

The Daily Post sale

Opposition parties and media groups have protested over the Fiji Government's buying of a major stake in the *Daily Post*, one of the country's two daily newspapers. But the Government insists that it is for the benefit of the nation.

By JOHN KAMEA

IT HAS been the Fiji Government's reform policy to sell public assets that continue to make losses and cannot run efficiently. On 10 February 1999, Government took a change of direction when it went on a shopping spree and bought 44 per cent of the shares in *Daily Post*.

This somewhat contradiction of Government's policy received criticism and was met with public outcry, especially from political and media circles. Many organisations have questioned the move, saying that it would undermine the role of the media as a Government watchdog and threaten media freedom and independence. Some even say it was an attempt by the Government to control the media on the eve of the May 1999 general elections.

The country's media fraternity believes the Government should not be in the business of running and controlling independent media organisations. However, the Government is adamant it bought 44 per cent of the shares from the Fiji Development Bank with the objective of developing the paper, floating it on the Stock Exchange and ultimately giving the people of Fiji an opportunity to own shares in the *Daily Post*. Government also argued that the move was its political obligation and it was its wish some years back to establish a Fijian-owned newspaper.

The Fiji Media Council, expressing dismay over the sale, said the Government's move to buy the *Daily Post* while it already has interests in Fiji Television Ltd and Island Networks Corporation Ltd gave it "an unacceptable

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level of influence over Fiji media". Council chairman Daryl Tarte said a newspaper whose major shareholder is the Government, could not be independent.

"The Fiji media cannot exercise its responsibilities as a watchdog of the Government if so much of the media is controlled by the Government", Tarte pointed out. "The council considers this move a serious threat to media independence and it urges the Government to divest itself of its shares as soon as possible by placing them on the Suva Stock Exchange."

When justifying the sale in Parliament in mid-February, Finance Minister Jim Ah Koy said it was purely one of trying to maximise and get a better return for an asset that had been negligible in the past.

"By bringing it back to the Government ... and floating it on the stock exchange, every member of the public of this country can own this newspaper", Ah Koy said. "There is no ulterior motive and it is not to try and deny someone the purchase of it. It is just trying to maximise a bad situation."

He said the the three majority shareholders in the *Daily Post* — the Government, Colonial and Unit Trust — would pump more money into the paper and upgrade its facilities.

"We could pump some more capital into it and refurbish the *Daily Post* into a really respectable, significant and alternative daily newspaper, instead of just a virtual rag at the moment with nothing," he said. Supporting Ah Koy's statements, Assistant Minister for Information Ratu Josefa Dimuri said the Government hoped to revamp the *Daily Post* and make it the best daily in Fiji.

He said that Ah Koy and his officials would be drawing up a refurbishment plan for the newspaper.

The *Daily Post* needs to be hyped up with the ultimate objective of improving its value and making it the number one daily in the local market. The actual work should entail the possibility of relocating the whole establishment from its present location, that is the administrative, editorial and commercial advertising to a more convenient area. There is a need to have a more spacious newsroom that should be computerised and, a more attractive commercial advertising package which is the money-making arm of any newspaper or magazine. Sourcing of international news and links with reputable international news organisations also needs to be improved. The cost of this exercise would be known once the plan has been drawn up. The whole idea is to make the newspaper more competitive and projecting a completely new image.

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**JAI RAM REDDY, Fiji's
Opposition Leader**

The *Daily Post* was established in October, 1987 through a loan from the Fiji Development Bank. In 1993, after seeing that the *Daily Post* could not repay its loan, the FDB converted the loan and interests into 245,000 shares at \$1 per share.

In 1995, FDB bought another 225,000 shares at \$1 per share, ending up with a total of 475,000 shares. Government last week bought the paper's shares for over \$500,000 dollars.

"One of the reasons why we feel that the shares of the FDB, a financial institution which is funded by the tax payers of Fiji, should be bought by the Government is that its value is improved before it is floated in the Suva Stock Exchange to give the people of Fiji an opportunity to own shares in it," Ratu Josefa said. "We are not comfortable with the idea of these shares going to one or two single companies who are already big on the local business front."

