

MAPPING DIGITAL MEDIA: MALAYSIA



Mapping Digital Media: Malaysia

A REPORT BY THE OPEN SOCIETY FOUNDATIONS

WRITTEN BY

Jo-Ann Ding and Lay Chin Koh (lead reporters)
Jacqueline Ann Surin (reporter)¹

EDITED BY

Marius Dragomir and Mark Thompson (Open Society Media Program editors)
Graham Watts (regional editor)

EDITORIAL COMMISSION

Yuen-Ying Chan, Christian S. Nissen, Dušan Reljić, Russell Southwood,
Michael Starks, Damian Tambini

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OPEN SOCIETY MEDIA PROGRAM TEAM

Meijinder Kaur, program assistant; Morris Lipson, senior legal advisor;
and Gordana Jankovic, director

OPEN SOCIETY INFORMATION PROGRAM TEAM

Vera Franz, senior program manager; Darius Cuplinskas, director

16 May 2013

1. The writers also acknowledge the contributions of Edwin Yapp and Zaharom Nain in the preparation of this report.

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Mapping Digital Media

The values that underpin good journalism, the need of citizens for reliable and abundant information, and the importance of such information for a healthy society and a robust democracy: these are perennial, and provide compass-bearings for anyone trying to make sense of current changes across the media landscape.

The standards in the profession are in the process of being set. Most of the effects on journalism imposed by new technology are shaped in the most developed societies, but these changes are equally influencing the media in less developed societies.

The **Mapping Digital Media** project, which examines the changes in-depth, aims to build bridges between researchers and policymakers, activists, academics and standard-setters across the world. It also builds policy capacity in countries where this is less developed, encouraging stakeholders to participate in and influence change. At the same time, this research creates a knowledge base, laying foundations for advocacy work, building capacity and enhancing debate.

The Media Program of the Open Society Foundations has seen how changes and continuity affect the media in different places, redefining the way they can operate sustainably while staying true to values of pluralism and diversity, transparency and accountability, editorial independence, freedom of expression and information, public service, and high professional standards.

The Mapping Digital Media project assesses, in the light of these values, the global opportunities and risks that are created for media by the following developments:

- the switch-over from analog broadcasting to digital broadcasting;
- growth of new media platforms as sources of news;
- convergence of traditional broadcasting with telecommunications.

Covering 60 countries, the project examines how these changes affect the core democratic service that any media system should provide—news about political, economic and social affairs.

The **Mapping Digital Media** reports are produced by local researchers and partner organizations in each country. Cumulatively, these reports will provide a much-needed resource on the democratic role of digital media.

In addition to the country reports, the Open Society Media Program has commissioned research papers on a range of topics related to digital media. These papers are published as the **MDM Reference Series**.

Mapping Digital Media: Malaysia

Executive Summary

Malaysia has had a torrid relationship with digital. Dr Mahathir Mohamad fell in love with it in the early 1990s when, as prime minister, he launched the Multimedia Super Corridor, a sort of East Asian Silicon Valley, in 1996 to develop the local information and communications technology industry.

Around 15 years later, two out of three Malaysians regularly used the internet (even though large areas of the East Malaysian states of Sabah and Sarawak, where nearly a fifth of the population lives, posed logistical challenges regarding infrastructure) and a third had a 3G mobile subscription. Broadband household penetration in the capital, Kuala Lumpur, is 112 percent. Nearly half the population is on Facebook with an average of 233 friends each, the greatest proportion in the world, all on social networks for an average nine hours a week. And they still seem to find enough time to watch television for three and a half hours a day and to listen to the radio for three hours.

At the same time the ruling National Front coalition (*Barisan Nasional*, BN), which has governed the country since independence from the UK in 1957, is quaking in its electoral boots because, as one senior politician put it after the 2008 general election, “We certainly lost the internet war.” Independent experts and academics agree. The digital factor continued to feature in the 5 May 2013 general election, which saw the BN retain power with fewer seats than in 2008.

Meanwhile, the internet has taken on a life of its own, airing strong criticisms and, at times, scathing and vitriolic comments about the country’s leaders.

As with many countries, in Malaysia what you see is not entirely what you get. As part of the “cybercity” project launched in 1996, the government set out a 10-point Malaysia Bill of Guarantees, no. 7 of which was to “ensure no censorship of the internet.” But read the small print: “this does not mean that any person may disseminate illegal content with impunity and without regard to the law.”

Starting with the Sedition Act, inherited from the British who introduced it in 1948, there is indeed much law to be regarded. Among other things, the Sedition Act makes it a crime to “excite disaffection” against the

ruler, the government, and the administration of justice. In fact, there is even a special law for the digital age, the Communications and Multimedia Act of 1998. Section 233 makes it a crime to publish content that is “obscene, indecent, false, menacing or offensive in character with intent to annoy, abuse, threaten or harass another person.”

More recently, in 2012, the principle of the presumption of guilt was reversed in an amendment to Malaysia’s Evidence Act under which website owners, administrators, and editors are responsible for content published on their sites, including comments posted by others. If they are to avoid punishment, they must prove they did not publish the content.

While the legal arsenal is considerable, there is not that much shooting going on. This is largely because it is not really necessary. Constraint is delivered in a much more subtle way. The commanding heights of the media were long ago conquered by a club made up of the state, the ruling-party coalition, and their business friends. And digitization has not changed that.

Thus, broadcasting is dominated by the state broadcaster Radio Televisyen Malaysia (RTM), which is housed within the Ministry of Information, Communications, and Culture. It currently operates two free-to-air television channels, 35 radio stations, and one digital television channel. Its principal job, which it was given in 1946 when it was founded under the British, remains disseminating government policies and plans through its programming. Since BN has always been in power, the government’s interests are easily conflated with those of the coalition. This tends to be especially so around election time.

RTM’s competition comes primarily from the four terrestrial channels of a single private company Media Prima, whose deliberately opaque ownership is believed by independent media experts and commentators to be close to BN, in particular the prime minister’s party UMNO (the United Malays National Organisation). Nothing about the content of these channels would suggest the media experts are wrong.

The single digital satellite television provider, Astro, is majority-owned (about 50 percent) by Ananda Krishnan, listed by Forbes as Malaysia’s second-richest person, and by Khazanah Nasional, the government’s investment fund (20.8 percent). It offers 150 television and 19 radio channels, consisting of the usual international line-up, as well as local news, sport, and entertainment channels. While there is no shortage of serious commentators who would tell you that Mr Krishnan’s wealth and influence has much to do with his relationship with former prime minister Dr Mahathir, the country’s opposition parties, personalities, and issues have had a much better airing on Astro’s in-house news channel, Awani, than on RTM or Media Prima’s channels. However, Awani’s main news program gets about a tenth of the viewers who watch the top terrestrial news programs.

In radio, three broadcasters dominate, all with the usual connections.

Print is much the same, not least because publishing permits are used to favor and chasten where necessary. The latter is mostly not necessary since the major newspapers are owned directly or indirectly by BN. Meanwhile the hard news readership is down and tabloid fare is up.

The fact that there is no prohibition on media monopolies or cross-ownership (though the regulator has the power to act if it considers anything to be anti-competitive in the broadcasting and telecommunications markets) has helped deliver the media market into the hands of the same few large organizations. Diversity of content and views has not been the big winner.

This was the context in which the internet emerged. As with so many other countries, where the offline media are in the hands of political and business elites and are often dull, millions turn to online alternatives. Nielsen figures for 2011 show that Malaysians view the internet of all media platforms as the preferred information source (63 percent), the most trusted (46 percent), and their main source of news (44 percent).

Online news media and blogging now provide a vigorous platform for debate, information, and investigation long denied to Malaysians by their stultified traditional media, which have been forced to follow up on issues that have gone viral on social media and online news platforms, thereby slightly widening the boundaries of expression.

The hard bit, as is so often the case, is finding the money. The success story has been the online-only site Malaysiakini (Malaysiakini.com), which is funded by a combination of subscriptions and advertising. However, in 2011 advertising came close to matching subscriptions and the management is now confident that income from advertisements will overtake that from subscriptions. Other sites are struggling to attract enough ads, which—as for all other non-state media—are the chief source of revenue.

There is high regard for political participation in Malaysia, both through the electoral system and on the street. The internet has provided a strong charge to both, in particular in the election of 2008. In previous polls, according to one study, the media “overwhelmingly presented a sympathetic, and often flaunting, bias in favor of the incumbent BN while providing insufficient coverage of the views—or even demonizing—the opposition parties.”² In the 2008 election, however, the BN coalition recorded its worst-ever performance, losing its two-thirds majority and control of five states to the informal opposition coalition. The consensus is that the internet played a big part in that. A study of campaigning in that election, for instance, found that candidates with blogs, particularly opposition ones, were more successful than those without. This trend continued in the 2013 election, where the BN lost even more federal seats than in 2008.

On the street, mobile and social media have provided publicity and coherence for the Bersih (meaning “clean”) rallies in 2007, 2011, and 2012, calling for fair elections, bringing on to the streets hundreds of thousands of supporters in several centers across the country.

While digital outlets have been used to air a range of grievances and causes, there are still a number of sensitive issues (the “three Rs,” race, religion, and rulers) that remain greatly circumscribed or almost taboo. The Sedition Act prohibits anything that may “promote feelings of ill will and hostility between different races

2. M.K. Anuar, “Politics and the Media,” *Kasarinlan: Philippine Journal of Third World Studies* 20(1) (2005), pp. 25–47 (hereafter, Anuar, “Politics and the Media”).

or classes;” “bring into hatred or contempt or ... excite disaffection against any ruler or any government” or the administration of justice; or questions any privileges relating to Malay as the official language, the special position of the Malays and indigenous peoples of Sabah and Sarawak, and the position of the nine traditional Malay rulers (or constitutional regional monarchs). Other issues such as the status of indigenous peoples or sexual behavior, in particular homosexuality, are downplayed or officially disapproved of as subjects for open discussion. If you want to make a film with a gay person in it, he or she has to have a bad ending or repent, otherwise the film censors will not allow it through.

