Safeguarding Public Interest in the era of Corporate Media:

Case studies on Impact of Ownership on News Content

Ujjwal Prajapati
ACKNOWLEDGEMENTS

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Ujjwal Prajapati
**Acronym**

KD- Kantipur Daily
NP- Naya Patrika Daily
THT- The Himalayan Times
ND- Nagarik Daily
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Safeguarding Public Interest in the era of Corporate Media: Case Study on Impact of Ownership on News Content

ABSTRACT

A free press with unhindered power to inform people is a cornerstone for functioning democracy. But, when media engages in seeking profits and tampering its content for its benefit to manufacture public support, so who should watch the watchdog? This paper assesses the impact of media ownership pattern specially the corporate news influences in the flow of news content and brings into understanding the ways such influences can be mitigated to safeguard the public interest in the context of Nepal.

This paper is a product of the Alliance for Social Dialogue Policy Research Fellowship Program 2012. Policy Research Discussion Papers are also posted on www.asd.org.np. The author may be contacted at ujjwalprajapati@gmail.com. Findings and Conclusions expressed in this paper are those of the author and do not necessarily represent the views of ASD.
1. Introduction

A free, open and diverse media that has the unhindered power to inform the population on issues of public interest has always been a crucial component of a functioning democracy. Media plays the role of a watchdog of the freedom of the media sector. This enforces transparency within the government and businesses and makes them accountable for safeguarding public interest. However, when media itself engages in seeking profits and tampering its content for its benefit to manufacture public support, then who should watch the watchdog? And who should safeguard the public interest?

The last two decades mark the rise of private investment and corporate media in Nepal. The rise of corporate news media and private media ownership in Nepal has started to show effect in the making of news content. Open market policy and commercial and corporate interest of media ownership has now led media owners to control and influence the news media content previously controlled by the state.

Therefore, transparency is essential within the media industry to safeguard public interest and a monitoring system is necessary to check media content to ensure that it is not tampered in the business interest of the media organization. While the most effective measure will be the media self-regulation, the issue must also be addressed by effective government regulation.

The issue of media ownership is still a new discussion in Nepal at present. With the rise in private news media ownership, private owners of media are influencing news content and this trend is slowly surfacing in the public domain. Therefore, this paper highlights the effects of corporate news media in shaping news content, with empirical evidences from the contents of selected print news media of Nepal.

This paper has used two cases, which drew wide media attention viz. Labour union conflict with media houses and Conflict of Dabur Nepal with News media -- to assess the role of media ownership in shaping news content. The research shows that ownership widely affects the issues of advertising especially when concerned media itself becomes a news event.

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1 Centre for Democracy and Governance 1999
In such cases media cannot play a role of a watchdog. Rather, media engages in propaganda to support its causes. This indeed affects the rights of the public to obtain objective information. This paper has made recommendations for government and media institutions in the favour of the larger public. In this paper, I suggest that the government should act to establish a ‘National Media Transparency’ unit to oversee the activities of media, implement ownership laws to mitigate negative effect on independence of news content, and within media houses, to guarantee editorial independence with the establishment of monitoring body, comprised of ‘ethical’ media persons.

2. Corporatization of Nepalese Media: Media Ownership and Public Interest

Until 1990s mass media in Nepal was considered a national project. The change in political system in 1990s from party-less Panchayat System to multiparty democratic system heralded the rise of privately owned media outlets in Nepal.²

The arrival of private media has changed the media-scape in Nepal. The last two decades have shown that corporate and business interest has risen more than ever before. Kharel notes, ‘Almost all major media in Nepal are the result of diagonal (conglomerate) ownership, with proprietors already having other businesses before venturing into the media business.’³

However, researchers in media sector have claimed that the private investment in the media sector has enhanced the quality of press after the restoration of democracy. Mainali pointed out that ‘Kantipur group has changed the landscape of the entire media industry and journalism profession in Nepal.’ However, he went on to claim that it has raised serious concerns about media ethics through the destruction of the wall that separates editorial and business functioning.⁴

² Media outlets in Nepal: 514 published newspapers among with 89 are daily and 381 are weeklies with total registration of more than two thousand; rio granted license is 476 and in operation on regular basis is of number 327; for television license granted number is 35 and more than 2 dozens are in operation.
³ Kharel 2012
⁴ Mainali 2006
Mainali explained that the effects of media ownership was highly visible in Kantipur publication, which ranged from business interests of the owners to even toning down the news content or even killing the news story with the policy of ‘don’t see, don’t touch.’

Editor and publisher of Kamana publications Pushkar Lal Shresth shared his experience of facing the pressures to manipulate content from businessmen who invested in the publication. He claimed that practising journalism with the investment of businessman is difficult, it affects professional journalism, leads to compromise in ethics and eventually leads to the ‘exploitation’ of the paper.

This tendency of media ownership to influence manufacturing of news content is also a global phenomenon. JH Altschull argues, ‘the contents of the media always reflect the interests of those who finance them’. Studies in the international front have also shown that media ownership has an effect in its operation. Commercial media aims of making profit to survive can involve taking decisions that could affect the content.

Researchers in the area explain that to a large extent, the adoption of market policy has raised the issues of labour in media houses while the business and advertising interests of private companies has resulted in increased control of proprietors and corporate media owners over the media in Nepal.

Mainali asserts ‘…its [Kantipur’s] owners and senior editors have strong relationships with politicians, businessmen, parties and even police officers and bureaucrats. This tends to be reflected in myriad ways in its news coverage… This sympathy, however, does not seem to be connected to any political ideology. The motive seems mainly to try to influence the decisions made by political leaders in favour of Kantipur Publications and its other investments.’

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5 Ibid
6 Silwal 2013
7 Altschull 1984
8 McQuail 2010
9 Mainali 2006
Kharel points out that the Nepali media have begun to show some symptoms of malaise: control, cartelling, centralization, concentration and commercialism. He argues that corporate media represents the interest of their owners. This is reflected through practices of advertising and cartelling for the combined interest of owners. Organisations like Nepal Media Society acts as cartels by hiking the prices of member newspapers.

Turow also identifies such trends in the news media. He writes, ‘There is an inevitable tendency for owners of news media to set broad line of policy, which are likely to be followed by the editorial staff they employ. There may also be informal and indirect pressure on particular issues that matter to owners [for instance, relating to their other business interest]’. It is in this scenario, media monopoly would prove to be harmful to freedom of expression and public good and it is here that policy intervention is necessary.

However, while the general effect of media ownership on content is difficult to pinpoint, the condition of true monopoly would affect the freedom of expression. Turow explains that the possibility of increasing internal conflict in media houses is due to largely to the concentration decision-making on the media ownership. He explained that in such cases, there is tendency for journalists to engage in ‘silent bargain,’ which encourages conformity and co-operation with company policy. Similarly, McQuial writes, ‘a covert reward system exists that stress caution and loyalty’. Studies in this regard have focused journalists that value freedom of expression and could prove detrimental the commercial interest of parent company.

The major problem that lies within the corporate media houses in Nepal is that they do not function as public enterprises. Bhattarai explains that large private media organisations in Nepal are companies, with restricted shareholdings -- often within the family, whereas smaller weeklies are editor-owned and widely read weeklies have begun incorporating themselves into private or

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10 Kharel 2012
11 Turow 1994
12 Ibid
13 McQuail 2010, 303
partnership ventures. Bhattarai writes, ‘Some newspapers have wider shareholdings held by local investors. No Nepali newspaper is listed on the stock exchange’.

As media houses function increasingly as private companies rather than public enterprises, they need not make their profits and losses public. However, it can be argued that the media industry is not like any other industry or private enterprise. Croteau & Hoynes point out to three main distinctions of media industry from other industries. First, advertising in some forms of media creates unique market relationships that must be taken into account when assessing the media. In some respects, the media market is not responsive to audiences. Second, and more importantly media cannot be considered as merely a product to be used by consumers. Third, the unique role that media play in democracy is reflected in the legal protections the media enjoy.

