000, a situation that would worsen in the following year, with a new fall of the advertising investment of 9.4%.

According to Vasconcelos (2003, p. 53), “Without learning the lesson from other countries, the Government decided to abolish the monopoly and open two private commercial channels without, at the same time, ensuring a stable and correct funding for the public stations”. It was then questioned if the Portuguese advertising market would have the capacity to support the costs of three general TV channels without any tax paid for in the public service. The net results obtained by the three companies during the 1990s support this serious doubt (see Table 1).

Table 1
Net Results of the TV Operators 1992-2001

|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|

Note. Source: RTP—Estimative for the current prices—Values in millions of Euros.

Analyzing the trend behavior in the RTP results of over a decade, it seems clear it’s worsening over time. In 2001, RTP’s net results reached a record of -264 million Euros, in contrast with the positive results of the private operator TV interference (TVI) and Sociedade Independente de Comunicação (SIC)’s low negative results of 27 million Euros. TVI, marked by a very difficult economic and financial crisis, was only able to ensure its viability through its acquisition by the Media Capital Group, in 1995. Presently TVI is the TV operator with the best financial performance, having been contacted by groups as important as Prisa, PortQuay West I B.V. and Caixa de Aforros de Vigo, Ourense e Pontevedra, which have acquired 84.69%, 10%, and 5.05% of its “share capital”, respectively. In fact, this recovery can be seen in Table 1, as net results grew from -24.260 in 1995 to 12.5 million Euros in 1996—an increase of 51.5%. Even SIC itself, which very quickly reached the leading position in terms of audience and a positive net result, saw its situation worsen in the last years of the 1990s and began a painful restructuring process in 1999.
Table 2

<table>
<thead>
<tr>
<th>Year</th>
<th>RTP</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
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Note. Source: RTP—Values in millions of Euros.

From Table 2, we can highlight the period after 2005, in which RTP denotes a worsening of its net income until 2010, when this negative trend was reversed.

On the private operators’ side, it should be noted that the consistency and sustainability of the results of TVI remained always positive throughout the period. TVI is, therefore, the only operator to demonstrate a sustained financial strength over time. SIC, on the other hand, demonstrated lower and more inconstant net results than TVI, although far more positive than RTP.

According to Faustino (2007), since 2001 until 2006, Media Capital Group’s (where TVI is integrated) revenue has been increasing, with the exception of 2003, where a slight decrease occurred. Regarding total revenues, 72% originated from TVI, 7% from radio, 7% from outdoors business, and the remaining 14% originating from all the other businesses. In 2006, Media Capital revenues reached 230 million Euros, which represented a 4% increase relatively to 2005. TVI was the leading TV channel in Portugal in 2005, for the first time in its history. TVI had been the leading station in prime time since 2001, but it reached an average audience of 34.9% of the market in 2005. The revenue sources associated to the TV business (172 million Euros in 2006) constitute the main Media Capital Group’s business drivers. In 2010, TVI total revenues were above 158 million Euros.

The competition between different channels and the lack of a bigger ad market were partly responsible for the difficult financial situation of the various TV operators in the late 1990s. But that does not explain the fast derailment of RTP prior to the liberalization of the audiovisual market, in spite of its monopoly position and Government support. According to Mercedes (2005), the growth of the competition, especially after the privatization process observed in other European TVs and the liberalization of telecommunications, stimulated the search for new, safer, and less risky formulas of production. In the meantime, the new media offer created a more demanding audience and, therefore, the need to develop innovative strategies more in line with the tastes and interests of the public. The goal of innovation is to discover new solutions that improve the quality of products and services provided. Recent management and innovation lines of thought have stated the need to make public organizations similar to private ones, with a focus on results and performance goals, without losing sight of their social responsibilities. Accordingly, the citizen should be considered as a customer, which makes it possible for him to choose between public and private services.

However, the unpredictability of technological developments and the legal and economic uncertainties forced the companies to stop taking long-term decisions and hiring more employees. According to Whitfield (1975, p. 99),

The innovator must have a job worth doing, in which he can make full use of his talents and provide an important contribution. However, since opportunities for real innovation are few, and many other people may be involved in developing the creative idea into a finished product, the innovator may find there is little use for him and his potential.
In general, obstacles to innovation arise when (1) there is a corporate culture focused on short-term results; (2) bureaucratic and paralyzing structures prevail; (3) there is a low level of trust and participation of the employees; (4) teamwork is absent; (5) arrogant management attitudes dominate; (6) leadership is absent; and (7) fear towards the unknown is observed. It is within this market context that we should frame RTP’s current strategy of innovation and change.

**Problematic Economic and Financial History of RTP**

TV in Portugal started with a significant delay when compared to other European countries, considering that regular broadcasting only started in 1957. The RTP Group, whose shareholder is the Portuguese state, has an historic and important position in the Portuguese regulatory framework for broadcasting. Created in 1957, RTP faced the competition of private networks such as SIC (1992) and TVI (1993) and it has not always answered correctly to that new competitive scenery. As years went by, the state TV began to lose its competitiveness through the decrease of audience, and therefore of advertising revenues, which led the company to chronic financial difficulties. According to Vasconcelos (2003, p. 53) “Portugal was the last country in the European Union to authorize the establishment of private channels. Under the circumstances in which it happened, the financial crisis and substantial loss of credit by the public station was inevitable”.

In 2001, RTP was a company sinking rapidly. However, and even considering that the State is an important part in assuring regular funding for the public service TV, the crisis in RTP was not only the fault of the government’s lack of responsibility in that matter. The crisis emerged also from a deficient management which was not able to, on one hand, re-establish the company in new competitive media sceneries and, on the other hand, identify the needs (opportunities) to implement a renewal both from a management point of view as well as from a programming point of view. It is recognized by many analysts that RTP’s management has been passive for many years (unable to react or pro-act) with regard to the changes of media demand.

There was no strategy and no leader capable of making its collaborators believe that it was possible to re-establish and recuperate RTP’s brand operations. At the beginning of the 1990s, the configuration of the national TV market was clearly determined: RTP enjoyed the monopoly of broadcasting with two generalist channels – RTP1 with around 80% of the market share and RTP 2 controlling the other 20%. This comfortable situation created an easy access to the best international shows, as well as popular national events which could achieve greater audience numbers. Due to its status of public service, the public channels also received a large amount of financial Government incentives, which were increased by the advertising revenues. In 1994, RTP already showed a financial struggle on the verge of technical bankruptcy.