For all its early embrace of the internet, Malaysia is behind in the digital broadcast switch-over. There are still no terrestrial digital services for TV or radio, though bids have been invited to get things moving. The government says switch-over will take place by 2015, led by the Malaysian Communications and Multimedia Commission (MCMC), which was set up in 1998 to regulate the industry. The MCMC’s chair and board are appointed by the Minister of Information, Communications, and Culture and the statute setting it up explicitly states that it is responsible to the minister who may give general directions to the commission. Given the minister’s oversight over the commission, it is not entirely independent of the government.

The MCMC is, in fact, at the center of much digital policy, including the allocation of spectrum (though you cannot apply for spectrum without a license and you can only get that from the minister). The MCMC’s regulatory scope includes television and radio broadcasters, mobile network providers, and internet service providers. The regulation of broadcasters once the digital switch-over takes place will continue to be under the MCMC, which has encouragingly provided considerable opportunities for public and industry discussion and consultation on the technology and procedures for switch-over.

The outlook is for an expansion of internet and mobile-based platforms for news, comment, social networking, activism, and entertainment. However, a change of government is probably a prerequisite for the kinds of changes that would usher in greater diversity in broadcast and print, such as regulatory independence, repeal of the Printing Presses and Publications Act, and the dismantling of monopolies, rules on cross ownership, and political parties’ ownership of media companies. If that happens, it might be at least partly thanks to Malaysia’s affair with digitization.

Context

Malaysia is a multi-ethnic, multi-religious society of over 28 million people. It is a federation of 13 states, each with a state government and presided over by a ruler, with three federal territories, which are run directly by the central government. Malays make up the dominant ethnic group, comprising about 63 percent of the total population. There are large minorities of Chinese, Indians, and indigenous groups. In the states of Sabah and Sarawak, separated from Peninsular Malaysia by the South China Sea, the Kadazandusun make up the majority in Sabah, at about 24 percent of the population, while the Ibans form the majority in Sarawak, at about 30 percent of the population.

Just over 60 percent of Malaysians are classified as Muslims. Malays are defined in the Malaysian constitution as being Muslim. This definition means that if an ethnic Malay renounces Islam, he or she is constitutionally no longer Malay. While religious freedom is guaranteed under the Malaysian constitution, Muslims who have renounced Islam have found it difficult to record their change of religion on their identity cards. About 36 percent of the population is Buddhist, Christian, or Hindu. There is relative freedom for other religions to practice their faith, but underlying tensions remain. This was highlighted, for example, by a 2008 Ministry of Home Affairs directive banning a Catholic Malay publication's use of the word Allah to refer to God, amid fears cited by the then home minister that this could possibly confuse Muslims. (Indigenous Malaysian Christians and Malay-speaking Christians commonly refer to God as Allah. The Malay-language Bible and the Sikh *Sri Guru Granth Sahib* also contain references to God as Allah.)

The Malaysian economy has been classified by the World Bank as a middle-income economy. Its gross domestic product (GDP) steadily rose from 2005 to 2012, except in 2009, during the global economic crisis. More than 70 percent of Malaysians live in urban areas.

Malaysia has been struggling to get out of the middle-income trap and achieve high-income status by 2020. Labor costs in Malaysia are no longer as competitive as during the 1980s and 1990s, when it was transitioning from an agricultural and commodity-based low-income economy to a middle-income economy. Meanwhile, Malaysia has been facing a brain-drain of skilled Malaysians. A 2011 World Bank report estimated the Malaysian diaspora at about 1 million, a third of which has tertiary education. It also stated that out of every 10 skilled Malaysians, one of them elects to leave the country, which is double the world average. Malaysia

has a large immigrant population of at least 2.4 million, the majority of them from Indonesia. However, most immigrants are unskilled workers and Malaysia has not been successful in attracting large numbers of skilled migrants to the country.

Affirmative action policies for the majority Malay population in business, education, and government employment are often cited as one of the factors hindering Malaysia's progress economically. The lack of equal opportunity in employment and education has probably contributed to the Malaysian brain-drain, something Malaysia needs to address if it is to become a knowledge economy and achieve high-income status.

Social Indicators³

Population: 28.3 million

Number of households: 6.693 million (2012)⁴

Figure 1.
Rural–urban breakdown (% of total population), 2010

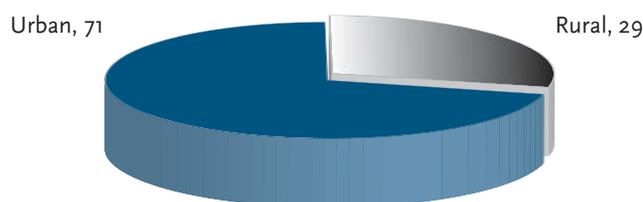
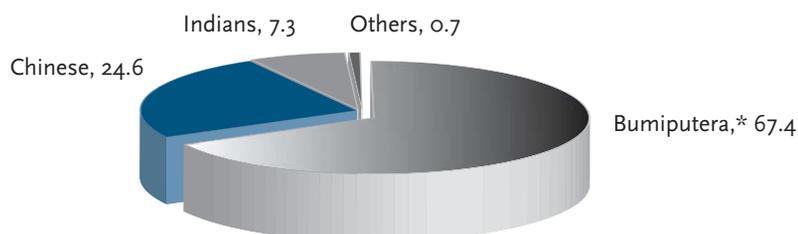


Figure 2.
Ethnic composition (% of total population), 2010



Note: * Bumiputera (son of the soil) is a term coined by the Malaysian government that encompasses the Malays and many indigenous groups such as the Temuan and Temiar in Peninsular Malaysia, the Iban in Sabah, and the Kadazandusun in Sabah. Malays make up 63.1 percent of the total population

3. Department of Statistics, “Population and Housing Census, Malaysia 2010,” at http://www.statistics.gov.my/portal/index.php?option=com_content&view=article&id=1215%3Apopulation-distribution-and-basic-demographic-characteristic-report-population-and-housing-census-malaysia-2010-updated-2972011&catid=130%3Apopulation-distribution-and-basic-demographic-characteristic-report-population-and-housing-census-malaysia-2010&lang=en (accessed 22 June 2012) (hereafter, Department of Statistics, “Population and Housing Census, Malaysia 2010”).

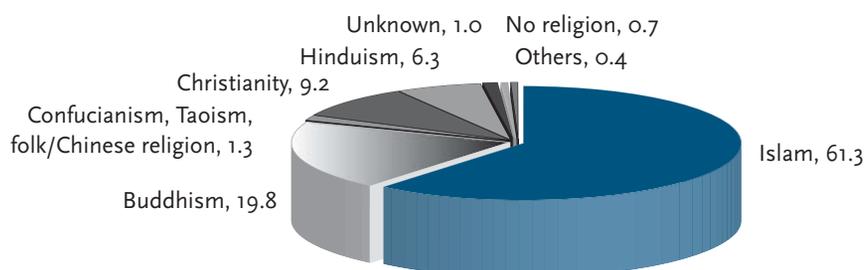
4. Malaysian Communications and Multimedia Commission (MCMC), “Communications and Multimedia: Pocket Book of Statistics,” Q1 2012, Cyberjaya, 6 June 2013, p. 3, at http://www.skmm.gov.my/skmmgovmy/media/General/pdf/C-MQ1_Eng2012.pdf (accessed 14 May 2013).

Linguistic composition

Malay is the only official language and is spoken by most Malaysians. It is the main language of instruction in all government schools. English is widely spoken as a second language. Mandarin and other Chinese dialects such as Cantonese, Hokkien, Hakka, and Foo Chow are spoken among the Chinese community, and Indian languages such as Tamil are spoken in the Indian community. There are also many indigenous languages spoken among the various indigenous communities in Peninsular Malaysia, Sabah, and Sarawak.

Figure 3.

Religious composition (% of total population), 2010



Economic Indicators

Table 1.
Economic indicators

	2005	2006	2007	2008	2009	2010	2011	2012 ^o
GDP (current prices, US\$ billion)	137.9	156.6	186.8	222.8	192.9	237.8	278.6	305.8
GDP (current prices, US\$), per head	5,210	5,838	6,872	8,090	6,916	8,417	9,699*	10,466
Gross National Income (GNI), (current US\$), per head	11,480	12,480	13,530	14,130	14,010	14,680	15,650	n/a
Unemployment (% of total labor force)	3.5	3.3	3.2	3.3	3.7	3.4	3.2	3.1
Inflation (average annual rate, % against previous year)	3.0	3.6	2.0	5.4	0.6	1.7	3.2*	2.7

Notes: * IMF staff estimates; n/a: not available

Sources: International Monetary Fund (IMF); World Bank (GNI)

1. Media Consumption: The Digital Factor

1.1 Digital Take-up

1.1.1 Digital Equipment

Malaysians have increasing access to digital technology. Internet access and mobile phone subscriptions have risen every year since 2005. Fixed-line and wireless broadband penetration reached 81 percent in December 2011.⁵ There were 17.5 million internet users in 2011, about 65 percent of the population, and 10 million 3G subscribers, about 38 percent of the population.⁶ In a 2009 *Household Use of the Internet Survey*,⁷ almost 80 percent of those polled said the internet was either important or very important in their lives.

Gaps persist, however, between urban and rural areas. The broadband household penetration rate in the capital, Kuala Lumpur, was 112.1 percent (some homes have multiple subscriptions) in 2012, compared with 44.7 percent in the state of Kelantan.⁸ The gaps are also evident in the East Malaysian states of Sabah and Sarawak, where the internet penetration rate is less than 50 percent.⁹

About 95 percent of households have a television set and all televisions receive terrestrial transmission of seven free-to-air channels. Malaysia's only digital satellite provider, Astro Malaysia Holdings (Astro), began

5. Thestar.com, "Fixed line and broadband penetration rate hit 81%," 13 December 2011, at <http://thestar.com.my/news/story.asp?file=/2011/12/13/parliament/10085852&sec=parliament> (accessed 19 July 2012).