Despite of the identifiable distinctions of media and its unique characters, mass media is observed to have corporate interests as in many other line of business. This is evident where media would refrain from publishing embarrassing stories. Croteau and Hoynes observe:

‘They may not want to encourage critical examination of their business practices or the effects their products have on communities or the environment. They may not want stories or programs that offend their advertisers or interfere with the advertising “pitch”. And they want to avoid stories on subjects they deem “unpopular.” Their ownership of media gives them the potential to influence how a story is –or is not– covered. If the story affects the media industry as a whole, there may be widespread interest in not covering it. While media are supposed to be a watchdog of government, who serves as a watchdog of corporate media? This is only one of the dilemmas facing our current media system.’

This question about corporate media has dealt with the recurring theme of: ‘tension between profits and the public interest’. The concept of public interest cannot correspond to the idea of corporate interest. The idea of public interest does not clearly identify the criteria for communication performances by mass media in their public role. McQuail pointed out that there are difficulties in finding out the ‘intended beneficiary’, specifying ‘rules of determining the

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14 Bhattarai 2006
15 Ibid
16 Croteau and Hoynes 2001
17 Ibid
18 Ibid
balance of benefit or harm’ and reaching ‘consensus on what counts as being in public good when it comes to the content and uses of public means of communications’.  

Studies on public interest and mass media use different standards of analysis to understand the issue of public and private interests. Croteau and Hoynes identify two perspectives on understanding public interest in dealing with mass media—market model and public sphere model. They explain that the market model sees media content as any other kind of product where the interest of public are served by demand and supply and audience are seen as consumers. The primary goal of media in such a model is to make profit. Under this model, competition in media companies serves the public interest. On contrary public sphere model assumes that market is unable to meet society’s needs. In this model, audiences are observed as citizens and media enables the circulation of ideas and knowledge to ensure the successful socialization of individuals into society as citizens. The public sphere model suggests that, media organizations should ‘promote active citizenship, education, and social integration’ through their messages.

Similarly, McQuail in his work asserts that within the market model, ‘public interest is defined in majoritarian way’. This, he observes, is one of the imperfections of the market, where media firms make profits but the public’s demand is not fully satisfied. The market model of mass media fails to serve the needs of some people due to double product – content for people and people’s attention for advertisers. As the main source of revenue for several types of mass media is advertising placement, mass media are ‘under pressures for maximizing profits’.

Defining public interest is a challenging task. Jolly explains that the term necessarily alters over time to reflect changes in society. It also poses a challenge because it involves at least a degree of subjectivity. He goes on to explain, ‘public interest can be related to ideas, like common advantage, common good, public good, public benefit or general will.’ He goes on to add, ‘Another interpretation is that the public interest can also mean more generally what is

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19 McQuail 1992  
20 Croteau and Hoynes 2001  
21 McQuail 1992  
22 Bagdikian 1997
considered beneficial to the public, that is, that the public interest does not mean what is of interest to the public but what is in the interest of the public’.\textsuperscript{23} Croteau & Hoynes suggest that in serving the public interest, media needs to:\textsuperscript{24}

- Reflect the range of views and experiences present in a democratic society.
- Foster creative, original ideas and programs reflecting the vibrant nature of a society.
- Address significant issues, devoid of sensationalism, and provide independent viewpoints not indebted to the largesse of government or corporations.

In the context of Nepal the need to safeguard public interest is becoming pertinent. Ram Krishna Regmi argues that the public benefit ‘when there is no clash of interest of the private news media and the government media, then only the news appears.’\textsuperscript{25} Regmi’s comment suggests that public interest is under threat from private media ownership in Nepal.

The complete domination of corporate interest in the news media content with journalists working as puppets for private owners would make the condition worse. In the context of Nepal, values of freedom of expression and corporate interest need to be examined, so that pertinent issues for safeguarding public interest could be addressed.

3. Statement of Problem

The preliminary assessment on media ownership in Nepal indicates that the corporate media have started to show influence over news content but empirical evidences about how content is influenced by ownership pattern is still scarce in Nepali media literature. To further investigate indications about media ownership effect on news content, this study analyses two cases in depth. These cases provide better understanding of how interest of the market economy and owners of media come into play in presentation of news content.

The media policy of Nepal deals with the issue of cross ownership of mass media. Long-term Communication Policy of Nepal 2003 grants permission to ‘any person, organization or

\textsuperscript{23} Jolly 2007
\textsuperscript{24} Croteau and Hoynes 2001
\textsuperscript{25} Based on interview with Ram Krishna Regmi.
company to operate a maximum of any two means out of publication house, news agency, radio broadcasting institution and television broadcasting institution; and in so giving permission, to have a provision that only up to 40 per cent of the total investment may be invested in the second means.’

This vision of restraining large media organisations from taking control of all forms of mass media is limited only to paper. In practice, we find big media houses like Kantipur Publication Pvt. Limited to have license to operate print, radio, television, cable television, etc. However, one needs to consider that the license was granted before such policy was introduced. Likewise, the same is the case with government, which runs print, radio and television stations in Nepal.

The recent attempt of Government of Nepal to draft the Media Policy 2012 held certain provisions that could have affected ownership of newspaper. The provisions included developing self-regulation and monitoring mechanisms within newspapers, and creating a mandatory discloser of newspaper to disclose income statements to public is an attempt to make print media transparent. These provisions are important steps towards making media accountable to public. This draft policy also analyses the impact of corporate ownership of media on public interest. It is difficult to predict when the new policy would be formalised and if it were to be formalised, its effective implementation would also be a challenge.

The Interim Constitution of Nepal 2007 under its provisions for Freedom of Expression and Rights regarding publication and broadcasting, holds that printing of any news item, editorial, article, writings, audio-visual materials, by any means including electronic publication, broadcasting and press, shall not be censored. Reasonable restrictions are imposed upon ‘any act which may undermine the sovereignty or integrity of Nepal, or which may jeopardise the harmonious relations subsisting among the peoples of various castes, tribes or communities; or on any act of sedition, defamation, contempt of court or incitement to an offence; or on any act which may be contrary to decent public behaviour or morality.’ The Constitution has even guaranteed that media shall not be closed and their registration cancelled for publishing and broadcasting or printing any material.

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26 This project was launched as Media for Peace Project (2010-2013) by Government of Nepal and JICA. But this policy was not adopted citing that the concerned stakeholders were not consulted.
However, this Constitutional guarantee does not mean that the mass media can have free rides to promote the interest of their investors in expense of larger public interest. As commercial and other interest groups in media sector are increasing, the issue of safeguarding public interest has become even more significant. In this context, the role of media needs to be evaluated on the basis of how they can be effective in protecting public interest. So, it is imperative to ask the following questions to investigate the effects of ownership and the measures that could be adopted to safeguard public interest.

    a. How does media ownership effect the making of the news?

    b. How is it possible to safeguard the public interest in the given condition of media ownership influence?

4. Research Methods

a. Case Studies

Case studies help to better understand the effect of ownership on news contents. The cases of Labour Union conflict with Media Houses-2007 and Conflict of Dabur Nepal and Media Houses-2010 are two such recent cases that brought the whole discussion on the corporate ownership of media and its effect on news contents to the public domain.

b. Content Analysis

This study uses content analysis method to analyse the subject matters of newspapers. The published news matter regarding the two cases were studied for two months. Both quantitative and qualitative content analyses have been conducted for the benefit of this study.

i. Labour Union conflict with Media Houses-2007: To conduct the content analysis for this case, two newspapers have been chosen to study their coverage of the labour union conflict for two months – The Himalayan Times for the period of July- August 2007 and the Kantipur Daily for the period of September – October 2007.
Altogether 42 news articles, 33 news stories, and 2 editorials and 7 op-eds were published during the period. Analysis of news stories has been picked based on published news items per day. In two months of coverage, the news of the Kantipur Daily conflict with its workers has been covered from September 27 to October 5, 2010, which is eight days of coverage. In eight days of time KD has 25 news articles that account to 3 news articles per day. With regards to THT, it has 18 news articles published in a period of 8 days from July 22 to 18 August with average 2 news articles per day.

b. **Conflict between Dabur Nepal and Media Houses:** The content analysis for this case is conducted by looking at four daily newspapers, Naya Patrika (NP) which was then a tabloid daily newspaper, Kantipur Daily one of the largest selling dailies, Nagarik Daily, a rival newspaper of Kantipur daily published by a group that split from Kantipur publications, and The Himalayan Times, allegedly an Indian investment.