The State’s TV channel had an excessive amount of structural costs, fed by the general inefficiency. A sequence of years with negative results made the company fall into debt and forced the State to a series of capital increases to keep the company alive. The accumulated losses since 1990 amounted to 1.2 billion Euros. On the first semester of 2001, RTP presented operational costs of 256 million Euros, with supply and external services (100 million Euros; 39% of the total) and personnel (84 million Euros, 33% of the total) being the major weights in the expenditure (see Figure 2).

As shown in Figure 3 and Figure 4, revenues in the first semester of 2001 reached a total of 95 million Euros, so the difference between costs and revenues revealed a negative operational result of 161 million Euros. The high financial costs, associated with a rapidly growing debt, made the net negative result even more worrying: 183 million Euros. Concerning the market share, measured by audience numbers and advertising
revenues, from a share of 46.9% in 1994—two years after the establishment of private operators in the audiovisuals’ market—RTP fell to an average level of half of that value in audiences (20.1%) in 2001, behind SIC and TVI (see Figure 5).

![Figure 2. Costs in the 1st Semester of 2001.](image)

Note. Source: Elaborated from data supplied by the company.

![Figure 3. Revenue of the 1st Semester of 2001.](image)

Source: Elaborated from data supplied by the company.

We can say that public TV channels were losing their influence in the Portuguese audience and putting their survival at risk. However, starting in 2002, important steps were taken to change the future of the public TV channel. And at the end of 2005 (November), RTP reached the second place among its competitors for audience numbers, doing better than SIC, reaching the first place in 2007 with a 30.4% market share and maintaining a market share above 29% in 2008 and 2009, with 29.4% and 29.8% respectively. In 2010, the audience shares were stable comparing with 2008 and 2009, with a slight increase of 0.2% on RTP1 and a
decrease of 0.5% on RTP2. In 2011, RTP1 had a drop in share to 21.6% and RTP2 dropped to 4.5%. In the same period, both SIC and TVI suffered drops in their share values too, to 22.7% and 25.7% respectively, losing share to cable channels.

![Figure 4. Operational Results in the 1st Semester of 2001.](image)

*Note.* Source: Elaborated from data supplied by the company.

![Figure 5. The audience share evolution in the public channels 1994-2011.](image)

*Note.* Source: Elaborated from data supplied by the company.

**RTP’s Identity, Inefficiency Crisis, and Management Options**

According to Richieri (1994), after the opening up of the TV service to private broadcasting, a legitimacy crisis started within the State-owned media companies, as well as a financial and an identity one. Besides the decrease in revenues due to the redistribution of advertising among all operators, “Costs increased due to the stretch of broadcasting time and the competition of different genres in the programming schedule (mass sports, imported fiction, star presenters)” (Bustamante, 1999, p. 58).
In fact, from the beginning of the 1990s, RTP faced growing difficulties, because of a more expensive public service and programming, the absence of a market-oriented management, as well as expensive organizational structures and staff. Furthermore, in 2001, RTP stepped into an identity crisis. A mission and a clear position, reduced to the imitation of private operators, were absent. The fast growth of private channels SIC and TVI, along with the absence of a clear definition of public service TV, explain the lack of orientation of the public operator of TV, with regard to the decrease in audience numbers.

Figure 6. RTP in 2002—The public disaster.

Note. Source: RTP.

On the other hand, the significant management instability—the company had five different administrators and 12 Programming and Information Boards between 1995 and 2002—goes a long way in explaining the lack of a strategy. As a result, the execution costs unravelled and the financial liabilities jumped from 359 million Euros in 1996 to over a billion Euros in 2002. Furthermore, a loose human resources policy resulted in high absenteeism, increased overtime work, and inexistence of appraisal mechanisms.

The existence of participated companies, all of which in a deficit situation, added up losses of 16 million Euros in 2001, increased the inefficiency of the company and scattered its resources. Many analysts blame primarily the Portuguese Government for this situation. In fact, for several years, the State—single shareholder of the PBS—failed to take the appropriate core measures that could ensure a stable financial situation as well as an alternative strategic plan.

This situation forced the company to embark on a series of debts in order to sustain its operating and functional costs. Servicing the new debt added to the financial difficulties and forced the company to take up new loans, thus, generating a vicious cycle.

For commercial media companies, the main goal is to reach a larger audience and therefore generate higher advertising revenues.

Public service and other non-profitable media services’ management are not obviously subject to these pressures; its main concern is to produce information and entertainment which are useful and interesting for the public. However, the decision is about which content to deliver should be taken with regard to the need of supplying a good service to different
This can only happen if the business is run efficiently. According to Mercedes (2005), a media manager, even in a PBS company, needs to take the following issues into consideration: (1) TV programming is a continuous product: each day there is a broadcast of around 20-24 hours; (2) TV business sales should run out daily, even if advertisers buy time slots for the future; (3) Managers and professionals have a special social responsibility as they influence the mass media; (4) TV consumption is very sensitive: the competition is strong and the efficiency of the decisions is controlled daily; and (5) The decisions face a time barrier: Deadlines and the products’ life cycle are short.

Even if the daily management of the public TV companies is dependent on external pressures such as markets, laws, and politics, it is necessary for those companies to develop and implement a business-oriented culture in the organization. Such a culture can provide public TV companies with clear strategies. The absence of a strong management and a business culture led RTP to an extremely fragile situation. Already in bankruptcy and falling behind both private operators in Portuguese preferences, a strategic decision on the future of this public company was in order. The closing down of RTP 2 as a response to the exigency of the Portuguese ad market seemed certain. In a report published in 1996, Braumann pointed out four possible scenarios for the recovery of RTP:

1. Conservative Scenario: RTP maintains all its channels and, given the insufficient ad revenues and the difficulty of an internal restructure, continues to be funded by the State with higher amounts. This scenario seems to be unbearable due to the large amount of financing needed;

2. Liberal Scenario: The State “privatizes” or gives the partial or total concession of one of the two channels (RTP 1 and RTP2) to a private operator;

3. Radical Scenario: RTP applies a full restructuring, which requires two to three years to reach financial balance. This strategy will radically change the organizational structure of the company, its programming strategy, and the competition with the private operators;

4. Evolving Scenario: The focus is on creating a modern public service, adapted to future demands, through the constitution of a business group with predominantly public funds, which is able to compete with the segments in the world market, with strategic partners at a technological and contents level. The last scenario entails RTP’s constitution as a holding, in line with experiences of other European public operators in countries such as the United Kingdom, Italy, or France.