6. Rais Yatim, Minister of Information, Communications, and Culture, speech at World Bloggers and Social Media Summit 2011, 15 June 2011, at https://docs.google.com/viewer?a=v&q=cache:5FT8HFASmfJ:pmr.penerangan.gov.my/index.php/component/docman/doc_download/191-worlds-bloggers-social-media-summit-2011-.html+&hl=en&gl=my&pid=bl&srcid=ADGEEsIprBzgAAI5WPjg4JwuGz6tNd3fiszpZH-2vaSRomaf0_2ozNbTKAXCH53ezP3B0HUP0q7WB1BUXL3PDAnQslJnpYlu1-QwLTVmuKZNxRIRysq-2ldUTSErsveum10kfeajDsk-CH&sig=AHIEtbRkyPndEOMRXpuLhf39NUGIHgudmg&cpli=1 (accessed 19 July 2012).

7. MCMC, *Household Use of the Internet Survey 2009*, Cyberjaya, 2010, p. 15, at <http://www.skmm.gov.my/skmmgovmy/files/attachments/inlay-HUIS2009.pdf> (accessed 14 May 2013).

8. MCMC, "Communications and Multimedia: Pocket Book of Statistics," Q1 2012, Cyberjaya, 6 June 2012, p. 11, at http://www.skmm.gov.my/skmmgovmy/media/General/pdf/C-MQ1_Eng2012.pdf (accessed 14 May 2013).

9. W. Kong, "Internet penetration rate below 50-pct," Borneo Post online, at <http://www.theborneopost.com/2011/10/30/internet-penetration-rate-below-50-pct/> (accessed 20 July 2012).

broadcasting in 1996. Since 2011, it offers 150 television channels and 19 radio channels, offering a mixture of international channels such as CNN, ESPN, National Geographic, and Disney; and local channels such as Awani (news) and Arena (sports). Astro subscription numbers have grown steadily, with half of all households now paying for the satellite broadcast. Since February 2012, Astro has provided free satellite transmission of 18 television channels and 19 radio channels. This transmission is available with a one-time purchase of a set-top box (STB) and satellite dish.¹⁰ Malaysia's seven free-to-air television channels are available on Astro.

Over 70 percent of households have a radio. Many also listen to the radio outside their homes, in their vehicles or on mobile devices. Radio reaches about 90 percent of Malaysians aged 10 years and over. There are 53 radio channels in Malaysia.

With the launch of high-speed broadband via fiber-optic internet cables in 2010, more people are now subscribing to internet protocol television (IPTV). Subscriptions increased tenfold in just two years with 25,600 subscribers in 2010 and 261,500 subscribers in the first quarter of 2012. Fiber-optic cables, however, are concentrated in and around the capital, Kuala Lumpur, although they are being progressively expanded nationwide.¹¹

Malaysia has not made the digital switch-over of analog terrestrial television and radio. The government has announced that switch-over will take place by 2015. Malaysia plans to make the switch-over using the DVB-T2 (Digital Video Broadcasting—Second Generation Terrestrial) standard. In April 2012, the Malaysian Communications and Multimedia Commission (MCMC), a government-appointed body that regulates the communications and multimedia industry, called for bids for a Common Integrated Infrastructure Provider (CIIP). The CIIP would have charge of building and then operating the infrastructure for digital terrestrial transmission, comprising the transmission, network facilities, and digital multimedia broadcasting hub. Four companies have reportedly been shortlisted by the MCMC: Celcom Axiata, Puncak Semangat, REDtone International, and Sapura Holdings.¹²

10. Astro.com, "NJOI, free satellite TV is now available to all," 18 February 2012, at http://www.astro.com.my/mediaroom/articles/art_9556.html (accessed 19 July 2012).

11. Telekom Malaysia, "TM's Unifi high speed broadband service celebrates its 1st anniversary," 23 March 2011, at <http://www.tm.com.my/ap/about/media/press/Pages/TMSUNIFIANNIVERSARY.aspx> (accessed 19 July 2012).

12. B.K. Sidhu, "4 telcos shortlisted for digital terrestrial television broadcasting," Thestar.com, 25 October 2012, at <http://biz.thestar.com.my/news/story.asp?file=/2012/10/25/business/12222897&sec=business> (accessed 3 January 2013).

Table 2.
Household ownership of media equipment, 2005–2010

	2005		2006		2007		2008		2009		2010	
	No. of HH ('000)	% of HH	No. of HH ('000)	% of HH	No. of HH ('000)	% of HH	No. of HH ('000)	% of HH	No. of HH ('000)	% of HH	No. of HH ('000)	% of HH
TV set	1,893	49.0	1,893	49.0	n/a	n/a	n/a	n/a	3,561	86.7	n/a	n/a
Radio	n/a	n/a	n/a	n/a	631	15.6	748	18.3	888	21.6	882	25.1
PC	n/a	n/a	n/a	n/a	631	15.6	748	18.3	888	21.6	882	25.1

Note: HH: households; n/a: not available

Sources: International Telecommunication Union (ITU); Malaysian Communications and Multimedia Commission (MCMC); Perception Media, *Media Planning Guide Malaysia 2012*, Kuala Lumpur, 2012, at <http://mpg2012.zitima.com/#>

1.1.2 Platforms

Malaysians have traditionally been heavy television viewers and radio listeners. Data from Nielsen's Media Index indicate that between 2008 and 2010, Malaysians spent an average of 3.5 hours a day watching television and 3 hours a day listening to the radio.¹³ Since 2011, however, hours spent on the internet have overtaken radio listenership, with Malaysians spending about 2.5 hours a day on the internet, compared with radio at 2.2 hours.

Nielsen's Media Index found that in 2011 Malaysians spent the greatest proportion of media consumption on television at 42.9 percent of all media consumption. This was followed by the internet at 27.4 percent, radio listenership at 23.7 per cent, and newspaper readership at 6 percent.

Table 3.
Platform penetration, 2005–2010

	2005		2006		2007		2008		2009		2010	
	No. of HH ('000)	% of TVHH	No. of HH ('000)	% of TVHH	No. of HH ('000)	% of TVHH	No. of HH ('000)	% of TVHH	No. of HH ('000)	% of TVHH	No. of HH ('000)	% of TVHH
Terrestrial reception	5,600	100.0	5,700	100.0	5,700	100.0	5,900	100.0	6,000	100.0	6,200	100.0
– of which digital	n/a	n/a										
Cable reception	300	5.4	350	6.1	400	7.0	450	7.6	500	8.3	550	8.9
– of which digital	n/a	n/a										
Satellite reception	1,600	28.6	1,784.2	31.2	n/a	24.6	n/a	28.5	1,285	36.1	n/a	30.3
– of which digital	1,600	28.6	1,784.2	31.2	2,016.3	35.4	2,272.2	38.5	2,646.1	44.1	2,929.7	47.2
IPTV	n/a	n/a	25.6	0.4								
Total	5,600	100.0	5,700	100.0	5,700	100.0	5,900	100.0	6,000	100.0	6,200	100.0
– of which digital	1,600	28.6	1,784	31.2	2,016	35.4	2,272	38.5	2,646	44.1	2,955	47.7

Notes: HH: households; TVHH: Number of households with TV sets; n/a: not available

Source: Perception Media, *Media Planning Guide Malaysia 2012*, Kuala Lumpur, 2012, at <http://mpg2012.zitima.com/#>; Astro, Annual Report 2010; MCMC 1

13. Perception Media, *Media Planning Guide Malaysia 2012*, Kuala Lumpur, 2012, p. 20, at <http://mpg2012.zitima.com/#> (accessed 14 May 2013).

Time spent on the internet is expected to increase as mobile access becomes widely available. In 2010, more than half of Malaysians accessed the internet via laptop computers. There was an increase in the number using smartphones to access the internet to 11 percent, a nine-point gain over 2009. This market is expected to continue expanding, as more competitive pricing schemes are offered.¹⁴

Internet usage is fairly high at about 65 percent of the population in 2010, with higher usage recorded among those aged 15–39. There is also a gap between urban and rural areas, and between Peninsular Malaysia and the east Malaysian states of Sabah and Sarawak.

Table 4.

Internet subscriptions and mobile phone connections (% of total population), 2005–2011

	2005	2006	2007	2008	2009	2010	2011
Internet	37.9	38.9	47.8	62.8	65.7	64.6	65.0
of which broadband	4.7	5.0	6.8	7.9	11.6	21.7	n/a
Mobile telephony	77	79	90	97	106	119	128
of which 3G	0.5	0.8	5.8	16.1	26.7	n/a	28.1

Note: n/a: not available

Sources: ITU Asia, 2012; for internet, Internet World Stats, at <http://www.internetworldstats.com/asia/my.htm> (accessed 20 July 2012); for mobile telephony, Perception Media, *Media Planning Guide Malaysia 2012*, Kuala Lumpur, 2012, p. 64, at <http://mpg2012.zitima.com/#> (accessed 14 May 2013)

Table 5.

Broadband subscriptions, 2005–2011

	2005	2006	2007	2008	2009	2010	2011
No. of broadband subscribers ¹⁵ ('000)	479	554	927	1,265	1,975	3,672	4,270
Household penetration rate (%)	8.1	10.9	15.5	21.1	31.7	55.6	64.1

Source: Perception Media, *Media Planning Guide Malaysia 2012*, Kuala Lumpur, 2012, at <http://mpg2012.zitima.com/#> (accessed 14 May 2013)

1.2 Media Preferences

1.2.1 Main Shifts in Media Consumption

Television and radio are still the most widely accessible means of consuming news in Malaysia. There has been a slow decrease in the numbers watching free-to-air television since 2007. There has been a corresponding rise in viewers of paid satellite television, which has experienced a steady increase in subscriptions since 2005. The

14. Nielsenwire, “Malaysian internet usage takes off in 2010,” 25 April 2011, at <http://blog.nielsen.com/nielsenwire/global/malaysian-internet-usage-takes-off-in-2010> (accessed 19 July 2012).