Altogether 44 news articles, 35 news stories, 3 editorials, 5 op-eds and one interview have been published between August and September 2010. In two months of coverage KD and NP have extensively covered the incident whereas the THT and ND have not given so much attention to the unfolding of the event. Out of 44 news articles KD covered 15, NP 26, ND 2 and THT only one news article.

c. **In-depth Interview:** In-depth interviews have been conducted with three media analysts to better understand the ways in which public interest could be served in a time of corporate news media houses. Due to time limits only three experts have been selected.

d. **Frame Analysis:** To better understand the effects of ownership effect in news content, framing analysis has been used. This analysis has taken into consideration headlines, news leads, body of the news, news sources and tone of articles as basic criteria for analysing the content along with quantitative content analysis.

5. **Understanding Cases**

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27 Op-ed have not been considered in the analysis.
The following section deals two cases chosen for the study. They are: Labour Union conflict with Media Houses -2007 and Conflict of Dabur Nepal with News media 2010.

a. Labour Union conflict with Media Houses -2007


A research report outlines that the major cause of the media houses – labour union conflict was management turning a deaf ear to the reasonable demands of the labourers such as providing appointment letter and other workplace related benefits. Adhikari argues that the newspaper management were not concerned with the demands put forward by the labour unions while other existing trade unions also did not rally behind the agitating labourers.

The signing of the Comprehensive Peace Agreement in 2006 initiated the process of bringing the CPN (Maoists) into the political mainstream. This process was completed when the party successfully entered the parliament via the Constituent Assembly elections in April 2008. The CPN (Maoists), however, according to allegation made by advertisement in the mainstream media, continued to get involved in abduction, torture and other forms of human rights violation. In the year 2007 two murders of journalists were associated with Maoists wings.

But in return, the Chairman of CPN Maoists, Pushpa Kamal Dahal also expressed discontent towards the mainstream media in Nepal. At the first function organised by the Maoists-affiliated All Nepal Revolutionary Journalist’ Association in March 2007, Dahal explained that the media

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28 CPN Maoists now known as Unified Communist Party of Nepal (Maoists) when it formally merged with Communist Party of Nepal (Unity Centre –Masal) in January 2009.
29 Adhikari 2010
had been compromised with the intrusion of big publication houses and foreign investment, which led him to establish this institution.\footnote{Sultana 2007}

Adhikari explains the main reason behind the conflict is that media houses are run with profit motive rather than service motive.\footnote{Adhikari 2010} The other reason is that political parties, in this case the Maoist party, want free media house in their favour, and therefore use their party workers’ discontents against their employers as a bargaining chip. He further observes that newspaper management have used press freedom as a shield to downplay the labour movement in the media house.\footnote{Ibid} It was in this context that the labour issues came to limelight.

b. Context of Conflict of Dabur Nepal with News media 2010

The issue of Dabur Nepal received much attention in Nepalese news media between August and September 2010. The issue gained prominence as \textit{Naya Patrika} Daily and other TV channels deemed Dabur Nepal’s product Real juice as substandard and hazardous to public health. Dabur Nepal a multinational company is one of the largest advertising groups for media outlets in Nepal. In 2009/10 -Dabur Nepal provided a total of Rs. 36.6 million worth of advertising to print, radio and television in Nepal.\footnote{Source wanted to remain anonymous.} But as the issue gained prominence in and further got hyped when the Indian Ambassador in a press statement alleged the Nepalese media of negative portrayal of Dabur Nepal’s products.\footnote{Indian Embassy statement, 2010: See Appendix}

After the release of such statement, Nepal Media Society\footnote{Nepal Media Society is an alliance of publishers and broadcasters in Nepal, which includes major daily newspapers.} condemned the Indian ambassador’s statement as an attack on press freedom, and insisted that media of Nepal reserved the right to decide on the content they published.\footnote{See Appendix on the statement of Media Society Nepal.} Kantipur publication took a lead role in this issue.

However, this controversy proved to be an episode of ‘anti-India’ coverage of the Kantipur Publications after it was considered to be insensitive to Indian security.\footnote{India first stopped}
providing embassy advertisements to Kantipur and later in May increased pressure on the Department of Revenue Investigation and customs, to stop Kantipur’s import of newsprint from South Korea at the Kolkata port. Jha reported that ‘simultaneously, Indian officials are learnt to have showed files of Kantipur's ‘anti-India reporting' to Indian joint venture representatives in Nepal and asked them to stop all advertisements in Kantipur television, the Kantipur daily, and The Kathmandu Post. The corporate houses complied.’ It was in this context that the Darbur Nepal controversy broke out.

A senior journalist in Kantipur publications mentioned that at least 20 per cent of total advertisement revenue was affected when the Indian joint venture stopped providing advertisements. In the year 2009- 2010 the advertisement volume of publications was about Rs. 700 million.

6. Framing the News Content

The first case on Labour Union conflict with Media Houses -2007, findings shows that Kantipur Daily (KD) and The Himalayan Times (THT) have used two frames in the presentation of the story. Both KD and THT have used the anti Maoists frame and support for press freedom frame, both frames which ultimately support the cause of ownership to neutralize union activity in the media house.

The coverage of KD and THT show that, in the beginning of the events, the publications are found to be aggressive against the Maoists trade union activities, which were labelled by THT as ‘violent and illegal’ whereas KD called the Maoist movement as ‘movement of injustice’. Mid event, the issue was further aggravated when journalist organisations and media houses joined

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37 Jha 2010  
38 Based on interview with journalist, but wanted to remain anonymous.  
39 Kantipur Publications Marketing Department.  
hands to counter CPN Maoist union workers in the name of freedom of press. This aspect of the event was highlighted in the headlines and also in the news content. However, towards the end of the event, both the publications have toned down their criticisms against the Maoists union to compromise and come to an agreement.

The issue of labour have been diverted towards the issue of freedom of press by both the newspapers. THT in its news and editorial mentions that labour union made demands but cleverly shies away from ever explaining what exactly the demands were. Both the media houses have focused on proving how the agitation of the Maoists labour union was directed towards attacking free press.

THT: ‘The All Nepal Communication, Printing and Publication Workers Union has been disrupting the distribution of THT and AP for the last three days demanding that all the delivery boys be made permanent employees of the newspapers. The delivery boys are not affiliated to the publishing organisations of the dailies. Nine distribution agencies, including RB News are involved in the distribution of these dailies.’ (July 22, 2007)

KD terms the labour movement in Kantipur as direct intervention in press freedom and a move against the right to information.

KD: ‘Publications denounces such irresponsible act and announces to fight against unjustified movement and for the right to get inform by the people.’ (Sept 27, 2007)

Two of the editorials published by the KD and THT also outlines anti Maoists stance. Some similarities editorial framing of both the newspapers:

**Table 1: Framing of Editorial**

<table>
<thead>
<tr>
<th>Editorial Content</th>
<th>KD</th>
<th>THT</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPN Maoists and its affiliated trade union activities are against press freedom.</td>
<td>‘Obstructing the Kantipur publications outlets Kantipur Daily and The Kathmandu Post, CPN Maoists has announced an attack on free press.’… Misusing the power of CNP Maoists Central Committee, it has shut down the publications, and threatened to take physical means if opened. This shameful act has not only shocked Kantipur family but the media industry, public and press</td>
<td>‘On Friday night, cycle boys affiliated to the Maoists trade union federation, which is headed by Shalikram Jamakattel and operates under the guidance of party leaders Baburam Bhattarai and Prachanda threatened and attacked press and distribution staff.’</td>
</tr>
</tbody>
</table>

41 See Appendix II for Editorial
<table>
<thead>
<tr>
<th>Maoists political project to hinder press and affected the rule of law.</th>
<th>‘… Provocative and aggressive behaviour have attacked the press and also denounced the rule of law by the Maoists.’</th>
<th>‘It is seen as being part of a larger plan by the Maoists party to strengthen its political project by curtailing press freedom. Incidents that have been taking place in major media newspapers and media institutions… clearly reflect the Maoists leadership lack of faith in press freedom and rule of law.’</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maoists affecting peace process of Nepal and need political negotiation.</td>
<td>‘Maoists want to bring uncertainty in the state, take benefits from such anarchism by affecting the political climate, creating adverse effect for election, making peace process complicated.’</td>
<td>‘It requires political negotiations at highest level, and willingness by the government to enforce the Comprehensive Peace accord and rule of law.’</td>
</tr>
<tr>
<td>Ask for international and diplomatic support to such actions.</td>
<td>‘… It is time to have unity against the activities of Maoists. That’s why international community, engaged in the peace process of Nepal should seek serious attention otherwise there is possibility that the peace process gets affected.’</td>
<td>‘It is high time for all the national and international civil society and governments to take note of the dangers of a new kind of authoritarianism and forge collective effort…’</td>
</tr>
</tbody>
</table>

**Tone of Newspapers**

Out of total 42 news articles, KD and THT have 88.1 per cent their news articles tone are anti Maoists and supportive to press freedom respectively. 11. 9 per cent of the news articles of both dailies have been identified to have neutral tone.