The public awareness that RTP had its future compromised was something analysts had been predicting for quite some time. On the other hand, being under State control, any decision to be taken would be dependent on the political agenda.

Following years of controversial discussions and against a widespread skepticism on RTP’s ability to recover, the 15th Constitutional Government released the “New Options for Audiovisual” package in December 2002. The mission and goals to be pursued by the PBS were set out in the new TV law nº 33/2003 of August 22nd, together with a new grant contract. The new governmental strategy resulted from an analysis of RTP’s financial situation and took on board suggestions made by an independent working group, which roughly reflected both the Radical and Evolving Scenarios described above. On the one hand, ambitious goals were defined for the restructuring and financial uplift of the company. Key measures included a substantial reduction of organizational costs (110 million Euros a year), restructuring of participated companies, financial
consolidation, and balance restoring. On the other hand, the new grant contract clarified RTP’s obligations at public service level. With regard to the model for TV public funding, the law set out:

1. The State ensures the funding of the broadcasting and TV public service, in terms established in the law and the following grant contracts;
2. The funding of the broadcasting’s public service is ensured by the collection of the audiovisuals’ contribution;
3. The funding of the TV’s public service is ensured by compensatory indemnities and by the revenues from the contribution for the audiovisual that is not used in the terms of the number above;
4. The operator’s advertising revenues explored in the general grant of the public service are to be for the payment of the consolidated debt and, after that, to new investments, but not usable for the present exploitation;
5. Together with what is written on the 1st article, the expenses of the broadcasting and TV’s public service funding are predicted in a multi annual horizon, with the duration of four years, to allow an adequate and efficient management of resources, according to the predictable evolution of the social and economic conjuncture;
6. The prediction referred above should identify, more than just the total costs for a four year period, the yearly part of those costs.

The big news was the introduction of a contribution tax to be forwarded to the PBS, a completely new revenue stream. On the other hand, the State made a financial commitment, by presenting the compensatory indemnities as a primary source of RTP’s funding and by creating a contractual financial warranty derived from the State’s budget. In the new law, the partnership model also changed through the creation of a holding that puts together Radio and TV in Portugal and will manage four operational areas: RTP, RDP, RTP—Meios de Produção, and MediaParque.

According to Almerindo Marques, president of the Administration Board at RTP at the time, the employees have had a safe job for two years now. Two or three years ago this company was about to be closed. And they are in a truly improved building when compared to the previous conditions. Also they have achieved safe and rigorous work relations, because when we got here there were about 300 disciplinary problems between company employees. This number decreased to less than 50%. There was also a resolution of the precarious contracts, the short term contracts that to that form only had a name and the receipts. It is true that, for a long time, employees didn’t get a salary increase, i.e. they participated in the sacrifices demanded. But they achieved a Collective Work Agreement: (…) more than 50% of the employees have already access to this agreement. Our commitment, which is described in the plan for the financial restructure, is to achieve a balancing point of the present exploitation till 2005.

Subsequently, at the end of 2003, we could already see the light at the end of the tunnel and the effects of the new strategy: Business was growing. According to Dal Zotto (2005):

A business grows when: (1) sales revenues increase, which means that more products are manufactured; (2) quality is improved and therefore an increased unit price is justified; (3) the product range is increased; (4) the products functionality and features are improved; and (5) a combination of these factors occurs. (p. 223)

Restructuring the Company and Re-establishing the Brand

The defined strategy for the new RTP SGPS is based on three milestones: (1) the transformation of RTP into a modern company, with clear business goals and a future-oriented strategy; (2) balanced operational results,
with a very clear focus on costs efforts and financial rationalization of the company; and (3) the transformation of RTP into a reference TV, through the offer of a true public service focused on the different publics.

The rationalization of RTP’s business structure was aimed at focusing the activities of the company around its “core business”, with the subsequent liquidation or alienation of several subsidiary companies. In line with this plan, TV Guia and the majority shares of Sport TV were sold. RTC—Radiotelevisão Comercial, the subsidiary company which had the exclusivity of selling advertising was dissolved and RTP itself became responsible for the sales. Formas e Conteúdos, Produção Audiovisual, SA (FO & CO) and Edipim, two participated companies for content production, were restructured and merged into a new autonomous unity, RTP—Meios de Produção. The holding SGPS, which includes RTP and RDP, was created to enable the two companies to share resources, maximize synergies and generate economies of scale: This happened mainly through the integration of all administrative and support services, common use of regional and international structures, promotion of mobility and multidiscipline among employees of both companies, and joint negotiations with suppliers. In a medium term perspective, a merger between the two companies was thought to be a possibility. In 2007, RTP SGPS, RTP STP, RDP, and RTP Meios merged into a single company, RTP S.A..

The transformation of RTP into a modern company inevitably required the downsizing of its human resources, with a substantial reduction of staff, a rejuvenation of the board, and a more efficient HR management. Between 2001 and 2003, 800 employees were made redundant (a quarter of the total), mostly through a program of voluntary terminations of contracts. Overtime was strictly cut and appraisal models were introduced. Moreover, the mainstreaming of pension payments into Caixa Geral de Aposentações (civil servants’ social security scheme) allowed significant savings. These two reforms allowed a cost decrease of about 9.2 million Euros over a two-year period. A reduced cost for the signal emission, due to a Government intervention, forcing a renegotiation of the contract with Portugal Telecom, one of RTP’s main creditors, with more favorable terms for the PBS, was also instrumental for RTP’s financial improvement.

Some cuts were made at program scheduling level, mostly due to the introduction of a new public service policy that rejects direct competition with private operators in the never-ending search for audience, but also due to the renegotiation of broadcasting rights for sporting events, such as football matches and automobile competitions. Conscious about persisting inefficiencies, the new board members which took charge on July 2002, promoted a series of internal audits aimed at improving working methods and procedures. Debt restructuring (notably the concentration of several loans into an aggregate 800 million Euros credit line from Depfia Bank with an extended maturity) from three and a half to 10 years led to yearly savings of over 15 million Euros in financial costs.