15. Perception Media, *Media Planning Guide Malaysia 2012*, Kuala Lumpur, 2012, p. 58, at <http://mpg2012.zitima.com/#> (accessed 15 April 2013).

free-to-air television market share as of March 2012 was 59.9 percent, compared with pay-TV at 40.1 per cent. This is much lower than 2006, when free-to-air television's market share was 75.1 per cent, compared with pay-TV at 24.9 percent.¹⁶

A new cable television network, the Asian Broadcasting Network (ABN), began broadcasting in several areas in 2012,¹⁷ and has promised cheaper start-up packages than its competitor, Astro.¹⁸ The network aims to offer over 100 channels and has confirmed channels such as NDTV 24/7, Bloomberg Television, KidsCo, Havoc 24, and Motorvision.¹⁹ This may add to the decline in viewership of free-to-air television.

The rankings of the seven free-to-air channels have remained stable since 2007, although the top-ranked channel, TV3, a Malay- and English-language entertainment channel, which has long been far ahead of its rivals, has seen a slow decline of its market share since 2009. Radio listenership has been fairly stable since 2009, reaching about 90 percent of Malaysians aged 10 years and above. Surveys, however, indicate that radio's reach among younger groups, particularly teens, is declining. This is possibly due to the wide variety of entertainment options now available or the lack of radio stations targetted at this group.²⁰

Print media readership as a whole has been stable since 2007, and has even slightly increased. However, this has been largely bolstered by increasing numbers of people reading tabloid newspapers. Readership of most English- and Malay-language national daily newspapers providing hard news has slowly declined since 2005, in common with broadsheets in many other countries. This may be due to increasing numbers of people reading news online, including the e-paper versions of print newspapers; or a decrease in the number of people reading news overall.

The readership of Chinese-language national daily newspapers, however, has remained fairly stable since 2005. While the English- and Malay-language newspapers could be said to be generally more similar in content and style, the Chinese newspaper business has developed more independently. Some Chinese newspapers have adopted a more sensational tone of reporting, often evident in reports on crime, for example. It is also more common to see critical pieces on the government in the Chinese newspapers, compared with their English and Malay counterparts. The Chinese media's relative independence was evident in a 2008 survey, in which Chinese media consumers rated them as having the most balanced election coverage compared with other media.²¹

16. Perception Media, *Media Planning Guide Malaysia 2012*, Kuala Lumpur, 2012, p. 48, at <http://mpg2012.zitima.com/#> (accessed XXXXX).

17. B.K. Sidhu, "New digital cable TV ABN targets 80% of TV households in 5 years," *Thestar.com*, 13 December 2012, at <http://biz.thestar.com.my/news/story.asp?file=/2012/12/13/business/12453164> (accessed 10 April 2013).

18. B.K. Sidhu, "500-channel digital cable TV to take off in Q2 next year," *Thestar.com*, 16 November 2011, at <http://biz.thestar.com.my/news/story.asp?file=/2011/11/16/business/9912548&sec=business> (accessed 21 August 2012).

19. *China Screen News*, "Eight new channels for Malaysian Asian Broadcasting Network," 10 August 2012, at <http://china-screen-news.com/2012/08/eight-new-channels-for-malaysian-asian-broadcasting-network-abn> (accessed 21 August 2012).

20. Perception Media, *Media Planning Guide Malaysia 2012*, Kuala Lumpur, 2012, p. 199, at <http://mpg2012.zitima.com/#> (accessed 14 May 2013).

21. Center for Independent Journalism, *Media Independence Survey 2008*, Kuala Lumpur, 2008, p. 4 (hereafter, Center for Independent Journalism, *Media Independence Survey*).

Readership of news sites online is generally on an upward trend. For example, in April 2012, Malaysiakini (Malaysiakini.com), a purely online site, received over 400,000 unique visitors a day, more than double the number it received two years before that. The Star online (Thestar.com), the online version of a print newspaper, also experienced significant gains in the same period. News aggregators such as News.google.com and News.yahoo.com are also relied on by Malaysians.

Malaysians are heavy users of social media. In December 2011, there were more than 12 million Facebook users,²² representing 46.1 percent of the population and 71.35 percent of total internet users. A 2010 survey by a global research group, TNS, found that Malaysians have the highest number of Facebook friends in the world, averaging 233 friends each.²³ Malaysians were also found to spend the most time on social networking sites, averaging 9 hours per week. Malaysians are increasingly using Twitter. As of April 2013, there were about 1.3 million Twitter users in Malaysia.²⁴

1.2.2 Availability of a Diverse Range of News Platforms

As Malaysia has not yet made the switch from analog to digital terrestrial broadcasting, there has not been much change in news sources on terrestrial television and radio.

There have certainly been more news sources becoming available on satellite television. There have been more local news channels, such as Berita TV, the state's news agency, and Astro Awani, Astro's in-house news channel. Both provide 24-hour news coverage. There is also a dedicated in-house sports channel, Astro Arena, which covers local and international sports, and Astro AEC, an in-house Mandarin channel. Foreign news channels are also available, such as CNN, BBC, and Al-Jazeera English. The new cable television entrant, ABN, will be another source of news once it begins broadcasting nationwide.

Malaysia's print media are tightly controlled by laws that require newspapers to obtain publishing permits. Many newspapers are owned, either directly or indirectly, by the Barisan Nasional (BN) ruling coalition's component parties. The internet has therefore increasingly been a source of alternative news for Malaysians.

Many new online news sites have sprouted since 2007, such as The Malaysian Insider (Themalaysianinsider.com), Free Malaysia Today (Freemalaysiatoday.com), Malaysia Chronicle (Malaysia-chronicle.com), Malaysian Mirror (Malaysianmirror.com), and The Nut Graph (Thenutgraph.com). This is in addition to the established online news site Malaysiakini.com, which began publication in 1999, and Merdeka Review (Merdekareview.com), which began in 2005 (but has since closed due to funding issues). The top five online news sites consist of a mixture of purely online sites and online versions of newspapers.

22. Y.H. Lim, "Facebook in Malaysia hits 12 million users, 70% penetration rate," *Grey Review*, 20 December 2011, at <http://www.greyreview.com/2011/12/20/facebook-in-malaysia-hits-12-million-users-70-penetration-rate> (accessed 19 July 2012).

23. Thestar.com, "Survey: Malaysians have most Facebook friends," 13 October 2010, at <http://thestar.com.my/news/story.asp?file=/2010/10/13/nation/7212273&sec=nation> (accessed 19 July 2012).

24. See <http://www.politweet.org/site/main.php> (accessed 10 April 2013).

The internet has also been used to put up news videos on sites such as Malaysiakini.tv, Mobtv.my, and Cj.my. It also offers live radio streaming. Radio Free Sarawak, an independent radio station that has highlighted many native customary land rights issues in Sarawak not covered in the traditional media, also broadcasts online.

The internet has been able to provide a platform for news not generally covered in the traditional media. The website Sarawakreport.org, for example, has published a string of exposés on the alleged corruption of Sarawak's chief minister, Mr Abdul Taib Mahmud. In March 2013, a short film released on the internet by the international non-governmental organization (NGO) Global Witness revealed illegal attempts to sell land by members of Mr Taib's family.²⁵

The BN government has also tried to penetrate the internet news market, launching 1Malaysia TV to "disseminate accurate information and news to the public in 'real time.'"²⁶

Social media have become a source of news. A large rally in support of clean and fair elections organized by a coalition of NGOs, Bersih 2.0, on 9 July 2011²⁷ recorded 263,228 tweets by 33,940 users using the #bersih hashtag between 9 June and 14 August 2011. (It was called Bersih 2.0 because it was relaunched in April 2010 to exclude any affiliations to political parties, as it was initially set up with the involvement of several politicians.) Social media were also used to clarify conflicting reports. Traditional media that estimated the crowd at about 6,000 looked foolish when aerial pictures and eyewitness accounts spread online showed that to be a gross under-representation. Facebook was also used to post accounts of protesters who attended the event, complete with photographs and videos.

1.3 News Providers

1.3.1 Leading Sources of News

1.3.1.1 Television

Television is the most popular means of media consumption in Malaysia. On terrestrial television, there are two main players, the state-run Radio Televisyen Malaysia (RTM), which broadcasts TV1 and TV2, and the privately owned Media Prima Group, which broadcasts TV3, NTV7, 8TV, and TV9. TV1 is branded as an information channel and TV2 is an entertainment channel. Media Prima's channels are all entertainment channels.

25. C. Davis, "Malaysia corruption: Global Witness film shows how government cronies illegally sell land in Sarawak," *Huffington Post*, 19 March 2013, at http://www.huffingtonpost.com/2013/03/19/malaysia-corruption-incredible-video_n_2909864.html (accessed 16 May 2013).

26. Thestar.com, "1Malaysia TV news on the go," 19 December 2011, at <http://thestar.com.my/news/story.asp?file=/2011/12/19/nation/10123847&sec=nation> (accessed 19 July 2012).

27. T. Yeoh, "Lessons in social media from Bersih 2.0," Thenutgraph.com, 12 September 2011, at <http://www.thenutgraph.com/lessons-in-social-media-from-bersih-2-0> (accessed 19 July 2012).

The latest terrestrial channel, TV Al-Hijrah, broadcast by the government Islamic Development Department to promote Islam, was launched in 2010.²⁸ Digital satellite television is dominated by Astro, the sole player since it started in 1996. The new digital cable television company ABN began broadcasting in selected areas in 2012. Terrestrial free-to-air television is still the most widely watched medium; however, viewership has slowly declined since 2007.

The ranking of the most popular terrestrial channels has remained fairly stable, as can be seen in Table 6. TV3, however, which was previously far ahead of other channels, has slowly been losing market share. This is probably related to viewers switching to satellite television rather than transferring to other terrestrial channels.

Table 6.