It is understood that C J Patel and Company Ltd, at one time was keen on buying shares in the *Daily Post*. Ratu Josefa said that C J Patel deal was now a non-issue and the Government stepped in for the benefit of every taxpayer in Fiji. CJ general manager Sundip Patel confirmed that C J Patel was once interested in the *Daily Post*. Patel declined to comment on the fact that the Government had bought shares in the paper, saying: "The deal is done and that's it. We were once interested in the paper but not anymore. If offered the chance again — I don't think we would accept it."

Opposition Leader Jai Ram Reddy has described the Government's invasion of the media as "perplexing". Reddy said Government wanted to gag the media. "A free media, privately owned, free to print what it likes when it likes and in the way in which it likes, of course within the constraints that we prescribe, is a very important adjunct to any meaningful democracy.

"Around the world, where political parties have owned newspapers, those newspapers have been total failures. Everyone associates the newspaper with

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the Government and the tendency is to immediately dismiss it as another publicity rag and put it aside and not read it. Government should only do those things that governments are supposed to do and not go into areas where they have a very poor track record.”

Reddy said that by buying the shares in the *Daily Post* the paper would tend to only print and publish what the Government likes to read.

University of the South Pacific Journalism Programme coordinator David Robie said Government’s venture in the newspaper business was a “very worrying” and “ill-advised” move. “With a country where there are only two newspapers, it is important that they are both free to report and inform the public without any interference whatsoever. Although Government has given assurances that there will be no interference with the paper’s role and operations, it would be naive to think it will not happen somewhere down the track.”

Robie emphasised that the Government simply did not have any business in running newspapers. He said that there were some countries in the world, especially in Africa and Asia, where governments controlled newspapers. He added:

Almost always, Government intention is to control information and access of information on the part of the public. It would be a positive move to see Government divest itself of its shares in the *Daily Post* as soon as possible. If it doesn’t, then it should draw up a charter of editorial independence to guarantee that it will not interfere with the paper’s editorial policy and staff.

It would be foolish if Government uses the paper for its election campaigns. It is really bad timing on the part of the Government to buy shares in the company when the country is close to the general elections.

But Ratu Josefa said that the *Daily Post* would cover the general elections just like any other media. He added that there would not be any interference in the paper’s editorial policy:

There has been some widespread perception that with the Government buying these shares, the paper would no longer be an effective watchdog. I don’t think that will be the case. Government’s concern in this particular case is a purely commercial one. The purchase is not intended by any measure to control the editorial side of the paper. Government’s position on the media is explicitly clear. It advocates media freedom but as long as it is exercised with the greatest of responsibility. Any move to stifle this freedom would contradict provisions laid down in the constitution. The *Daily Post* will cover the general elections like any other media.

MEDIA BUY OUTS

On television election campaigns, Ratu Josefa said Fiji TV had already approached Government on the matter. Government is yet to make a decision.

"Fiji TV has approached Government on this but we have not made a decision. The proposal is still being studied. But it would be a good idea to have political parties campaign on TV," Ratu Josefa said. He said, however, that time allocation to each party was not known to him. Under the Electoral Act all election campaigns must cease on the first day of the polls.

Fiji Labour Party leader Mahendra Chaudhry said the sale of the *Daily Post* shares was "absolutely absurd".

"How can Government on one hand, sell shares on profitable enterprises, saying such a course of action was necessary for the advancement of the economy and on the other hand, buy a newspaper which has made no profits since it began operating," Chaudhry questioned. He hinted that the move would give the Government a mouthpiece for the upcoming elections.

"Government should not be in the business of running a newspaper. No free world country has state-run media. Such practices are prevalent only in communist states and are used as a tool of Government propaganda," said Chaudhry. "With elections only a couple of months away, the real motive behind Government's intention in acquiring shares in the financially-troubled daily is quite obvious."