RTP entered the 21st century in a situation of major decline also regarding the Portuguese public preferences. At the beginning of 2000, it was already clear that the public service TV was recovering. This depended not only on a profound business renewal, but also on the new image that emerged from the construction of a new public service-oriented identity. RTP focused on its commercial nature by looking for what was interesting to the masses, but limiting its programming policy to the responsibilities of a public service TV, as defined in the new grant contract signed in 2003.

As for the strategy to be followed by RTP2, the debate was richer and even more complex. Several voices emerged defending the privatization of the channel or its pure and simple extinction. This could have helped reviving the fragile Portuguese audiovisual sector by allowing the redirection of ad revenues absorbed by RTP2 to the remaining channels. In contrast, there were warnings about the fact that the impending end of RTP2
would be just the beginning of the end of the public service TV. For this reason, the continuity of RTP2 was considered a way to ensure the rights and integration of social minorities. In the end, a political decision of maintaining RTP2 in the universe of PBS was taken. Several issues remained unanswered: (1) How could the difference between the two public channels be ensured while avoiding cannibalization? (2) How could the two channels be funded by the government given the public financing restraints in place? And (3) What added value could the 2nd state TV channel represent to the Portuguese audiovisual scenery and to public service?

The answers to these questions came with the implementation of an innovative concept. RTP2 was converted into a channel opened-up to the society, through a range of protocols with several entities, in order to enhance the integration of people, notably those with special needs, as well as to facilitate their access to knowledge. In light of this change, RTP established a protocol with SIC and TVI which abolished commercial advertising on RTP2 and reduced the advertising on RTP1 by 20%, to six minutes per hour. Results of these changes started materializing and allowing for some optimism. As costs fell, on the back of rationalized business management practices, audience numbers steadily increased. In 2006, RTP’s audience grew for the fifth consecutive year, reaching the leadership of the Portuguese TV market for the first time in this century. The consolidated market share for RTP group was 30.8% (of which RTP1 accounted for 24.4%, RTP2 for 5.4%, and the rest came from small cable channels), and 1.1% points up from 2005 and 4.9% points up from 2001, reaching 30.4% in 2007 and keeping a market share above 30% in the two following years (see Figure 7).

We note that the graph analysis of the TV market has been characterized by several oscillations, with respect to the relative positions of the various players. We highlight the exchange of dominant positions between TVI and SIC in 2001 within prime-time (8 p.m.-11 p.m.), in which TVI occupied the lead spot that used to belong to SIC, up to today. SIC lost its second position in this time slot in 2006 to RTP (channel 1 and channel 2), a situation that stands till this day. In the all-day time slot (7 a.m.-3 p.m.), we can see that the year 2005 was a turning point: TVI takes the lead in this space and SIC sees its leadership position surpassed even by RTP (channel 1 and channel 2). Note also, in regard to the all-day time slot, that TVI lost its lead spot to RTP (channel 1 and channel 2) in 2009 and, most recently, in 2010. However, RTP shows a more stable behavior in both spaces over time.

Figure 7. Evolution of RTP’s and Private Operators Audience Share (%) 2000-2010, all day and prime time.

Consequently, despite the substantial ad space reduction, advertising revenues grew from 39 million Euros in 2002 to 48.1 million Euros in 2006, representing an average annual growth of 5.8%. Although this trend was influenced by a slight recovery of the advertising market in 2003 (despite the recessive macro-economic framework), RTP’s ad revenues growth rates were consistently above the global market performance, which suggests efficiency gains from the public service TV operator. In the context of a diversification strategy, running in parallel with RTP’s new image, two new cable channels were launched in 2005: RTP Memória and RTPN. While the former focused on broadcasting old RTP programming (building on its 50 years of history), the latter followed from the extinct NTV and aimed at being a channel with a stronger proximity to regional realities (taking advantage of RTP’s existing regional offices/structures) and a significant focus on news. 2007 was the year in which advertising revenues reached the higher value—$54.2$ million Euros. Since then, these revenues present a decreasing trend, reaching $48.6$ million Euros in 2009. Despite the economical overall trend, advertising revenues increased $2.6\%$ in 2010, reaching $49.9$ million Euros.

In the following charts and tables, we look at the evolution of RTP’s key economic and financial indicators, which translate the company’s upturn, based on a strict cost control policy and increased revenues.

![Figure 8: Evolution of costs 2001-2011.](image)

*Note.* Source: RTP.

The recovery strategy implemented by the new board relied heavily on a strong cost contention policy, which focused primarily on the major spending areas, notably personnel. Operational costs decreased from $420$ million Euros in 2001 to $276$ million Euros in 2006 (a $34\%$ reduction), practically stabilizing just under $300$ million till 2010 (with the exception of 2007, with operational costs slightly over $300$ million). In 2011, operational costs rose to $307$ million Euros, an increase of $5.9\%$ compared to the previous year. Leaving aside programming costs, which roughly account for a third of operational costs, the major contribution came from the pay bill, which decreased some $37\%$, from $170$ million Euros in 2001 to $107$ million Euros in 2006, seemingly having stabilized around $110$ million Euros, dropping to around $100$ million Euros in 2010 and rising
again to 108 million Euros in 2011. Financial costs have also decreased from 44.5 million Euros in 2001 to 34 million Euros in 2006, increasing in 2007 and 2008 due to the rise in interest rates which lowered in 2009 and 2010, and decreasing slightly to 17 million Euros in 2011. These achievements were possible because of: (1) a more efficient management of resources thanks to the sharing of infrastructures and administrative services amongst the companies included in the holding; (2) the contract renegotiation with suppliers and the reduction of distribution cost; and (3) a human resources downsizing policy, which allows a cut of almost one thousand staff. Hence, in just five years, the company costs had been significantly reduced.

In a recent benchmark disclosed by European Broadcasting union (EBU), and based on 2005 data, RTP features as the most efficient public service operator in terms of running costs, investing only 9.25 million Euros per audience share point, against a European average of 56 million Euros. The report also highlights that, between 2001 and 2005, the per capita public services costs in Portugal decreased from 44 to 25 Euros per year, turning RTP into the least expensive public service operator to taxpayers in Europe.