Reach and market share of free-to-air terrestrial television channels, 2007, 2009, and 2011

TV station	Total reach ('000)			Share (%)		
	2007	2009	2011	2007	2009	2011
TV1	4,229	3,035	3,268	7.1	4.1	4.6
TV2	4,874	5,155	4,695	8.2	9.4	7.5
TV3	8,397	8,427	7,990	30.4	27.7	25.2
NTV7	3,419	3,105	3,042	6.0	5.5	4.9
8TV	2,507	2,296	2,367	4.9	4.6	5.3
TV9	3,693	4,114	3,895	7.5	7.9	7.3
TV Al-Hijrah	0	0	242	0.0	0.0	0.1
Total	27,119	26,132	25,499			

Notes: Measured by Nielsen Television Audience Measurement (TAM). Peplemeters are installed on participating households' television sets and information is retrieved every night and validated. Reach: number of different individuals who have seen at least five consecutive minutes of a program or day part. Share (%): proportion of individuals viewing a specific program or day part compared with total number of individuals watching television during the same time interval. The shares do not total 100 because values shown are shares of all viewers, including satellite

Source: Nielsen, "TV Viewership Report," proprietary data not published

Satellite television subscription and market share has been steadily increasing from 2005. With the introduction of a new cable news provider in 2012, it is possible that viewership for paid satellite and cable services will overtake terrestrial television in the next few years. Whether or not terrestrial television will be able to win back market share once the digital switch-over is made will be interesting to note.

28. Thestar.com, "TV Al-Hijrah to promote new medium in Islamic propagation," 6 December 2010, at <http://thestar.com.my/news/story.asp?sec=nation&file=/2010/12/6/nation/20101206214502> (accessed 19 July 2012).

1.3.1.2 Radio

Radio channels are dominated by three main players, AMP Radio Networks, owned by Astro Malaysia Holdings, Media Prima, and Star RFM (see Table 7). Star RFM is owned by the Malaysian Chinese Association (MCA), a component party of BN. MCA also owns *The Star*, the most widely read English national daily, according to Nielsen statistics. Radio listenership has been fairly stable since 2009. Most radio channels are entertainment channels which broadcast music with news programs interspersed. There are only two news channels, which broadcast regionally. Business FM, which focusses on business news and current affairs, broadcasts in Kuala Lumpur, Selangor, Negeri Sembilan, and parts of Melaka. Bernama Radio 24, part of the national news agency, broadcasts in Kuala Lumpur and Johor Baru, the capital of Johor, Malaysia's southernmost state.

Radio channels are mostly language-specific, broadcasting in Malay, Mandarin, English, or Tamil. The top three radio channels, Sinar FM, Hot FM, and Era FM, are Malay-language channels, followed by THR FM, which broadcasts in Malay and Tamil, and My FM, which broadcasts in Mandarin. The top English channel, Hitz FM, is ranked sixth. These rankings largely reflect the multi-ethnic and multi-linguistic nature of Malaysia.

Table 7.
Listenership of most popular radio stations, 2009 and 2011

Station	Owner	Main language	Total listeners ('000)	
			2009	2011
Sinar FM	AMP	Malay	3,312	3,767
Hot FM	Media Prima	Malay	3,123	2,971
Era FM	AMP	Malay	3,104	2,921
Thr.FM	AMP	Malay, Tamil	2,645	2,898
Suria FM	Star RFM	Malay	560	2,006
My FM	AMP	Mandarin	2,053	1,953
Hitz.FM	AMP	English	999	1,651
988	Star RFM	Mandarin	1,401	1,400
Ikim FM (Islamic)	Institute of Islamic Understanding	Malay	655	718
FlyFm	Media Prima	English	610	692
One FM	Media Prima	Mandarin	457	654
Mix FM	AMP	English	363	503
Lite FM	AMP	English	281	315
Red FM	Star RFM	English	144	266
Xfresh FM	AMP	Malay	208	232
Other			5,075	5,331
Any radio			13,311	14,127

Note: Results based on continuous interviewing throughout the year, among a representative cross-section sample of the adult population (15 years and above) of Peninsular Malaysia. Interviewing was spread over a 12-month period

Source: Nielsen, "Radio Listenership Report," proprietary data not published

1.3.1.3 Online

The most popular online sites in Malaysia are the international giants, Google, Facebook, Yahoo, and Microsoft (see Table 8). These sites and search engines do not cater solely to news.

Table 8.
Most popular online sites ('000 visitors), 2011 and 2012

	Total unique visitors ('000)	
	Dec 2011	May 2012
Google	10,939	10,832
Facebook	10,314	10,328
Yahoo	8,273	8,422
Microsoft	6,096	6,566

Source: ComScore, "Key Measures," December 2011/May 2012, proprietary data not published

The top Malaysian online news sites are a mixture of purely online sites and online versions of print newspapers. More Malaysians are now consuming news online. Unique visitors to the top online news sites have more than doubled from 2009 to 2012.

The top Malaysian online sites are Thestar.com, which has a print version, and Malaysiakini.com, a purely online site. While Thestar.com has more total unique visitors a month than Malaysiakini.com, at about 1.6 million, compared with the latter at 1 million. Malaysiakini.com has more daily unique visitors, at over 400,000 a day, and is a partly paid-subscription service. It publishes in four languages, Malay, English, Mandarin, and Tamil. It is an independent news website and has often been accused by the BN of being partial to the federal opposition. Thestar.com is the online version of *The Star*, founded in 1971.

Popular purely online sites such as Malaysiakini.com and Themalaysianinsider.com tend to offer news and views not usually obtainable from the heavily government controlled print media.

Other widely read Malaysian news sites are online publications of national dailies. Utusan.com is the online version of the Malay-language daily newspaper, *Utusan Malaysia*, owned by the Utusan Group. The Utusan Group is owned by the United Malays National Organization (UMNO), the main BN component party. *Utusan Malaysia* has been heavily criticized for publishing racially slanted articles. In 2011, it dismissed the journalist Hata Wahari for criticizing *Utusan Malaysia's* editorial policies. Mr Hata, in his capacity as National Union of Journalists' president, had accused his own paper's editors of racist editorial policies.²⁹ In May 2013, *Utusan Malaysia* was also criticized for publishing a headline entitled "What more do the Chinese want?"

29 A. Zalkapli, "NUJ blames racist editors for Utusan's circulation drop," at Themalaysianinsider.com, 1 January 2011, at <http://www.themalaysianinsider.com/malaysia/article/nuj-blames-racist-editors-for-utusans-circulation-drop> (accessed 20 July 2012).

after Prime Minister Mr Najib Razak attributed BN's loss of more federal seats to PR to Chinese Malaysian voters having abandoned his party in a "Chinese tsunami".³⁰

The My Metro website (Hmetro.com.my) is the online publication of the tabloid *Harian Metro*, Malaysia's most widely read newspaper in 2012. *Harian Metro* is owned by the Media Prima Group.

Table 9.
Most popular online news sites ('000 visitors), 2009–2012

Website	Type of site	Total unique visitors ('000)		Total unique visitors ('000)	
		2009	2010	Dec 2011	May 2012
Thestar.com	Online edition of print outlet	768	788	1,579	1,660
Malysiakini.com	Purely online	548	547	1,001	1,096
Utusan.com	Online edition of print outlet	562	523	900	887
My Metro (Hmetro.com.my)	Print online version	495	545	n/a	n/a
Themalaysianinsider.com	Purely online	n/a	474	450	541

Note: n/a: not available

Source: ComScore, "Key Measures," December 2011/May 2012, proprietary data not published

1.3.1.4 Print Media

Readership of newspapers has seen a shift from the more serious national dailies to tabloids. Newspaper readership as a whole increased from 2005 to 2011, but much of this was due to the increase in tabloid readership. Readership of established national dailies such as *The Star*, *Utusan Malaysia*, *New Straits Times*, and *Berita Harian* has either declined or remained stagnant since 2005. Readership of Chinese dailies increased slightly from 2005 to 2011.

Table 10.
Readership of selected newspapers ('000), 2005, 2008, and 2011

Newspaper	Language	Owner	2005	2008	2011
<i>Harian Metro</i>	Malay	Media Prima	1,538	2,205	3,722
<i>Sin Chew Daily</i>	Mandarin	Media Chinese International	1,186	1,139	1,240
<i>The Star</i>	English	MCA	1,040	1,082	1,078
<i>Berita Harian</i>	Malay	Media Prima	1,358	1,213	1,035
<i>Utusan Malaysia</i>	Malay	Utusan Group	1,277	917	699
<i>New Straits Times</i>	English	Media Prima	305	308	240

Note: Results based on continuous interviewing throughout the year, among representative cross-section sample of the adult population (15 years and above) of Peninsular Malaysia. Interviewing was spread over a 12-month period

Source: Nielsen, "Newspaper Readership Report," proprietary data not published

30. *The Malaysian Insider*, "What more do the Chinese want?", asks Utusan Malaysia after GE13 vote," 7 May 2013, at <http://www.themalaysian-insider.com/malaysia/article/what-more-do-the-chinese-want-utusan-malaysia-asks-after-ge13-vote> (accessed 16 May 2013).

Table 11.
Newspaper readership by language ('000), 2005, 2008, and 2011

Newspaper type	2005	2008	2011
Malay dailies	3,507	4,186	5,572
Chinese dailies	2,730	2,487	2,808
English dailies	1,321	1,376	1,282
Tamil dailies	347	375	493
Any dailies	7,266	7,865	9,474

Source: Nielsen, "Newspaper Readership Report," proprietary data not published

The circulation of serious English and Malay national dailies have generally declined or remained stagnant since 2006, in line with readership. This is with the exception of the free English paper, *theSun*.

Table 12.
Circulation of major newspapers, 2006–2010

Newspaper	Language	2006	2007	2008	2009	2010
<i>Harian Metro</i> (tabloid)	Malay	289,315	324,097	338,552	378,354	398,379
<i>Sin Chew Daily</i>	Mandarin	336,401	361,638	374,757	382,578	387,103
<i>theSun</i> (free)	English	256,486	270,506	287,935	300,550	300,525
<i>The Star</i>	English	309,181	304,904	295,479	286,409	283,714
<i>Utusan Malaysia</i>	Malay	197,033	197,952	181,346	170,558	172,609
<i>Berita Harian</i>	Malay	192,917	192,982	183,187	160,597	150,750
<i>New Straits Times</i>	English	139,763	136,530	120,770	109,341	100,172

Source: Audit Bureau of Circulations, *Circulation Figures*, Peninsular Malaysia, 19 April 2012, at <http://abcm.org.my/wp-content/uploads/2011/02/ABC-Circulation>Returns-Jul-to-Dec-2011-PENINSULAR.pdf> (accessed 14 May 2013)

Dwindling readership of established national dailies is not helped by the tight government controls exercised on the print media. Newspapers have to obtain permits from the Home Ministry to publish. This enables the Home Ministry to issue "show-cause" letters to the newspapers, should it be displeased over a specific article or illustration. Newspapers then have to provide sufficient justification to the ministry as to why their permits should not be revoked.