**Figure 1.**
While KD and THT have 96 per cent and 76.47 per cent respectively of new articles are positive, whereas KD has 4 per cent its content s neutral and THT has 23.53 per cent negative content.

Table 2: Newspaper wise Tone of Content

<table>
<thead>
<tr>
<th>Name of Newspapers</th>
<th>Tone of content (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Positive</td>
</tr>
<tr>
<td>The Kantipur Daily</td>
<td>96</td>
</tr>
<tr>
<td>The Himalayan Times</td>
<td>76.47</td>
</tr>
</tbody>
</table>

Table 3. Kantipur Daily News Framing

<table>
<thead>
<tr>
<th>Date / Headlines</th>
<th>News Lead</th>
<th>Source</th>
<th>Tone (^{42})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sept 27, 2007</td>
<td>In order to meet their demands, Maoists affiliated All Nepal Communications Press and Publications Labour Union has stopped the collection of advertising and publication of the newspaper this Wednesday. Kantipur Publications has called this step of Maoists to destroy the media economically and an attack on the free press.</td>
<td>Kantipur management</td>
<td>Anti Maoists, supports press freedom</td>
</tr>
<tr>
<td>Naked intervention of Maoists Union in Kantipur</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sept 29, 2007</td>
<td>The Patan Appellate Court today directed the</td>
<td>Appellate Court,</td>
<td>Support free</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^{42}\) Tone of news articles are based on reading particular news content.
<table>
<thead>
<tr>
<th>Date / Headlines</th>
<th>News Lead</th>
<th>Source</th>
<th>Tone</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 22, 2007</td>
<td>The Maoists affiliated trade union workers, who have been delivering The Himalayan Times and Annapurna Post, today hijacked the delivery vehicles of dailies in Kathmandu and dumped all the copies in front of the newspapers office</td>
<td>Media related organisation and union and support group, FNJ Press council, Advertisement agency THT and AP,</td>
<td>Anti Maoists, support press freedom.</td>
</tr>
<tr>
<td>July 23, 2007</td>
<td>Political leaders today expressed concerns about the disruption in distribution of The Himalayan Times and Annapurna Post by cycle boys affiliated to pro-Maoists trade union.</td>
<td>Political parties CPN ML, Rastriya Janashakti Party</td>
<td>Anti Maoists, support press freedom</td>
</tr>
</tbody>
</table>

43 Tone of news articles are based on reading whole particular news content.
Use of News Sources

The biases in the news can also be observed in the use of news sources. The news sources that support the cause of free press have been widely quoted by the news organisations, whereas opposition voices have been sidelined. Favourable news sources such as Nepal government, political parties, human rights organizations, media houses and organisations, embassy officials, Kantipur management, bar association, the Himalayan Times have been used to support the publications’ right to freedom of press. According to the coding scheme used in this research, these sources have been cited 61 times, which also includes not identified and other sources, whereas opposition sources have been cited only 11 times in all the news stories.
Table 5: Use of News Sources

<table>
<thead>
<tr>
<th>Types of News Sources</th>
<th>Name of Newspapers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>KD</td>
<td>THT</td>
</tr>
<tr>
<td>Nepal Government</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>CPN Maoists</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Political Parties</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Trade Union</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Human Rights Organizations</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Embassy Officials</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Media Houses and Organizations</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Kantipur Publications</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Court and Bar</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>The Himalayan Times</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Not identified</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Others</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>42</strong></td>
<td><strong>30</strong></td>
</tr>
</tbody>
</table>

This shows that when the media houses are involved in conflict with its workers, the corporate interest is evident in the presentation of the news story. KD and THT have used frames that support their agenda while opposition voices have been shadowed but are presented in their news when it meets the frame of the media house.

*Maoists affiliated All Nepal Trade Union Chairman Saligram Jamakattel, also Parliamentarian of Interim Legislature has threatened to shut down Kantipur Publications and Kantipur Television.* (Oct 2, 2007)

The second case, ‘Conflict of Dabur Nepal with News media 2010,’ is assessed will be assessed by looking at media that received advertisement Dabur Nepal and media that did not receive advertisement from Dabur Nepal. The following table explains the difference of framing used by four of the news media. It shows that the news media that did not have advertising had significant coverage of the issue whereas those that had advertising did not have significant coverage of the issue.

Table 6: Framing of the news media

<table>
<thead>
<tr>
<th>Name of</th>
<th>Differences in Framing</th>
</tr>
</thead>
</table>

19
<table>
<thead>
<tr>
<th>Newspaper</th>
<th>Dabur Nepal Product</th>
<th>Indian Embassy</th>
<th>Nepalese Media</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kantipur Daily</td>
<td>-</td>
<td>Diplomatic norms violated/ pressures</td>
<td>Media houses defamed/ can choose its content/ dark cloud around free press</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Indian JV to stop advertising,</td>
<td></td>
</tr>
<tr>
<td>Naya Patrika</td>
<td>Substandard/ hazardous to public health/ scums insects found in product</td>
<td>Diplomatic norms violated/ pressures</td>
<td>Media houses defamed/ can choose its content/ intervention in press</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Indian JV to stop advertising</td>
<td></td>
</tr>
<tr>
<td>The Himalayan Times</td>
<td>Uses public notices and advertorials of Dabur Nepal</td>
<td>Responds to media groups</td>
<td></td>
</tr>
<tr>
<td>Nagarik Daily</td>
<td>Uses public notices and advertorials of Dabur Nepal</td>
<td>Discontent with Nepalese Media</td>
<td></td>
</tr>
</tbody>
</table>

Framing ‘Substandard’ Real Juice: Naya Patrika

*Naya Patrika* (NP) daily has consistently produced news that deemed the Dabur Nepal product to be substandard. There are at least ten news stories out of total 21 news story that are directly related to defining the Dabur Nepal product as substandard. The news stories are based on the people who encountered such substandard product.

**Headlines**

The headlines of NP have repeatedly used words such as *insects, scum, dirt and ban*, to frame the Dabur Nepal product.

*NP: Reality of Real Juice, Again substandard Real Juice in Pokahara, Here you see scum and insects in Real Juice*

**News Lead**

The news stories of substandard product are produced from different parts of the country. These news articles have used consumers who have encountered such products across the country. The human angle has been focused in such reports.
NP: On Sharwan 17 a local from Chandrauta bought a real juice from Badrinath guest house. The smell was obnoxious, while trying to pull juice using the straw, when it was then poured into glass- insects were moving. The shopkeeper and the consumer were surprised. (August 10, 2010)

NP further tries to establish its claim after a Parliamentary Committees decides to ban real juice in the committee.

NP: Real juice, in which insects and scums were found, is now banned in one of the Constituent Assembly’s Committee. Legislature Parliament’s Women, Children and Social Welfare Committee banned the real juice. (August 16, 2010)

Editorial

The editorial of NP clearly stands to ban such substandard products of Dabur Nepal until the investigation is conducted and legal actions are initiated on the company.

Naya Patrika: … until the investigation report comes out selling the Dabur Nepal products should be banned and the products in the market must be confiscated. (August 11, 2010)

The story takes a different mode when the Indian Ambassador sends a press release on various media houses stating that ‘The Indian Joint Ventures informed the embassy that they been approached by such media houses for release of advertisements and are being threatened with negative publicity if those requests are not met.’