In parallel with the cost reduction, RTP also set in motion a strategy to increase revenues. As the quality of the public service improved, audience shares increased, leading to a valuation of ad spaces. As shown in Table 3, operational profits jumped 42% from 205 million Euros in 2001 to 292 million Euros in 2006. Public funds take the lion’s share in the company’s revenue structure, having reached 224 million years in 2006, of which 124 million Euros were due to compensatory indemnities and the remaining 100 million Euros to the audiovisual contribution. Looking at commercial revenues, these increased 30% between 2001 and 2006. Advertising revenues increased from 44 million Euros in 2001 to 544 million Euros in 2007, dropping slightly to 49 million Euros in 2009, whilst the distribution and multimedia receipts grew even faster, from 1.3 million Euros to over 10 million Euros in 2001 and 2006 respectively, reaching 12 million in 2009. Data already available for the 1st half of 2007 seems to confirm this trend, with advertising revenues increasing 14% from the 1st half of 2006. 2010 RTP accounts show the positive impact of the Government decision of cutting 10%-15% on all state companies. Operational costs decreased by 5.4% to 309 million Euros, the pay bill dropped 9%, from 113 million Euros to 102.9 million Euros and financial costs reached 29 million Euros—41% less than the previous year.

Table 3
Revenue Evolution (Values in Million of Euros)

<table>
<thead>
<tr>
<th>Analysis period</th>
<th>Operational profits</th>
<th>Advertising</th>
<th>Distribution and multimedia</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>205</td>
<td>44</td>
<td>1</td>
</tr>
<tr>
<td>2002</td>
<td>222</td>
<td>39</td>
<td>1</td>
</tr>
<tr>
<td>2003</td>
<td>230</td>
<td>49</td>
<td>2</td>
</tr>
<tr>
<td>2004</td>
<td>262</td>
<td>50</td>
<td>4</td>
</tr>
<tr>
<td>2005</td>
<td>266</td>
<td>48</td>
<td>9</td>
</tr>
<tr>
<td>2006</td>
<td>292</td>
<td>48</td>
<td>10</td>
</tr>
<tr>
<td>2007</td>
<td>315</td>
<td>54</td>
<td>11</td>
</tr>
<tr>
<td>2008</td>
<td>298</td>
<td>52</td>
<td>11</td>
</tr>
<tr>
<td>2009</td>
<td>308</td>
<td>49</td>
<td>12</td>
</tr>
<tr>
<td>2010</td>
<td>309</td>
<td>50</td>
<td>14</td>
</tr>
<tr>
<td>2011</td>
<td>317</td>
<td>40</td>
<td>14</td>
</tr>
</tbody>
</table>

*Note. Source: RTP*
As mentioned above, the analysis of the revenue structure highlights RTP’s significant reliance on public funds, which accounted for 77% of the overall operational profits in 2006. This has the advantage of artificially protecting the company from less favorable economic conditions, which tend to have a knock-out effect on advertising revenues.

As shown in Figure 9, as a consequence of the increased revenues and reduced costs, RTP’s operational results have been improving steadily in recent years, having registered positive figures since 2005. Similarly, the company’s operational cash flow increased from -195 million Euros in 2001 to 23 million Euros in 2009. In 2010, operational cash flow increased 23%, reaching 36.6 million Euros. As for net results, despite remaining negative, they have improved from -264 million Euros in 2001 to -14 million Euros in 2009, an impressive annual average increase of 18%. Operational results improved in 2010 from 2.9 million Euros to 22.6 million Euros. In 2010, net results became positive, reaching 15 million Euros. This is the first time in 15 years that RTP showed a positive net result. 2011 continued this positive trend with net results of 19 million Euros and operational results of 14 million Euros.

Figure 9. Evolution of Results 2001-2011.

Note. Source: RTP.

Portuguese Public Media Service With a Private Attitude

Since 2005, RTP has been adapting to a new reality and completely changed its attitude (from passive and reactive to pro-active and market-focused). RTP SA is currently moving towards “break-even”, registering balanced results, on the back of a cost-structure fit to its dimension and a new funding system that transfers the necessary revenues, in a stable and planned way, towards the fulfillment of the public service of the TV station. By presenting its new identity, and therefore a new image, as well as by assuming a clear commitment with the
public, RTP managed to re-conquer the trust of Portuguese people. This led to a bigger market share and higher ad revenues. In November 2005, RTP ranked the 2nd as the most watched TV channel, overpowering SIC. And, as mentioned above, taking the whole group into consideration, RTP reached the leadership in 2007. The company’s administration remains committed to further reducing costs. According to Picard (2002), yield is fundamental to any media company, since it allows the production of funding sources and enhances the companies’ attractiveness to the banks and other sources of income. All companies, including the non-commercial and non-profitable ones, should generate profit that can be used for their development and their actions; otherwise, they will find themselves in a downward spiral.

Costs reduction and the search for profitability have been considered two essential factors for the success of the public TV channel strategy. However, RTP has also been focusing on new strategic areas such as multimedia, internet, teletext, and SMS. An example of investments in these areas is the creation of MediaParque, a new company based on the infrastructure of the Porto’s Production Centre and meant to become a small city around an ICT business. Simultaneously, attention has been devoted to the development of the company website, which not only reflects RTP’s new image, but also constitutes an important news platform where interactivity plays a key role.

We can say that the case of RTP dismantles the popular myth that it is impossible for a public TV operator to offer a high quality public service and operate in financial balance and as efficiency as private companies are bound to do. For that reason, the management and restructuring process operated within RTP since 2002 represents an interesting case study of innovation and organizational change in the public administration.

Furthermore, RTP rates pretty well in various aspects, when compared with other European public service broadcasters, as shown in the study included in its public service report of 2011: It holds the 2nd lowest cost per inhabitant (just under €27), only slightly above Spain and 59% below the average of the countries considered. Meanwhile, Austria displays the highest value, €115.7/inhabitant, followed by Germany (see Table 4 and Figure 10). RTP’s public funding is the 2nd lowest in absolute value and represents the lowest public funding per inhabitant (just under €22), the cost to public funding in relation to its audiences is the 15th lowest overall and 75% less than average; even though the audiences of the totality of services provided by the public service broadcaster has decreased slightly in 2010 and 2011, compared to E.U.’s other public service broadcasters in the period between 2002 and 2011, RTP appears with a consolidated 29% audience for the totality of its services and with a positive growth rate that contrasts with the majority of said broadcasters (see Table 5 and Figure 11).