Ownership of most print newspapers is concentrated in the hands of a few companies: Media Prima (*New Straits Times*, *Harian Metro*, *Berita Harian*), Utusan Melayu Group (*Utusan Malaysia*, *Kosmo!*), and Media Chinese International (*Sin Chew Daily*, *Nanyang Siang Pau*, *China Press*, *Guang Ming Daily*). While it is extremely difficult to ascertain exactly the nature and extent of both ownership and influence, UMNO, the main BN party, reportedly has a 49.77 percent stake in the Utusan Melayu group.³¹ UMNO has also

31. A. Shukry, "Anwar gives proof of Umno's hand in Utusan," *Freemalaysia today.com*, 13 August 2012, at <http://www.freemalasiatoday.com/category/nation/2012/08/13/anwar-gives-proof-of-umnos-hand-in-utusan> (accessed 21 August 2012).

been linked with Media Prima. As of 29 February 2012, the major shareholders in Media Prima were the Employees Provident Fund (18.46 percent), Gabungan Kesturi (11.49 percent), and Altima (8.25 percent).³² Both Gabungan Kesturi³³ and Altima³⁴ have been linked in media reports with UMNO. The English-language daily *The Star* is owned directly by MCA.

The tight printing laws and ownership structure have led to a general distrust of the print media's partiality in reporting, especially in political news. In a 2008 survey, 43 percent rated the mainstream media unfavorably for truthfulness, as opposed to only 25 percent who gave a favorable rating.³⁵

1.3.2 Television News Programs

The top news bulletins on analog television have remained stable since 2007, and have been dominated by Media Prima's channels, TV3, NTV7, and 8TV. TV3's Malay-language "*Buletin Utama*" (Prime/Main Bulletin), which broadcasts at 8 p.m. is the clear leader, with over 1 million viewers more than the next ranked program. Its viewership, however, fell from 3.24 million in July 2007 to 2.88 million in July 2011.

Table 13.

Most popular television news programs on free-to-air television, 2007, 2009, and 2011

Newscast	Language	Total viewership ('000)		
		July 2007	July 2009	July 2011
" <i>Buletin Utama</i> " (TV3)	Malay	3,243	2,890	2,879
" <i>Buletin 1.30</i> " (TV3)	Malay	1,337	1,428	1,585
" <i>8TV Mandarin News</i> " (8TV)	Mandarin	503	644	661
" <i>Mandarin 7</i> " (NTV7)	Mandarin	584	554	605
" <i>Buletin Pagi</i> " (TV3)	Malay	567	530	n/a
" <i>Nightline</i> " (TV3)	English	520	893	597
" <i>Berita TV9</i> " (TV9)	Malay	n/a	412	503
" <i>Berita Nasional 2000</i> " (TV1)	Malay	n/a	316	456
" <i>Dunia @ 1</i> " (TV1)	Malay	n/a	386	398

Note: Viewership: average minutes rating; average number of individuals who have seen a specific program (per program per minute) or day part (per day per minute)

Source: Nielsen, "TV Viewership Report," proprietary data not published

32. Media Prima, "Investor FAQs," at http://www.mediaprima.com.my/investorcenter/investor_faqs.aspx (accessed 21 August 2012).

33. J. Chin, "Key parties clear privatisation," *The Edge*, 17 September 2009, at <http://www.theedgemaalaysia.com/first/149569-key-parties-clear-nstp-privatisation.html> (accessed 21 August 2012).

34. A. Gabriel, "Reviving Putera Cap," *Thestar.com*, 6 October 2007, at <http://thestar.com.my/news/story.asp?file=/2007/10/6/bizweek/19094125&sec=bizweek> (accessed 21 August 2012).

35. Center for Independent Journalism, *Media Independence Survey*, p. 6.

The proliferation of news channels on satellite television has resulted in program rankings changing rapidly since 2007. Although more viewers are switching from free-to-air to satellite television, the number of channels available fragments the market share. Viewership of each news program is therefore much lower compared with programs on terrestrial television. For example, the most watched news bulletin on satellite television in July 2011, “*Evening Edition*,” had about 300,000 viewers. This is only about a tenth of the top news bulletin on terrestrial television over the same period, “*Buletin Utama*,” with almost 2.9 million viewers. Mandarin, Malay, and Tamil news programs dominate the rankings, and English-language news programs lag further behind. The proliferation of channels on satellite television also allows for exclusively Mandarin and Tamil channels, which are not available on free-to-air television, thus obviously making their news bulletins popular among Mandarin- and Tamil-speakers.

Reflecting the diversity of content available on satellite television, the top 50 news channels in 2007, 2009, and 2011 also had many entertainment news programs, consisting of celebrity news or reality shows.

Table 14.

Most popular television news programs on satellite television, 2007, 2009, and 2011

Newscast	Language	Total viewership ('000)		
		July 2007	July 2009	July 2011
“ <i>Evening Edition</i> ” (AEC)	Mandarin	146	217	307
“ <i>Nadi Arena</i> ” (Arena Beat) (Arena)	Malay	n/a	n/a	238
“ <i>Buletin Awani 1</i> ” (Awani)	Malay	n/a	n/a	144
“ <i>Buletin Awani</i> ” (Awani)	Malay	n/a	81	114
“ <i>Awani 7:45</i> ” (Awani)	Malay	n/a	64	110
“ <i>News Talk</i> ” (AEC)	Mandarin	n/a	n/a	105
“ <i>Nadi Arena (15)</i> ” (Arena Beat) (Arena)	Malay	n/a	n/a	81
“ <i>Sukan Awani</i> ” (Awani Sports) (Awani)	Malay	n/a	n/a	76
“ <i>Bisnes Awani Plus</i> ” (Awani)	Malay	n/a	n/a	74
“ <i>Bernama News</i> ” (AEC)	Mandarin	122	n/a	53 (Bernama TV)
“ <i>Tamil News</i> ” (Bernama TV)	Tamil	n/a	n/a	50
“ <i>News</i> ” (Sun-TV)	Tamil	205	275	n/a

Notes: n/a indicates that the news program was not in the Top 50 most watched news programs for the period surveyed. Excludes entertainment news channels

Source: Nielsen, “TV Viewership Report,” proprietary data not published

1.3.3 Impact of Digital Media on Good-quality News

The media scene on terrestrial television and radio, digital satellite television, and print is dominated by a few organizations, where a few companies own most of the main channels, networks, and newspapers. The internet is the only platform where there is a more level playing field. Independent online news sites have therefore probably been the biggest contributor to the quality of news, particularly with regard to news coverage and non-partisanship.

As many media companies are government-owned or government-friendly, it is rare for news that is openly critical of the BN government to be found on television, radio, and in the major newspapers. It is on the internet where such news is published, leading many BN politicians to accuse internet news sites of being friendly to the opposition. Several corruption scandals involving government ministers were first broken on online news sites. The print media often have had no choice but to finally run stories of such scandals, as the news had already become so widely known due to dissemination on the internet.

Some online news sites have also focussed on news items that at times get buried in the traditional media. Malaysiakini.com often features news items about the Orang Asli and Orang Asal, the indigenous people of Malaysia. The news website has highlighted, among other things, their struggles with the government or private companies acquiring their land and not providing adequate compensation. The online news site Thenutgraph.com has also examined the media's treatment of lesbian, gay, bisexual, and transgender (LGBT) issues and has published many articles on political Islam, both of which are not often discussed in the traditional media.

In other areas, such as accuracy and thoroughness, the new media faces perhaps greater challenges than the traditional media (see section 4). The challenges of monetizing online content and the constant pressure for breaking news has made it difficult for online sites to produce lengthier features or to conduct investigative journalism. The speed at which news is published online also poses greater challenges to the proper verification of stories.

There is some openness and diversity on satellite news programs compared with their terrestrial counterparts. The limited reach of satellite news programs compared with terrestrial news bulletins perhaps allows such programs some leeway in discussing government policies more openly. Astro Awani, Astro's in-house news channel, for example, has aired forums and debates featuring opposition politicians, with more open discussions than can be found on terrestrial television.

1.4 Assessments

The most significant impact digitization has had on news offer and choice has been the diversity of news available on the internet. The media scene—terrestrial television, satellite television, radio, and print—is dominated by monopolies. Some of these monopolies are under direct or indirect government control. Strict laws requiring publishing permits keep the print media in check. This has resulted in the media avoiding being openly critical of the government or media owners and often resorting to one-sided reporting, especially near election times.

The online media have broken this taboo. Government scandals, exposés, critical letters, and opinions have all been published on the internet. Readers are able to interact via comments and respond to published articles and each other. The availability of alternative sources of information has political ramifications. After the BN suffered major losses in the 2008 general election, the then prime minister, Abdullah Ahmad Badawi,

admitted that his party had lost the internet war. “It was a serious misjudgment. We made the biggest mistake in thinking that [the internet] was not important,” he reportedly said.³⁶ Readership of the top online media sites has risen further since 2008. This trend is likely to continue for a few more years as more Malaysians start accessing the internet from their mobile phones via 3G and as internet penetration continues to increase.

But the proliferation of news online also brings its own problems. The speed at which stories appear online leads to difficulties in verification. Monetizing online content so that good journalism can be supported has also been a challenge for smaller online news sites. Reader discernment is also required to distinguish between news and unsubstantiated gossip spread online. There are also gaps between rural and urban internet penetration, and between Peninsular Malaysia and the east Malaysian states of Sabah and Sarawak.

Digitization’s impact on good journalism, however, is probably minimal. Core values such as courage, integrity, accuracy, and good research skills remain integral to good journalism, whatever the medium. What the internet has provided is a wider platform for such journalistic values to be exercised.

In other areas, the arrival of digital satellite television via Astro with over 150 channels has led to many viewers switching from terrestrial television to digital television. The many channels on satellite television means no one channel or program has a dominant market share. Although viewership of the top terrestrial news program has been slowly declining over the past five years, it still commands almost 10 times more viewers than the top satellite news program.