Involvement of Kantipur Daily

Following the issuance of the Indian embassy press statement, Kantipur Daily (KD), another newspaper that did not receive advertisements from Dabur Nepal, starts criticising the Indian Ambassador. The daily framed the issue as ‘interventionist and against diplomatic norms. ‘ It also described the diplomatic pressure as ‘ attack on press freedom,’ and a move to ‘control media content tactics by the embassy.’ NP adopted the same frame to present the issue. Earlier to the press statement from the Indian embassy, KD extensively covered Dabur Nepal products. Whereas THT and Nagarik Daily, other two major newspapers, chose to provide very limited coverage to the issue; , only three news items were published in total by the two newspapers.

Headlines
KD headlines uses words such as *intervention*, *clarification*, *attack on free press*, and *pressure* in framing the headlines against the Indian Embassy statements. Whereas THT and ND uses words like *responds* and *discontent* to frame the event.

**KD:** Indian intervention criticized by Media, Indian Intervention against diplomatic norms
**NP:** Pressure to sell scums and insects by Indian embassy
**THT:** Indian Embassy responds
**ND:** Indian Embassy dissatisfied against Media

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**News Lead**

The lead of the news clearly states the acts of Indian embassy as an act against press freedom and against diplomatic norms.

**KD:** ‘Four media organisations have protested against the statement of Indian embassy’s diplomatic behaviour on accusation to Nepali press against the internationally recognised norms of freedom of the press.’ (August 29, 2010)
**NP:** ‘The Indian Embassy by pressured government of Nepal to allow the Indian company to sell scums and insects in the name of juice.’ (August 28, 2010)

The lead of THT and ND are clear in support of Indian embassy.

**THT:** ‘The spokesperson of Indian embassy on Sunday said the embassy was surprised by ‘the reaction by some media associations to genuine concerns expressed by it at attempts to elicit advertising revenue from Indian joint ventures by few media organisations.’ (August 30, 2010)
**ND:** ‘Indian Embassy has pledged dissatisfaction towards the news that came up in the Nepali media about the products of the Indian joint ventures.’ (August 28, 2010)

The Himalayan Times Daily and Nagarik Daily received continued advertising during the period. There are no news items, on the substandard Dabur Nepal product, which have been dominated by advertisings in both the newspapers of Dabur Nepal products or Dabur Nepal sponsored programmes.

During the month of August and September 2010 there were more than 32 advertisements of Dabur Nepal Nepal products in THT and 22 in Nagarik Daily. It is interesting to observe that the advertisement published in these newspapers such as ‘Consumer Awareness Series’ and release of Nepal India Chamber of Commerce and Industry (NICCI) have been used as news in Naya Patrika

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44 See Appendix IV for advertisings of the product.
NP: ‘An organisation which is affiliated to Indian ambassador to Nepal Rakesh Sood and Nepalese ambassador to India Rukma Sumsher Rana has blamed the Nepalese press. Nepal India Chamber of Commerce has blamed the Nepalese media issuing an statement this Wednesday, states that the news regarding the quality of product is an advertisement issue’ (Sept 2, 2010)

However, interestingly enough, the statement issued by the NICCI does not exactly term the controversy to be about advertisement like claimed by the NP, but rather calls for ‘amicable resolution’ to the situations.

**Bargaining Technique or Reality of Juice**

NP, which did not receive any advertisements from Dabur Nepal, framed the Dabur Nepal product as substandard. It later concentrated on framing the Indian Embassy’s statements against news media as an attack on press freedom and as against diplomatic norms. Furthermore, KD complained much about Indian Joint Ventures not providing advertisements to the news media.

The editorial of KD clearly justifies this statement:

KD: *Intervention in our politics, stopping the imported news print of ours Kantipur group in Kolotta, pressuring the Indian Joint Ventures in Nepal to stop advertisement (which is still continuing), the embassy’s senior official threatening to kill Nepali parliamentarian and now warning the Nepali press are done by this embassy.’* (August 30, 2010)

This suggests that corporate interests in advertising are implicit in the media’s framing and also in the Indian. However, during such conflict, ownership interest has prevailed.

**Tone of the News**

The quantitative analysis shows that 88.6 per cent of news articles speak positively in favour of media owners. Such articles deem Dabur Nepal’s product inedible, and in suggest that the Indian embassy violated diplomatic codes in trying to control press freedom. 6.8 per cent of news articles are negative towards the media owners in that they refers to the essence of embassy’s claim as valid and suggest that media in Nepal were forcing the Indian JVC for advertisement.

These news articles were supportive of the Indian embassy or the Dabur Nepal product. 4.5 per cent of news were found to be neutral.

**Figure 2.**
93.33 percent of Kantipur’s news contents employ a tone against the Indian embassy; likewise 96.15 per cent of Naya Patrika’s contents call Dabur Nepal product ‘substandard’ and deem the Indian embassy’s statement as undiplomatic. Whereas, THT is 100 per cent for the Indian embassy, with only a news item published about the statement. Similarly, Nagarik Daily employed a positive tone towards Dabur Nepal and the Indian Embassy 50 per cent of its content.

Table 7: Newspaper wise Tone of Content

<table>
<thead>
<tr>
<th>Name of Newspapers</th>
<th>Tone of content (in %)</th>
<th>Positive</th>
<th>Negative</th>
<th>Neutral</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Kantipur Daily</td>
<td>93.33</td>
<td>0</td>
<td>6.67</td>
<td></td>
</tr>
<tr>
<td>The Himalayan Times</td>
<td>-</td>
<td>100</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>The Nagarik Daily</td>
<td>50</td>
<td>0</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>Naya Patrika</td>
<td>96.15</td>
<td>3.85</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

Use of News Sources

The use of sources such as Nepal Government officials, political parties, media houses and organisations, parliament committees, users groups, business and industrial groups, local people & shopkeepers have been used to support the media claims that Dabur Nepal product is substandard and Indian ambassador should provide clarification. These sources have been identified as favourable news sources to the news media that did not receive advertisements from Dabur Nepal. Such sources are used by KD and NP 45 times. Whereas, other news sources such
as Indian embassy, Nepal Indian Chamber of Commerce and Indian media have been quoted only 8 times during the period by four of the newspapers.

Table 8: Use of News Sources

<table>
<thead>
<tr>
<th>Type of News Sources</th>
<th>Name of Newspapers</th>
<th>KD</th>
<th>THT</th>
<th>ND</th>
<th>NP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nepal Government</td>
<td></td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Indian Embassy</td>
<td></td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Political Parties</td>
<td></td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Dabur Nepal</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Media Houses and Organizations</td>
<td></td>
<td>5</td>
<td>0</td>
<td>1</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>Parliament Committee</td>
<td></td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Users Group Organizations</td>
<td></td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Business Houses and industrial groups</td>
<td></td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Local People and Shop-keepers</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Nepal India Chamber of Commerce</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Indian Media</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Not identified</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>18</td>
<td>1</td>
<td>2</td>
<td>32</td>
<td>53</td>
</tr>
</tbody>
</table>

This data points out to the fact that there is imbalance in the use of source. As ND and THT continued to receive advertisements, they have only news items. They have used the Indian embassy as their favourable news source two out of the three times. This shows that various news sources that are represented in the news stories, news sources frame emerge by means of favourable frame that fits the agenda of the media institution.

**In nutshell**, the frame analysis from both the cases clearly shows that ownership influence is vivid when it comes to corporate interest of the news media. In the first of the two cases, media houses used anti Maoist framing along with pro-press freedom as dominant frames. The use of such frames supported the interest of the media investor, to set their agenda atop the demands of
labour union. The analysis of headlines, leads, tone of articles and sources has shown that media ownership interest is visible in framing the news content. Empirical data supports the fact that the labour union demands were not framed with the rightful use of news source. Voices of the oppositional side were not provided space unless they benefited and met the dominant frames used by the media house. The major issues related to the labour problems within the media houses were over-shadowed by the dominant frames that ultimately supported the cause of ownership to neutralize union activities.