Analyzing the graphs above, we can see that RTP, when considered with other European Public Service Radio and TV operators, presented the biggest reduction in public funding between 2009 and 2012. -2.1% contrary to what happened in most other European countries. Spain, in particular, presented an increase of 55.6% (see Figure 12). We can also see that RTP generated a 2.2% increase in advertising revenue between 2009 and 2012, being the fourth operator in the countries concerned. It should also be noted that this growth of advertising revenue came at a particularly adverse time in the Portuguese advertising market. France was the country that showed the greatest increase, 15% followed by Germany with 6% and Italy with 3%.

It is also of importance in this comparative analysis of RTP with other European operators to report its audience share evolution.
### Table 4

**Operating Costs for Public Radio and TV Operators in Europe in 2010**

<table>
<thead>
<tr>
<th>Country</th>
<th>Operator</th>
<th>Population</th>
<th>Operational costs (M€)</th>
<th>Operational costs per inhabitant (€/Inhab.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>ORF</td>
<td>8,375,290</td>
<td>968.5</td>
<td>115.6</td>
</tr>
<tr>
<td>Flemish Belgium</td>
<td>VRT</td>
<td>6,058,368</td>
<td>455.3</td>
<td>75.2</td>
</tr>
<tr>
<td>Denmark</td>
<td>DR</td>
<td>5,534,738</td>
<td>446.4</td>
<td>80.7</td>
</tr>
<tr>
<td>Germany</td>
<td>ARD/ZDF</td>
<td>81,802,257</td>
<td>8,352.3</td>
<td>102.10</td>
</tr>
<tr>
<td>Spain</td>
<td>Corporation RTVE</td>
<td>45,989,016</td>
<td>1,196.2</td>
<td>26.0</td>
</tr>
<tr>
<td>Finland</td>
<td>YLE</td>
<td>5,351,427</td>
<td>447.1</td>
<td>83.5</td>
</tr>
<tr>
<td>France</td>
<td>France TVs / Radio France</td>
<td>64,716,213</td>
<td>3,851.2</td>
<td>59.5</td>
</tr>
<tr>
<td>Greece</td>
<td>ERT</td>
<td>11,305,118</td>
<td>322.1</td>
<td>28.5</td>
</tr>
<tr>
<td>Holland</td>
<td>NPO</td>
<td>16,574,989</td>
<td>848.3</td>
<td>51.2</td>
</tr>
<tr>
<td>Ireland</td>
<td>RTE</td>
<td>4,467,854</td>
<td>376.0</td>
<td>84.2</td>
</tr>
<tr>
<td>Italy</td>
<td>RAI</td>
<td>60,340,328</td>
<td>2,907.0</td>
<td>48.2</td>
</tr>
<tr>
<td>Portugal</td>
<td>RTP/RDP</td>
<td>10,637,713</td>
<td>286.0</td>
<td>26.9</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>BBC</td>
<td>62,026,962</td>
<td>4,196.9</td>
<td>67.7</td>
</tr>
<tr>
<td>Sweden</td>
<td>SVT/Sveriges Radio</td>
<td>9,340,682</td>
<td>726.8</td>
<td>77.8</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td></td>
<td></td>
<td></td>
<td>66.2</td>
</tr>
<tr>
<td><strong>Portugal deviation from average</strong></td>
<td></td>
<td></td>
<td></td>
<td>-39.3</td>
</tr>
<tr>
<td><strong>Portugal % deviation from average</strong></td>
<td></td>
<td></td>
<td></td>
<td>59.40%</td>
</tr>
</tbody>
</table>

*Note: Source: RTP.*

Figure 10. Comparison of operating costs per capita in the operators of Public Radio and TV in Europe in 2012.
### Table 5

**Indicators of Public Funds for Public Service Operators in Radio and TV in Europe in 2012**

<table>
<thead>
<tr>
<th>Country</th>
<th>Operator</th>
<th>Population (M)</th>
<th>PIB (M€)</th>
<th>Public Funding (M€)</th>
<th>Public Funding per PIB unit (%)</th>
<th>Public Funding per Inhabitant (M€/Inhab.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>ORF</td>
<td>8.38</td>
<td>286,197.0</td>
<td>581.0</td>
<td>0.20</td>
<td>69.4</td>
</tr>
<tr>
<td>Belgium</td>
<td>VRT</td>
<td>6.06</td>
<td>354,378.0</td>
<td>515.0</td>
<td>0.15</td>
<td>85.0</td>
</tr>
<tr>
<td>Denmark</td>
<td>DR</td>
<td>5.53</td>
<td>235,609.0</td>
<td>473.0</td>
<td>0.20</td>
<td>85.5</td>
</tr>
<tr>
<td>Germany</td>
<td>ARD/ZDF</td>
<td>81.80</td>
<td>2,476,000.0</td>
<td>7,204.0</td>
<td>0.29</td>
<td>88.1</td>
</tr>
<tr>
<td>Spain</td>
<td>Corporation RTVE</td>
<td>45.99</td>
<td>1,051,342.0</td>
<td>1,109.0</td>
<td>0.11</td>
<td>24.1</td>
</tr>
<tr>
<td>Finland</td>
<td>YLE</td>
<td>5.35</td>
<td>180,253.0</td>
<td>403.0</td>
<td>0.22</td>
<td>75.3</td>
</tr>
<tr>
<td>France</td>
<td>France TVS / Radio France</td>
<td>64.72</td>
<td>1,932,802.0</td>
<td>3,023.0</td>
<td>0.16</td>
<td>46.7</td>
</tr>
<tr>
<td>Greece</td>
<td>ERT</td>
<td>11.31</td>
<td>227,318.0</td>
<td>305.0</td>
<td>0.13</td>
<td>27.0</td>
</tr>
<tr>
<td>Holland</td>
<td>NPO</td>
<td>16.57</td>
<td>588,414.0</td>
<td>771.0</td>
<td>0.13</td>
<td>46.5</td>
</tr>
<tr>
<td>Ireland</td>
<td>RTE</td>
<td>4.47</td>
<td>155,992.0</td>
<td>196.0</td>
<td>0.13</td>
<td>43.9</td>
</tr>
<tr>
<td>Italy</td>
<td>RAI</td>
<td>60.34</td>
<td>1,556,029.0</td>
<td>1,685.0</td>
<td>0.11</td>
<td>27.9</td>
</tr>
<tr>
<td>Portugal</td>
<td>RTP/RDP</td>
<td>10.64</td>
<td>172,799.0</td>
<td>231.0</td>
<td>0.13</td>
<td>21.7</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>BBC</td>
<td>62.03</td>
<td>1,700,137.0</td>
<td>4,569.0</td>
<td>0.27</td>
<td>73.7</td>
</tr>
<tr>
<td>Sweden</td>
<td>SVT / Sveriges Radio</td>
<td>9.34</td>
<td>345,538.0</td>
<td>719.0</td>
<td>0.21</td>
<td>77.0</td>
</tr>
</tbody>
</table>