The proliferation of channels on satellite television has also led to more local news channels being set up. Astro has exclusively Mandarin and Tamil channels, which terrestrial television does not offer, which is significant for the large Mandarin- and Tamil-speaking minorities in Malaysia.

There is currently no national radio channel that exclusively offers news. The top radio channels are all entertainment channels with news programs interspersed. Bernama, the state news agency, has a radio channel, but it only serves the central regions of Peninsular Malaysia and, since January 2012, Johor Baru in the south. BFM 89.9 focusses on business news and current issues. However, its broadcasts only reach the central regions of Peninsular Malaysia. It also broadcasts mainly in English, which is not as widely spoken as Malay or Mandarin. There is no indication that pure news radio channels will be launched once terrestrial broadcasting is digitized.

36. *New York Times*, “Malaysian leader admits ignoring Internet was a mistake,” 25 March 2008, at <http://www.nytimes.com/2008/03/25/world/asia/25iht-malay.1.11396684.html> (accessed 30 July 2012).

2. Digital Media and Public or State-administered Broadcasters

2.1 Public Service and State Institutions

2.1.1 Overview of Public Service Media; News and Current Affairs Output

2.1.1.1 Television

The state broadcaster is RTM, which is state-owned and housed in the broadcasting department under the Ministry of Information, Communications, and Culture. RTM currently operates two free-to-air television channels, 35 radio stations, and one digital television channel.

RTM originated as Radio Malaya, set up by the British colonial administration under the Department of Broadcasting in 1946 after the Second World War. It initially used the BBC as a source of content while also broadcasting news, announcements, current affairs, documentaries, music, interviews, and quizzes.³⁷ When the British administration faced opposition from the Malayan Communist Party, radio broadcasts were aimed at selected villages and districts, seen as supportive of the insurgents, to “bring them into closer touch with the Government and with progress in the outside world.”³⁸

Upon Malaya’s independence in 1957, the Department of Broadcasting was made part of the prime minister’s portfolio, then transferred to the Information and Broadcasting Ministry from 1961.³⁹ Its principal aim became informing the people about the government’s policies and plans, and fostering harmony among the multi-ethnic and multi-religious population.⁴⁰ RTM became known for its patriotic songs, produced in-house at RTM.

37. Department of Broadcasting Malaysia, *RTM Merentas Zaman* (RTM Across the Times), Ministry of Information, Communications and Culture, Selangor, 2010, p. 40 (hereafter, *RTM Across the Times*).

38. D.O. McDaniel, *Broadcasting in the Malay World: Radio, Television and Video in Brunei, Indonesia, Malaysia and Singapore*, Ablex Publishing Corporation, Norwood, NJ, 1994, p. 63.

39. Since 2009, the Ministry of Information, Communications, and Culture.

40. *RTM Across the Times*, p. 58.

When Singapore, Sabah, Sarawak, and Malaya formed the nation of Malaysia in 1963, Radio Malaya became Radio Malaysia. Television broadcasting began in 1963, following a 1960 cabinet decision and the formation of a subcommittee for that purpose. In 1969, Radio Malaysia and Televisyen Malaysia combined to become Radio Televisyen Malaysia, or RTM, as it is known today.⁴¹

RTM's chief function remains disseminating government policies and plans through its programming.⁴² It is headed by the director general of broadcasting, who is a civil servant and part of the Public Service Department, headed by the chief secretary to the government. As with other government departments, RTM's annual budget is determined by the government. According to the information, communications, and culture minister, its 2011 budget was MR (Malaysia ringgit) 560 million (US\$ 186.6 million) for its approximately 4,900 staff and for content. Since the 1990s there has been talk of corporatizing RTM. A proposal was submitted to the National Economic Council, a high-level government committee, for consideration in 2011, but no fresh announcements have been made on any progress on the matter.⁴³

RTM has been criticized over the years in Parliament by the federal opposition for not providing balanced coverage to political parties, and only focussing on the ruling BN.⁴⁴ The federal opposition has alleged that RTM is biased even when federal opposition parties form the state government and BN is the state opposition.

Bersih 2.0, which organized massive street demonstrations in 2007, 2011, and 2012, has made free and fair access to the media one of its eight demands. It has called on the Election Commission (EC) to press all media agencies, especially RTM and the news agency Bernama, to allocate proportionate and objective coverage for all political parties.⁴⁵

In June 2012, the information, communications, and culture minister announced that political parties would be allowed air time on RTM to present their election manifestos before the general election, but this move was criticized as hardly going far enough (see section 2.2.1).

RTM's two free-to-air terrestrial channels are TV1 and TV2. They are currently the oldest channels in Malaysia, TV1 broadcasting since 1963 and TV2 since 1969. Both channels are available on the digital satellite television provider, Astro, along with RTM's exclusively digital channel TVi.

41. *RTM Across the Times*, p. 90.

42. Broadcasting Department Malaysia, "Annual Report, 2010," at http://www.rtm.gov.my/rtmv2/index.php?option=com_content&view=article&id=148&Itemid=107&lang=en (accessed 31 January 2013) (hereafter, Broadcasting Department Malaysia, "Annual Report, 2010").

43. Thestar.com, "Rais: Proposal to corporatize RTM submitted to National Economic Council," 23 May 2011, at <http://thestar.com.my/news/story.asp?file=/2011/5/23/nation/20110523171422&sec=nation> (accessed 31 January 2013).

44. See Malaysian Parliament Hansard, 9 November 1992, at <http://www.parlimen.gov.my/files/hindex/pdf/DR-09111992.pdf>, p. 63 (RTM criticized for giving undue coverage to the UMNO general assembly which took place over three days); Malaysian Parliament Hansard, 4 April 2000, at <http://www.parlimen.gov.my/files/hindex/pdf/DR-04042000.pdf>, p. 81 (Information Minister criticized for stating that opposition parties would not be given air time on RTM) (accessed 31 January 2013).

45. Bersih 2.0, "8 Demands," at http://www.bersih.org/?page_id=34 (accessed 31 January 2013).

TV1 is branded as an information channel. About 74 percent of TV1's programs consist of news, and religious (mainly Islamic) and current affairs programs. About 20 percent is dedicated to drama and entertainment, and about 6 percent to children's programs. In 2010, TV1 aired an average of 32 hours of news a week, making up 23.9 percent of its 134 hours a week. TV1's programs are 95 percent in Malay, with 5 percent in English.

TV2 is more of an entertainment channel. About 60 percent of TV2's programs are entertainment programs, with about 30 percent dedicated to news and current affairs and about 8 percent to children's programs.⁴⁶ TV2 aired an average of 17 hours of news a week in 2010, making up 10.27 percent of its 168 hours a week. TV2 broadcasts in several different languages. Malay programs make up 44.49 percent, followed by English at 25.45 percent, Mandarin at 16.67 percent, Tamil at 9.52 percent, Hindi at 2.68 percent, and Cantonese at 1.19 percent.

In addition to an in-house current affairs unit, RTM has an in-house television production unit that produces programs such as documentaries on environmental and cultural issues.

Table 15.

Types of programs and number of hours aired by TV1 and TV2 in a week in 2010

Program	Total no. of hours (TV1, TV2)	% (of total programming)	No. of hours TV1	% (of total programming)	No. of hours TV2	% (of total programming)
Religious	16:00	5.3	15:00	11.9	1:00	0.6
News	49:15	16.3	32:00	23.8	17:15	10.2
Drama	76:40	25.3	13:50	10.3	62:50	37.4
Entertainment	11:50	3.9	4:50	3.6	7:00	4.1
Comedy	4:50	1.6	0	0	4:50	2.8
Movie	21:50	7.2	0	0	21:50	13.0
Telemovie	17:00	5.6	8:00	5.9	9:00	5.3
Kids	21:40	7.1	8:40	6.7	13:00	7.7
Documentaries	47:15	15.6	23:50	17.7	23:25	13.9
Sports	6:50	2.2	6:00	4.4	00:50	0.5
Forums and talk shows	27:50	9.2	21:50	16.2	6:00	3.5
Reality	1:00	0.3	0	0	1:00	0.6
Total hours	302		134		168	

Source: Consultation and Production Unit, Strategic Development Division, Broadcasting Department Malaysia

46. Ministry of Information, Communications, and Culture, *Statistics and Information 2010*, Kuala Lumpur, 2010.

In terms of viewership, TV1 and TV2 generally lag behind the private terrestrial television broadcaster Media Prima, a private-sector media conglomerate. The top terrestrial channel is Media Prima's TV3, which had a reach⁴⁷ of almost 8 million in 2011. TV2's reach was about 4.7 million, while TV1's was about 3.3 million (see section 1.3.1). The most watched news program in Malaysia is TV3's "*Buletin Utama*" (Prime/Main Bulletin), which had a viewership of almost 3 million in 2011. This is compared with RTM's most watched news program TV1's "*Berita Nasional*" (National News), which had a viewership of about 450,000 in 2011.⁴⁸

The Broadcasting Department's 2010 report states that its function is to provide broadcasting services via electronic media to disseminate information about the government's policies and plans.⁴⁹ RTM's news content therefore contains a lot of government information. Its annual report lists the following as part of the news' emphasis: leaders' speeches, official government statements, activities involving "1Malaysia" (national unity slogan), and policy issues including the Government Transformation Program (GTP) and National Key Result Areas (NKRA). The GTP involves the identification of key areas, such as combatting corruption, reducing crime, and improving rural infrastructure. Each NKRA was placed under a specific ministry's purview and key performance indicators (KPIs) were identified to track each area's progress. The report states that RTM also seeks to improve people's understanding of the constitution and *Rukunegara* (national principles).