Similarly, in the issue of Dabur Nepal news content varied between media houses that received advertisements from Dabur Nepal and media houses that did not receive advertisements. KD and NP companies that did not receive advertisements from Dabur Nepal, framed the company’s product as substandard and deemed the Indian embassy statement as a means to defame Nepalese mass media. Whereas, ND and THT, companies that continuously received advertisements from Dabur Nepal chose not to write on the issue of the Dabur Nepal product.

This shows two that those who received advertising from Dabur Nepal, ignored the news about the allegation that the Dabur Nepal products were substandard, whereas those who did not get advertisements highlighted and extensively covered incidents that proved the Dabur Nepal products to have been of low quality. In both cases the news media were trying to protect their corporate interest.

The empirical evidences suggest that ownership does influence the contents of the information from a media. Media influence the contents of news primarily by manipulating information – highlighting particular aspects while downplaying others—while bearing in mind the pressure from their advertisers. The evidences also suggest that journalists select information sources purposefully to favour the interest of the concerned media organisation rather than to balance news stories.

These practices of biases are evidences of how Nepali media are violating the fundamental ethical principles of objectivity and neutrality. This further raises question of accountability of
whether news media are accountable to the people (the news consumers) or their investors. These two cases chosen are just representative cases that were discussed in public domain. There may be several other cases, which remain hidden. There may also be some instances where articles have been published to serve corporate interests while their contradicting interests might have been totally superseded. In this context, public interest is at stake, and there is a dire need for policy formulation and immediate implementation to safeguard people’s right to accurate, balanced and holistic information.

7. Need of Policy Initiatives

To take up the cause of mitigating ownership influences on news coverage is a big challenge. On the one hand, one may argue for strong regulatory mechanism to control the content, on the other, controlling content can be understood as a gross violation of freedom of expression in a democratic condition. However, this slippery slope can lead to precarious situation if certain steps are not taken in time to safeguard public interest.

Experts in the media sector in Nepal have their own argument on the need of policy reform and implementation of policies. Dhurba Hari Adhikari a media analyst explains, ‘Bias news coverage may create biases on people’s minds.’ Adhikari argues for the need to reform policy with respect to ownership of media in Nepal. He claims that it is necessary to reform existing laws, develop monitoring mechanisms and obligate media owners to respect their social responsibilities to inform general mass with accurate, balanced and complete information. However, it can also be argued that Nepal has sufficient legal provisions to safeguard public interest; it is only the weak implementation that needs to be fixed. ‘The problem can be addressed to a large extend if the legal frameworks are implemented strongly,’ argues another media educator Ram Krishna Regmi. The following section explains the ways, to mitigate the ownership influence in the news content based on the interviews with media analyst and other practices in the in the international front.

45 Based on interview with Adhikari.
46 Based on interview with Regmi.
a. **Editorial Independence**

Experts suggest that editorial independence should be the first and foremost step to check ownership influence in the news contents. As Prevor explained ‘Editorial independence is always a function of one thing and one thing only: an editor's willingness to be fired.’\(^{47}\) This solution, however, demands hugely from editors to stand to the pressure and exercise will power in order not to compromise their editorial integrity. As journalists are content generators, their role in tackling such pressures that originate from the ownership structures is crucial. Editors should have his /her say be assertive about making their stand. This means the editors could collectively commit to respect editorial guidelines, values and ethics.

Another approach could be demarcating lines between role of editorial team and the media owners either through statutory means by making laws or by bringing out code of conduct. Here media owners and media professionals could come together to reach an agreement on editorial independence and prevent commercial interests from influencing media content.

With respect to the advertiser pressures on the editorial team, media house should develop guidelines or standards for advertisement. The basic principle of such standards should be based on the principle that editorial independence will not be compromised. On the other hand the guideline should also underline the fact that news reports should not be used as bargaining chips for advertising the news media.

In this regard the role of government is also vital. In Nepal, the government is still the largest advertiser -- with a volume worth of around Rs.1 billion annually. Government should continue to support media houses to reduce their dependency on business sector advertisements, which might be crucial in trimming down advertisers’ ability to influence news contents. It can be argued that this situation may invite government control over media; but in comparison to high commercial interest -- role of government in this situation could be a necessary evil.

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\(^{47}\) Prevor 2007
b. Who watches the watchdogs?

A separate monitoring body to look over news content should be established. A revision of the role of the Press Council that is presently functioning in Nepal might by enhancing its scope to monitor effects of ownership in the news content can make it a more effective body. Experts point out that the Press Council should carry out in-depth study about the issue of media ownership on in its own initiation and make reports public to create awareness in people and to educate media organisations about the impact of their influence. This will caution media organisations and the sense of being under surveillance will probably refrain them from exerting pressure on editorial teams for biased news coverage.

A monitoring body or a separate unit of ‘Ethical Editors’ could also be established within the organisations. This step would regulate media content before the content gets published or it could bring into discussion issues in the editorial board after the news reports have been published.

Or, as Kashi Raj Dahal suggests media houses could come together to form a Press Ombudsman. As self-regulating mechanisms are not functioning in the context of Nepal, such Ombudsmen should be created statutorily.48

c. Transparency

Media transparency is another important issue that needs to be brought into the fore to prevent imposition of corporate interest over people’s interests. It is necessary to identify who owns the news media. Media analysts point out that it is necessary to lift the corporate veil, where the major investors in the media remain hidden, and name all the investors. It should be made legal obligation for media owners to make public all the investors. Likewise, as media is a service based industry, corporate media should provide their financial statuses not only to government agencies but should also make public their annual reports about profits and losses as part of their public accountability obligations.

48 Based on interview with Dahal.
However, accounting transparency is not enough. A study report on *Openness & Accountability: A Study of Transparency in Global Media Outlets* in the US presents five basic criteria on media transparency. These criteria deal with the openness of the media to comments and criticisms from readers, openness and discussion with readers, willingness to explain certain editorial decisions, and willingness correct mistakes and openness about ownership and conflict of interests.  

8. Conclusion and Recommendations

This paper argues that effects of media ownership have played a significant role in the manufacturing of news content, which has been established through the empirical evidences from two of the cases chosen for the study. The content analysis of the both the cases clearly identify that ownership of media, helps to set agenda in favour of those who own the news media. The use of headlines, lead, tone of article and sources has shown that media ownership interest is visible in framing the news content.

In the first case- *Labour union conflict with media houses* used anti Maoists framing for the cause of press freedom. The use of such frames would support the owners of the media to set their agenda atop than the demands of labour. This is evidently observed as the labour unions demands are never mentioned with the rightful use of news source. Similarly, opposition voices are not provided space unless they benefit frame of the media house. The dominant frames used in the articles overshadowed the issue of labour problems within the media houses. This ultimately helped owners neutralize union activities.

The content analysis of news articles also shows that advertising influences the news content. There is a tendency among the news media to avoid negative coverage of those business establishments that provide advertisements and sponsorships; and attempt to defame those who do not. The second case- *Conflict of Dabur Nepal with News Media* is an example of how media reacts when they are declined advertising. As KD and NP did not receive advertising from Dabur Nepal, they labelled the Indian embassy statement as defamatory of Nepalese mass media.

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49 Moeller et al, 2006
Whereas, THT and ND, which continued to get advertisements from the company had no objections on how the Indian embassy labelled Nepalese media. In their coverage both of the media houses supported the Indian Embassy’s claims. Four of the newspapers chosen for the content analysis represent their corporate interests on the episode of Dabur Nepal products.

Influences of ownership are clear in the use of one-sided information in favour of financial and political interests of the publishers. In other instances it was also noted that media totally downplayed information by keeping silent if their benefactors (in terms of advertisements and other favours) benefited, whereas other media outlets may take-up the same issue with much importance.

Both the tendencies can hinder the rights of the public to obtain factual information. Mass media should serve public interest by portraying the diversity of experiences and ideas in society. They are also expected to play a central role to process of deliberation, education and social integration. Media is considered an informal educator, which can shape the minds of people. But when various interests influence the content of media the informational role of media becomes distorted. But the information provided in both the cases by the newspapers is not information but is rather distortion of information, where public interest of getting informed and the role of media as an educator are eroded.