The Fijian Association Party said the purchase was a deliberate move to control the paper's editorial policy in the run up to the elections. "It shows how paranoid this Government is in silencing its critics and what lengths it will go to win this election," party leader Adi Kuini Speed said. She added that the move was a breach of the 1997 Constitution which guaranteed freedom of the media and freedom of expression.

Said Ratu Josefa: "Government firmly believes that it has a moral obligation to protect investments which involves funds owned by the citizens of the Fiji Islands. It also sees itself as carrying the responsibility of ensuring that such investments are improved upon so that they reflect better values. There is also a need to ensure that public participation in terms of equity ownership is promoted to satisfy, at least some degree, Government's wish for a fair distribution of wealth."

The Pacific Island News Association, which is the main professional organisation of Pacific Islands news media covering 21 countries, believes that the sale of the *Daily Post* to the Government is detrimental to media freedom in Fiji. The association says the private sector should have been given the oppor-

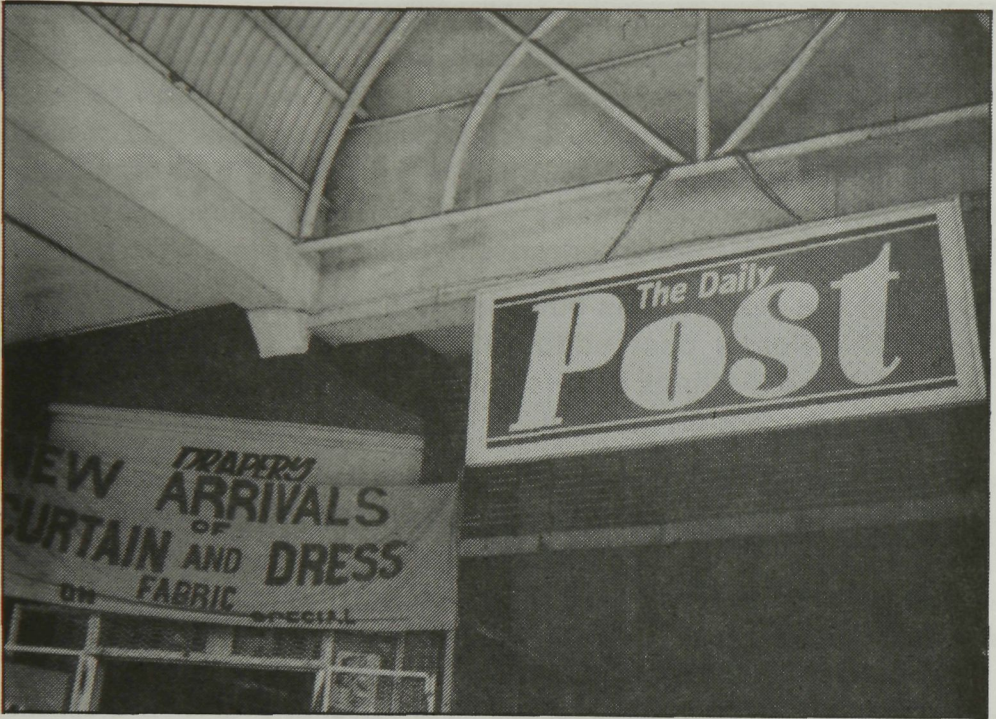
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tunity to buy the shares in the *Daily Post*.

“It is a concern that the Government is on one hand divesting itself of business interest in most other sectors of the economy, while expanding control in the media,” said PINA’s president William Parkinson. “I think the *Daily Post* will find it very difficult to pursue its role as a watchdog with its current ownership structure. During sensitive times like election campaigns, it is difficult to believe that no pressure, either direct or indirect, will be applied .”

Parkinson said a successful and vibrant democracy needed a media that was not only free to provide the accountability that citizens needed (so they can exercise their democratic rights fully) but it was also essential that the media was seen to be free.

□ *John Kamea is a reporter on the Fiji Times. This article was first published in The Sunday Times on 21 February 1999 and has been republished with the permission of the Fiji Times Ltd.*



The *Daily Post* office (above) in Toorak, Suva, and the editor, Jale Moala — one of Fiji's most accomplished editors.

Photos: DAVID ROBIE