Average 0.17% 53.81
Portugal deviation from average -0.04% -32.09
Portugal % deviation from average -23% -0.6

Figure 11. Comparison of public funds per unit of GDP and per capita public funding for operators of Public Radio and TV in Europe in 2010.
According to the European Broadcasting Union (EBU), the collective organization of Europe’s 75 national broadcasters, the fall in audience share of RTP from 2009 to 2012 (1.4%) followed the trend of most European operators. However, RTP showed a positive growth rate between 2002 and 2011, unlike most European countries during this period. According to EBU (*EBU Viewpoint on PSM Funding*, 2011):

The funding model does not have a significant impact on a broadcaster’s performance. What does make the difference is the absolute level of funding. Revenues must be sufficient, long-term guaranteed, and shielded from the vagaries of national politics. Legislators must remember that without solid financial foundations, public service media lose their independence and cannot prepare for the future. Media organizations that truly serve the public must be editorially independent and not reliant on political favor or on their appeal to advertisers.

The radio and TV owned by the government of Valencia (RTVV), which owns the TV channels Canal 9,
Canal Nou Dos, Canal Nou 24, and Canal Nou International, and the radio channels Radio Nou and Si Radio, is an eloquent example of the level of debt of a TV and radio chain, belonging to an autonomous region. In the context of a severe economic situation in the European and Spanish audiovisual market, compounded by the loss of advertising revenue and of public funding, this chain (TVV), along with the parent company (RTVV), is in the process of implementing a new organizational and management model that will adjust the production structure and work with the current economic and social reality. Under this model and very recently, a third of its workers were laid off (from 1,695 to 1,198), while RTP showed a decrease in its liabilities by 10% from 2010 to 2011 (from 932.8 million to 838.8 million). RTVV, in the same period and in pre-adjustment to the new management model, increased its liabilities by 9% (from five million to 7.3 million). Note that RTP, a nationwide operator, shows positive and increasing results (from 15.0 million to 18.9 million) in 2010 and 2011, while the regional operator aggravates their already substantial net loss of 147.6 million to 174.4 million.

Conclusions and Implications

Public TV should privilege the offer, instead of the demand, by enhancing the social integration that the commercial channels cannot provide. This integration, which is an essential aim to the public channels, comprises the citizen’s valorization. Due to their potential to influence social and cultural life, the social importance of media companies is different from other industries. Therefore, the strategy of public media companies, in spite of being focused on the market, should not be based on profit at all costs: Corporate strategy should include both business and social values. Moreover, business goals should be understood and shared by the largest possible number of managers and collaborators.

Considering this, we can say that for many years there was a clear absence of a business and innovation-oriented culture in RTP. The lack of a business culture prevented the definition of a corporate strategy in the form of a mission with clear objectives. And strategies need to be translated into practical actions. The development of an action plan has a major impact in three major domains: (1) the organization; (2) the financing; and (3) the people. Therefore, in order to avoid resistance during the implementation of an action plan, an innovation oriented culture needs to be put in place.

Until the establishment of the commercial TV channels, public TV was in a comfortable position that allowed it to conceive a programming schedule according to the interests of the people running the TV. The main concern at RTP was to have the best TV shows without ever questioning their costs. As soon as competition from private channels kicked-in, the performance of RTP started declining, until the turning point in 2002. As the analysis of the case shows, RTP has been improving its economic and social performance as well as its relevance in the national TV market.

We can, therefore, say that some of the myths usually associated with the public service of TV were also proven wrong. It is a common thought that: (1) PBS is chronically in deficit; (2) reducing resources and budgets of PBS leads inevitably to a decrease of the service performed; and (3) changing radically a public company and endowing it with an effective management logic takes many years. After the definition of a strategy and the general objectives of the Portuguese State TV’s public service, real measures to turn the economic and financial situation of RTP rapidly around had to be taken. On the one hand, it was necessary to urgently reduce costs and increase profits. These measures, based on an integrated management strategy, allowed the improvement of RTP’s business model in a short period of time. The implementation of effective management logic and a complete recovery of the financial situation, on track to break-even, is a reality.
Furthermore, the reverse of the audience trend towards positive figures testifies that the reduction of resources and budgets, through cost-cutting measures, did not have a negative impact on the service offered.

Finally, another important aspect—a cornerstone of the new management model—was the need to re-position the programmes in order to make them more coherent with the mission of improving the public service of information. In that sense, seven important decisions were taken, as we can see in Table 6.

Table 6

<table>
<thead>
<tr>
<th>Content-bet on Public Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re-orientation of Programmes and Information for the Public service;</td>
</tr>
<tr>
<td>Launch of new programmes and formats within the areas of priority content of public service;</td>
</tr>
<tr>
<td>Cancellation of sensational programmes and with offensive content, and bet on quality entertainment programmes;</td>
</tr>
<tr>
<td>Stabilization of programme sheets and fulfilment of timetable sheets;</td>
</tr>
<tr>
<td>Valorization of information, with the creation of new spaces of TV journalism, and bet on a reference, reliable and exempt information;</td>
</tr>
<tr>
<td>Creation of special programming lines, with several special broadcasts which permit RTP and RDP to stand out as active operators, with capacity for scheduling the TV and radio agenda;</td>
</tr>
<tr>
<td>Bet on content of national fiction and documentary;</td>
</tr>
<tr>
<td>Reformulation of the international aerials of RTP and RDP (Internacional and África).</td>
</tr>
</tbody>
</table>

Note. Source: RTP.