In this context, policy initiatives are necessary to protect editorial independence, monitor news media and make media transparent so that unwarranted influences can be minimized. Following recommendations are made to the government and media houses to prevent unwarranted influences media contents:

1. **To the Government:**
   - Establish National Media Transparency unit to ensure transparency in the media sector in Nepal. This unit would carry the primary responsibility of monitoring and rating media in respect to accounting system, flow of advertisement and also openness to the reader comments and criticism, willingness to publicly explain certain

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50 Corteau and Hoyne 2001, 27
editorial decisions, correct mistakes and maintain transparency on ownership and conflict of interests.

- Establish separate monitoring body that watches over and conducts research on ownership influences and regularly brings out reports on the issue. Such body could be statutory. This work can also be done under the structure of Press Council Nepal but it is possible only with a revision and expansion of its current mandate. The Press Council Act 1992 mandates the Council only to implement the code of conduct for journalists with a view to prohibit the misuse of the freedom of press and monitor the violation of code of conduct by media houses in this respect.

- Another means to monitor the issues of ownership to safeguard public interest is to provide research grants at national level or to the universities of Nepal where media is taught, to conduct research in the academic institutional level on the issue of ownership.

- As the number of media outlets is increasing, the issue of media transparency along with unwarranted influences of media ownership is gaining currency. To regulate such aspects separate law that oversees media is required, so media ownership law in Nepal is necessary to prevent unwarranted influence of investors on media contents.

- Strong defamation law is necessary in the context of Nepal. Defamation Act 2016, holds the provision of maximum of 2 years of jail sentence and fine of Rs. 5000 or both if any publication is proven guilty in the court of law. As the empirical evidence of the manipulation news content presented above suggest, it is possible in the context of Nepal that media could be used as a bargaining chip. Therefore, law regarding defamation specifically the punishment and fines sections needs to be revised to fit the present context.

2. **For Media Houses**

- At the institutional level editorial independence can be maintained by bringing in both the sides, the media owners and editorial team, to demarcate their line of roles and. In case of crisis the editor should be ‘ready to get fired.’
- Develop code of conduct within the media house, on advertising standards based on the basic principle that editorial independence shall not be compromised.

- Establish monitoring body by appointing ‘Ethical Editors’ within the organisations and create a separate unit to look into the daily affairs of news organisation, and media content. Media houses should be encouraged to take this initiative voluntarily.

- Publish financial status and profits and losses on annual basis in their respective news media about
References


Appendix 1

Code-sheet for quantitative content analysis

Labour union conflict media houses General Information

I. Name of Newspaper
   1. Kantipur Daily
   2. The Himalayan Times

II. Published month and date
   1. July
   2. August
   3. September
   4. October

III. Location of article published (Page Number)

   Page Number 1 to Eight (Jump news from front news is also considered as first page news)

IV. Type of Article

   1. News Story (News format/ with authors name/ byline/ dateline)
   2. Op-ed Articles (Opinion articles by different writers)
   3. Editorial (Opinion of the newspaper)
   4. News Analysis (Events that have been analysed or commentary)
   5. Interview (Interview with person)

V. Tone of Content

   1. Positive: (States that Maoists have affected the publication and affected the press freedom. This favourable to publisher’s motive.)
   2. Negative: (States that the cause of labour movement is justified and their demands needs to fulfilled. This essence is not in favour of the publisher)
   3. Neutral: (Essence of having both the qualities of above 1 and 2)

VI. Number of News Source

   How many sources used to prepare a news report?
1. Single Source (one person/ organisation quote used in the news)
2. Double Source
3. Multiple Source (more than one person or organisation used as source)

VII. News Source by types

1. Nepal Government: (Prime Minister/ Ministry/ Spokesperson of concerned Ministry/ Home Ministry/ Police/ Chief District Office/ and other government officials and their statements)
2. CPN Maoists Political Parties
3. Other political parties (Congress, CPN, UML and others)
4. Trade Union (Leaders of trade union of Maoistss)
5. Human rights Organisations: (National and International Human Rights Organisations and other Human rights group, it can also be Nepal’s Human rights group)
6. Embassy officials
7. Media Houses and organizations (FNJ, Supportive group for media freedom, Media fourms, Advertising Agencies, International Press union or such org, Media alliance group)
8. Others (Business houses or industries, civil society, doctors, Users community)
9. Not identified
10. Kantipur Publication
11. Court (Bar association, lawyers)
12. The Himalayan Times

VIII. News placement

1. Main news
2. Box or highlight news
3. Brief
4. Anchor
5. Other
Conflict of Dabur Nepal with News media

General Information

I. Name of Newspaper
   1. Kantipur Daily
   3. The Himalayan Times
   4. Nagarik Daily
   5. Naya Patrika

II. Published month
   1. August
   3. September

III. Location of article published (Page Number)

   Page Number 1 to Eight (Jump news from front news is also considered as first page news)

IV. Type of Article
   1. News Story (News format/ with authors name/ byline/ dateline)
   2. Op-ed Articles (Opinion articles by different writers)
   3. Editorial (Opinion of the newspaper)
   4. News Analysis (Events that have been analyzed or commentary)
   5. Interview (Interview with person)

V. Tone of Content
   1. Positive: (Indicates the essence supportive to the publisher about Dabur Nepal products is inedible, Indian embassy affecting press freedom, Intervention on press freedom, India repressive, product to be checked.)
   2. Negative: (Essence of Indian embassy terming the publisher asking for advertising from Indian ventures in Nepal and Dabur Nepal calling the products to be edible,)
   3. Neutral: (Essence of having both the qualities of above 1 and 2)
VI. Number of News Source

How many sources used to prepare a news report?

1. Single Source (one person/ organisation quote used in the news)
2. Double Source
3. Multiple Source (more than one person or organisation used as source)
4. Not identified

VII. News Source by types

1. Nepal Government: (Prime Minister/ Ministers/ Chief District Office/ Department of Food and Technology and Quality Control/ Food Inspection Unit and other government officials and their statements)
2. Indian Embassy
3. Kantipur Publications (management)
4. The Himalayan Times Mgmt
5. Nagarik Daily Mgmt
6. Political Parties
7. Dabur Nepal
8. Human rights Organizations: (International Human Rights Organisations and other Human rights group, it can also be Nepal’s Human rights group)
9. Media Houses and organizations (FNJ, Supportive group for media freedom)
10. Not identified
11. Parliament (Committees)
12. Users Group
13. Business houses (Big business firms in Nepal which hold large industries)
14. Local People/ Shopkeepers
15. Nepal India Chamber of Commerce and Industry
16. Indian News Media

VIII. News placement

1. Main news
2. Box or highlight news
3. Brief
4. Anchor
5. Others
Appendix II

List of Interviews with Media Analysts

<table>
<thead>
<tr>
<th>Date</th>
<th>Name of the interviewee</th>
</tr>
</thead>
<tbody>
<tr>
<td>21st September, 2012</td>
<td>Mr. Dhurba Hari Adhikari</td>
</tr>
<tr>
<td>22nd September, 2012</td>
<td>Mr. Ram Krishna Regmi</td>
</tr>
<tr>
<td>14th October, 2012</td>
<td>Mr. Kashiraj Dahal</td>
</tr>
</tbody>
</table>
Appendix III

Interview Guide

GENERAL

1. What is your observation about the media ownership pattern in Nepal?
2. To what extent do ownership matters?

INTEREST GROUP

1. In your experience as a media practitioner and now an analyst, to what extent interest groups play a role in news making?
2. Do you see the interest of investors in news?

INFLUENCE ON CONTENT

1. In the present context, what kind of influence have the owners in the news media?
2. Does commercialization matter?
3. What difference does make: journalist being a owner and editor at one time in a news media?
4. How are news content affected due to ownership interest?

PUBLIC INTEREST

1. How can we serve the public interest?
2. Who should watch the watchdog? How can such mechanism be developed?
3. What should be role of media owner or investors?

POLICY- A WAY FORWARD

1. How have you observed the practices of media ownership pattern in the international context and the policy adopted to minimize its effect?
2. What kind of policy could be adopted in the context of Nepal?
Appendix IV

Provision of Interim Constitution of Nepal 2007

Article 12. Right to Freedom:

(1) Every person shall have the right to live with dignity, and no law shall be made which provides for capital punishment.
(2) No person shall be deprived of his/her personal liberty save in accordance with law.
(3) Every citizen shall have the following freedoms:
   (a) freedom of opinion and expression;
   (b) freedom to assemble peaceably and without arms;
   (c) freedom to form political party or organisations;
   (d) freedom to form unions and associations;
   (e) freedom to move and reside in any part of Nepal; and
   (f) freedom to practice any profession, or to carry on any occupation, industry, or trade.
   Provided that,
   (1) nothing in sub-clause (a) shall be deemed to prevent the making of laws to impose reasonable restrictions on any act which may undermine the sovereignty and integrity of Nepal, or which may jeopardize the harmonious relations subsisting among the peoples of various castes, tribes, religion or communities, or on any act of defamation, contempt of court or incitement to an offence; or on any act which may be contrary to decent public behaviour or morality.

Article 15 Right Regarding Publication, Broadcasting and Press:

(1) No publication and broadcasting or printing of any news items, editorial, article, writings or other readings, audio-visual materials, by any means including electronic publication, broadcasting and press, shall be censored. Provided that nothing shall be deemed to prevent the making of laws to impose reasonable restrictions on any act which may undermine the sovereignty or integrity of Nepal, or which may jeopardise the harmonious relations subsisting among the peoples of various castes, tribes or
communities; or on any act of sedition, defamnation, contempt of court or incitement to an offence; or on any act which may be contrary to decent public behaviour or morality.

(2) No radio, television, online or any other types of digital or electronic means, press or any other communication media shall be closed, seized or be cancelled the registration because of publishing and broadcasting or printing any material by such means of audio, audio-visual or electronic equipments.

(3) No newspaper, periodical or press shall be closed, seized or be cancelled the registration for printing and publishing any news items, articles, editorial, writings or other reading materials.

(4) No communication means including press, electronic broadcasting and telephone shall be obstructed except in accordance with law.
Appendix V
Appendix VI
भारतीय राजदूताबास, काठमाडौं  
Embassy of India, Kathmandu  
प्रेस, समाचार एवं संस्कृति प्रचार  
Press, Information & Culture Wing  

नेपालको वैश्विक प्रसिद्धि जोड्नेहो र यहाँ का वैश्विक सम्बन्धको समीक्षण गर्नेछौं।

भारतीय संयुक्त लगानीका उद्घाटनका राजदूताबासलाई आत्मसातो गराएको अनुसार ती संबंध गतिविधिका विश्वासको लागि उसका संयुक्तन्त्रको समूहको तथा विश्वास क्षेत्रको उनीहरुको प्रसारका नकारात्मक प्रभाव प्रसार गर्न दिक्क संयोजन गर्ने र विभिन्न दिनसंख्या खुलासा गर्ने भएको हो।

भारतीय संयुक्त लगानीका उद्घाटनको नेपालको अर्थव्यवस्था, रोजगार, सरकारी राजस्व तथा नेपालको विश्वासको महत्त्वपूर्ण भूमिका पुर्याउनुहुन्छ। उसका संयुक्तन्त्रको उद्घाटनका मात्र दुरुस्त स्थितिको यस्ता सम्बन्धित गर्नेछ। यी उद्घाटनको गोरी र भारत-नेपालको विवाह गतिपत्र सम्बन्धित प्रभावहरू प्रतीक्षित गर्नुहोस्। यी भारतीय संयुक्त लगानीका उद्घाटनको उद्घाटनका विश्वासका प्रभावित गति र तथ्यानुसार समाचार तथा नवीनतको मात्र महत्त्वमा नयाँ प्रशासन विश्वसनीकृत गरिएको हो।

यस्तो अनुमानित कार्यहरू विश्वसनीकृत गति दिनसंख्या उनीहरु आफ्नो मानामा हामी यस्तो अनुमान गर्नुहोस्।

No: KAT/34/2010  
२०७३ भाद्र १३
Appendix VIII

काठमाडौंमा भारतीय राजपत्रालाई स्मित २०६७/३१/१२ गते प्रसिद्ध विज्ञापन प्रस्तुत गरिएको छ।

नेपाली संस्कृति, माध्यममा प्रकाशन प्रसारण हुने विषय निर्धारण गर्न सार्वजनिक

अधिकार नेपाली सम्बार माध्यममा रहेको र नेपाली सम्बार माध्यमहरूले

सो कुरा पुरातन गरिएको तथ्य सर्वरण गराउने कृपणीतिक संपर्क

र विवरणसँग प्रत्य स्थलताको मूल्य मात्रा परिपत्ता गर्न हामी भारतीय

उत्तराखंड नेपालको सचिव गराउने बाहान्दो।

मानव स्वास्थ्यको विश्व संवेदनशील उपयोग वस्तुको गुणस्तर सम्बन्धमा

नेपाल सरकारको अधिकारिक र विवरणहरूले गरेको छानकर र सम्य तथ्य विवरणहरू

आधारमा नेपाली सम्बार माध्यमहरूले सम्बार प्रकाशन प्रस्तावण गरेको

विवरणहरू लिएले सम्य नेपाली सम्बार माध्यमहरूको मात्रा हुने गरी भारतीय

उत्तराखंड नेपालको सचिव गराउने बाहान्दो।

नेपालका सम्बन्ध माध्यमिक कार्यक्रम तर्फबाट हामी भारतीय उत्तराखंडको

यस्ता आपूर्तिकरण हत्तिको घोर निद्रा एवं भलनर्न गर्नछो। साँझ भारतीय

उत्तराखंड अफूलो गर्न महत्त्व गर्ने तत्काल सम्बन्धमा गर्न र अब उपाध्य

यस्तो कायम गर्न सचिव गर्न। यस सम्बन्धमा नेपाल सरकारको तर्फबाट

तत्काल प्रतिवाद गर्न माग गर्नछ।


नेपाल सरकारको तर्फबाट

तत्काल प्रतिवाद गर्न माग गर्नछ।

नेपाल सरकारको तर्फबाट

तत्काल प्रतिवाद गर्न माग गर्नछ।

नेपाल सरकारको तर्फबाट

तत्काल प्रतिवाद गर्न माग गर्नछ।

नेपाल सरकारको तर्फबाट

तत्काल प्रतिवाद गर्न माग गर्नछ।

नेपाल सरकारको तर्फबाट

तत्काल प्रतिवाद गर्न माग गर्नछ।
A CALL TO REASON

The last few weeks have been marked by controversy regarding some products manufactured by Indian Joint-Ventures in Nepal and their advertising in the Nepali media.

For the sake of progress in trade and commerce, NICCI asks all concerned to take an objective and practical view of the situation and work towards an amicable resolution.

In the past few years there has been tremendous progress in the economic relationship between Nepal and India. Nepal’s largest volume of trade is with India and India is also its single largest source of foreign direct investments (FDI).

**India accounts for approximately:**
- 58% of Nepal’s merchandise trade
- One-third of trade in services
- 43% of foreign direct investments

Additionally, India also accounts for a significant share of inward remittances on account of pensioners and workers.

There are about 150 operating Indian ventures in Nepal. They are engaged in top quality manufacturing as well as services – banking, insurance, dry port, education and telecom and are also present in the power sector and tourism industries. Many of these joint ventures have products that are recognised and highly respected worldwide for their quality. They contribute very significantly to the employment and the national exchequer.

NICCI’s members include a significant number of Nepalese companies and Indian Joint-ventures in Nepal who have worked together with mutual respect and harmony that has allowed us to grow together in the larger interest of our country.

NICCI firmly believes that Nepal must attract foreign direct investment with more and more value additions so that it may industrialize faster and also increase trade with India so as to reduce the trade deficits with our trading partners.

To this end, NICCI welcomes the fact that Indian ventures lead the FDI list with 453 projects [as on March 2010], with a very significant commitment of over INR, 1400 Crores investments.

NICCI requests all concerned not to vitiate the economic environment at this critical juncture and find a constructive way to resolve these issues mutually.

**Let us all move forward in a spirit of cooperation and mutual respect.**

Nepal-India Chamber of Commerce & Industry