The description and analysis of the RTP case allow us to advance important conclusions related to the management of a public media company:

1. To understand and manage any changing process, the existence of a strong leadership, which does not have to be authoritarian, is fundamental;
2. The management of public service TV is compatible with the implementation of rational management practices similar to the ones applied in the private sector;
3. The resistance to change can be dependent on the perception of the need to change and the involvement of employees in that change;
4. The governments should delegate as many decisions as possible related to the operational management of media companies, though they can and should take part of the major strategic definitions;
5. It is possible to offer a TV public service which is market-oriented and does not pursue disloyal competition towards other private TV operators.

From an academic point of view, the analysis of the RTP case shows also the importance of a good planning of the changing process, as well as the need to create mechanisms (negotiations) that can dissuade the emergence of internal and external resistance spots. One of the most remarkable aspects of the renewal process within RTP is that there was no significant resistance to change. Nonetheless, despite a considerable downsizing, the changing strategy was successful. This success can be partly explained because it was too obvious that something had to change. Otherwise, the future of the company and consequently of the employees would be compromised; on the other hand, the downsizing took place by mutual agreement with the employees and consisted mostly in pension compensations and early retirements.

From the time it took charge, the administration at RTP knew that the restructuring of the company was not an easy mission to fulfill, but the determination and persistence shown during the process has been strengthening the implementation of intervention measures. Some of them are quite radical. Beyond the importance of the political support to proceed with the restructuring, the experience and competence of the change leader—Almerindo Marques—was essential. With a professional background in the banking sector, he
brought the appropriate management know-how which was missing at RTP. Important contributions were also made by other managers in the production, programming human resources and marketing and sales departments. Together, the new administration succeeded in developing a new management philosophy which: (1) underlined the concept of public service by devoting a larger attention to educational and cultural programs; (2) aligned the staff to the new structure and reduced the costs to meet new market conditions; (3) defined a Government policy regarding subsidies which enables the development of a medium term strategy; and (4) captured resources from the advertising market, without generating unfair competition for the private operators. In this sense, we can say that the administration under Almerindo Marques’s leadership at RTP has been responding well to some of the major challenges that were set for the recovery of the company. In 2008, a new administration took over, leaded by Manuel Guilherme Oliveira da Costa, which continued the work started by the previous administration.

Despite the efforts and achieved results, the public TV still has many challenges ahead. Amongst these challenges are the increasing pace of change in network markets; the increasing convergence and competition across network products, complements, and substitutes; the reduced possibility to engage in monopoly pricing and price discrimination; and the shift towards access-based pricing rather than usage-based pricing (Bates & Albright, 2005). Thus, the future of the Portuguese public TV operator depends on the way the company is managed in the next few years. If the management philosophy remains based on a more rational attitude—which usually characterizes private media companies—the RTP brand is expected to become stronger and well perceived by citizens. Furthermore, citizens will benefit from a less expensive TV and a higher quality of information.

The successful projects of change should be sponsored by someone with a position tightly connected with the success in change. The leader of a team constructs a justification for the change, sells it, comes up with the necessary resources, sets goals, and establishes future actions. This behavior, sometimes visionary, almost evangelic—joint with a large determination in destroying the barriers—constitutes the energy source that leads to change. In this context, a good explanation for the change should also be found. The leader has to be prepared to face resistance to this change, which usually comes from managers and intermediate directors, who fear the loss of their power and the risk of failure. People at the lower management levels usually react better to change, because they often know how bad a situation was and want to help improving that scenario. In the case of RTP, the perception by the collaborators that the situation was unsustainable also helped minimizing the resistance to change, though there was some—and there still is.

Nevertheless, the public channel still faces a very problematic financial situation (by the end of 2010, shareholder’s funds negative of circa 554 million Euros; and non-current liabilities of circa 784 million Euros). Inverting this scenario may not be possible without profound and disruptive reforms. Anyway, the overall company situation should be regarded. Namely, its present debt status has been consistently reducing, though still rather high.

Partly, most of the RTP’s current debt situation is the overall result of an accumulation process over the years since its foundation. Anyway, RTP’s high dependence on public funding (both through audiovisual tax and compensatory indemnity) cannot be disregarded, representing near 78% of its annual income. The remaining 22% is dominated by advertising (around 17% or 50 million Euros). At this stage, RTP restructuring is inevitably linked to substantial reduction of operational costs, as well as services and products discontinuation.
Despite significant restructuring of RTP management practices, as dealt in this paper (including operational results improvement in 2010 of 690%—from 2.9 million Euros in 2009 to 22.6 million Euros in 2010). The situation is still worrying for the Government. In fact, RTP still receives 231 millions from the public funding which, considering the dramatic situation of the Portuguese public debt, must be further reduced in the near future. This implies accelerated reforms and probably also disruptions on the current management model.

Thus, assuming the government will keep running RTP, besides from the competitive aspects of the new TDT operators in the market, the big entrepreneurial management challenge for the RTP has a lot to do with: (1) accelerating operation costs reduction and discontinuing products/services; (2) re-foundation of the concession model as well as the entrepreneurial and editorial management; (3) maximization of companies and brands synergies and reinforcing differentiation; and (4) assessing the possibilities of concentrating public service on channel 1, migrating channel 2 to cable. Meanwhile, open discussion about a privatization model has been an issue on the political agenda.

If this scenario becomes reality, it will probably lead to an excess of competition for public and advertising, given the structural fragilities in the market (due to limited market size of the advertising investment, public, and consumption). This effect will not only impact on the TV market but also on other media segments. Particularly, the press, which Portuguese market share has been consistently reducing—representing now about 15%, the lowest quota of all EU countries.

Due to the Portuguese public debt, the government studies different models of privatization of RTP, most of which would imply the closure of RTP2 and the privatization of RTP1, maintaining the international channels and giving the autonomous governments of Madeira and Azores control of the local channels. It is also being considered just selling the concession of RTP1 or even maintaining it without public funding and the maintenance of RTP2 as a minorities oriented channel, with the models differing in terms of publicity allowed per hour (which can affect the private operators as well) and the way in which public service will be assured. The current management model will be in effect through 2013, with the privatization being planned for the year 2014, although public funding will be decreased in 40 million Euros for 2013, while the audiovisual tax will remain unchanged.

References