2.1.1.2 Radio

RTM operates six national radio stations: Klasik Nasional FM, Muzik FM, TraXX FM, Ai FM, Minnal FM, and Asyik FM.⁵⁰ None of these is purely a news channel; most offer a mixture of music, information pieces, and news. Klasik and Muzik FM broadcast in Malay, TraXX in English, Ai in Mandarin, Minnal in Tamil, and Asyik in four indigenous (Orang Asli) languages. In 2010, the six channels broadcast about 62 hours of news a week out of 938 hours, making up 6.6 percent of the total broadcast. Information and education programs made up about 91 hours a week, about 9.7 percent of the total broadcast. The six channels broadcast mainly entertainment, making up about 553 hours a week, almost 60 percent of the total broadcast.⁵¹

RTM's radio ratings lag behind those of private companies. In 2011, none of its channels was in the top 10 channels with the most listenership (see section 1.3.1). The top 10 list is dominated by AMP Radio Networks, owned by digital satellite provider Astro Malaysia Holdings, and Media Prima.

RTM also has an international channel, Voice of Malaysia (*Suara Malaysia*), state radio channels, and district channels.

47. Reach: the number of individuals who have seen at least five consecutive minutes of a program or day part.

48. Viewership: average minutes rating; average number of individuals who have seen a specific program (per program per minute) or day part (per day per minute) (see section 1.3.2).

49. Broadcasting Department Malaysia, "Annual Report, 2010." There is no statute or other government decree outlining RTM's mandate.

50. Since 2012, Klasik Nasional FM has been divided into two radio stations, Radio Klasik and Nasional FM. According to RTM's television production deputy director, Radio Klasik was ranked eighth in audience share in 2012.

51. Ministry of Information, Communications, and Culture, *Statistics and Information 2010*, Kuala Lumpur, 2010.

2.1.1.3 Bernama

Bernama is the Malaysian national news agency. It was set up by an Act of Parliament, the Bernama Act, in 1967. Before 1997, foreign news agencies operating in Malaysia paid a fee, which funded Bernama's operations. However, the fee was abolished with the passing of the Communications and Multimedia Act 1998. Since then, Bernama has been funded partly by a government grant and partly through self-generated revenue from its newswire service, advertisements, photographs, coffee-table books, and other sources such as its news update service, Bernama Mobile Newsroom. The government's proportion is roughly half Bernama's operating cost of MR60 million (US\$20 million).⁵²

Bernama's management is vested in a board of governors of 11–13 members, appointed by Malaysia's head of state (Yang di-Pertuan Agong). Other than the chairperson, the rest of the board consists of government representatives and proprietors of Malaysian newspapers who subscribe to Bernama, in equal proportions.⁵³ There is also a supervisory council of five members, also appointed by the head of state, to hear complaints and to consider any matter referred to it by the board.⁵⁴ Bernama's objectives, as listed in section 4 of the Act, are:

- to seek for and present complete, objective, and impartial news or news material on any matter of public and national interests within and outside Malaysia;
- to distribute such news or news material to subscribers against payment either in the form of fees or news exchange or both;
- to report truthfully and fairly, without prejudice to public and national interest, the views of all sections of the population of Malaysia.

Its main service is as the national newswire. It produces about 200 news items a day and serves both the traditional print media as well as the online media. Take-up of its news items is 15–20 percent in Peninsular Malaysia. Take-up is much higher for Sabah and Sarawak newspapers, which rely heavily on Bernama, especially for news from Peninsular Malaysia. Take-up of Bernama articles can reach about 45 percent for those two states.⁵⁵

Bernama also publishes articles on its website, Bernama.com. The internet's speed and the drive of several major newspapers to develop their online sites sometimes results in Bernama's stories appearing on subscribers' websites before Bernama's itself. Google trends statistics indicate that Bernama.com's number of daily unique visitors has remained stable at about 20,000 since 2009.

52. Interview with Bernama chief editor Mr Yong Soo Heong, Kuala Lumpur, 13 August 2012.

53. Bernama Act 1967, section 5.

54. Bernama Act 1967, section 6.

55. Interview with Mr Yong Soo Heong.

Bernama runs a 24-hour radio station, Bernama Radio 24, which broadcasts in and around Kuala Lumpur and since January 2012, Johor Baru, the capital of the state of Johor, and the largest city in the south of peninsular Malaysia. The station broadcasts mostly news and current affairs programs from 6 a.m. to 12.00 a.m. From 12.00 a.m. to 6 a.m., it broadcasts music.

Bernama operates a 24-hour television all-news channel, Bernama TV, broadcast on digital satellite provider Astro. Bernama TV is also available on IPTV through the high-speed fiber-optic broadband operator UniFi, which is run by Telekom Malaysia (TM).

The state media are meant to disseminate information on behalf of the government of the day. The country, however, has had only one coalition in power since Malaya's independence in 1957 and Malaysia's formation in 1963. The result is that the government's interests can easily be conflated with BN's interests. This issue is more acute with RTM, which is essentially a government department, placed directly under the Ministry of Information, Communications, and Culture. Accusations have been made by insiders of interference with RTM programming close to key elections, in order to benefit the BN government (see section 7.3.3).

2.1.2 Digitization and Services

RTM uploads selected programs from TV1 and TV2 on its website Rtm.gov.my and also offers live streaming of its national radio stations. It also live-streams its digital satellite channel, TVi, which has programs highlighting the eastern states of Sabah and Sarawak. All three television channels are currently available on the digital satellite provider Astro. TV1 and TV2 are also available on IPTV.

RTM has plans to increase its number of channels once the digitization of terrestrial television is introduced. It is prepared to have six standard definition channels and one high-definition channel, though there have been no formal announcements about what they will consist of.⁵⁶ RTM has been conducting consumer studies to determine what content it should focus on. It is expected that there will be some form of segregation of languages, as TV2 currently broadcasts in four languages, and is unable to focus on one particular target market.⁵⁷ RTM may also focus on specific themes, such as sports, children, drama, and youth channels.

Bernama is currently expected to have one digital terrestrial channel after digitization. This will probably be the same channel, Bernama TV, as is currently being shown on digital satellite television. It is also available on IPTV, as stated above.

56. Broadcasting Department Malaysia, "Annual Report, 2010."

57. Interview with RTM deputy director-general (broadcasting operations) Mr Abu Bakar Ab Rahim and network and television transmission deputy director Mr Magli Alias, Kuala Lumpur, 27 July 2012.

2.1.3 Government Support

According to the information, communications, and culture minister, in 2011 the government provided RTM with an MR 560 million (US\$ 186.6 million) budget for salaries and content.⁵⁸ According to the minister, RTM has about 4,900 staff. Revenue that RTM earns from advertisements, sponsorship, and such are channeled back to the government.⁵⁹

RTM currently runs three television channels, TV1 and TV2 on terrestrial television and TVi on digital satellite television. After digitization, it has requested seven channels, six in standard definition, and one in high definition. It is expected that the government grant to RTM will have to increase to cater for the additional four channels, although how much that increase will entail has not been decided or disclosed.

The building of the infrastructure for digital transmission will be a completely private enterprise with no recourse to government funds. A CIIP will be appointed through a tender process conducted by the MCMC, to build and run the digital infrastructure. The CIIP will charge broadcasters, including RTM, a broadcasting fee. MCMC is driving the digitization process, and has made it a criterion for the CIIP to provide free services to current existing terrestrial channels during the simulcast period, which will commence once digital terrestrial broadcasting begins some time in 2013 or 2014, and will end once full analog switch-off occurs, a date which is not yet certain. This will include RTM's TV1 and TV2.

As RTM is already funded by the government and will continue to receive such funding after digitization, and coupled with the fact that it is directly under the Ministry of Information, Communications, and Culture, it is not expected that RTM will be more, or less, independent after digitization.

As stated above, Bernama is funded partially from a government grant and partially from self-generated revenue. Bernama TV was funded through a private–public partnership; however, Bernama is currently in the process of attempting to regain full control of Bernama TV.⁶⁰

2.1.4 Public Service Media and Digital Switch-over

Digitization will give RTM a chance to rebrand itself and regain market share from private broadcasters. Nielsen statistics indicate that TV1 and TV2 are lagging behind Media Prima's TV3 (see section 1.3.1). In 2011, TV3's reach was almost 8 million,⁶¹ while TV2 had a reach of about 4.7 million and TV1 a reach of 3.26 million. RTM will have more channels, increasing from its current two terrestrial television channels to seven terrestrial channels. This will enable it to focus channels on specific target groups, whether by language,

58. Rais Yatim, "Strengthening the broadcasting world creatively and innovatively," Ministry of Information, Communications, and Culture, 23 May 2011, at http://www.kpkk.gov.my/index.php?option=com_content&view=article&id=3394%3Aucapan-pemukiman-rtm&catid=174%3Aucapan-menteri&lang=bn (accessed 29 August 2012).

59. Interview with RTM deputy director-general (broadcasting operations) Mr Abu Bakar Ab Rahim and network and television transmission deputy director Mr Magli Alias, Kuala Lumpur, 27 July 2012.

60. Interview with Mr Yong Soo Heong.

61. Reach: the number of individuals who have seen at least five consecutive minutes of a program or day part.

theme, or age group. With a CIIP, RTM will also cease to manage its own transmission, which it is currently doing, and will become a pure broadcaster. This will enable it to focus more on content. Provided that the CIIP fulfills the criteria of its appointment, RTM's reach after digitization should at least equal its current reach.

It will be interesting to observe whether RTM's increased number of channels will provide it with an opportunity to remodel itself to provide useful public information in a more compelling manner, so as to maintain and even expand its reach. Mr Rais said in his 2011 speech (see above) that more emphasis should be placed on the news and current affairs divisions.

2.2 Public Service Provision

2.2.1 Perception of Public Service Media

RTM's deputy director-general (broadcasting) reiterated that RTM's role as a state or public medium was to serve the government and to educate the public on government policies.⁶² RTM's television production unit deputy director also emphasized the need to educate the public on policies and the country's history.⁶³ She also said that RTM provided live telecasts of national events such as Independence Day and Malaysia Day celebrations, which private broadcasters were not obliged to do.

In the course of interviewing editors and journalists for this report, the terms "propaganda" and "government mouthpiece" were used to describe RTM. This perception may have contributed to a decline in RTM's influence and reach among the public, with its audience share lagging behind the private terrestrial broadcaster, Media Prima (see section 2.1.4) and with more television viewers subscribing to the satellite television provider Astro. Astro's subscribers have grown steadily, reaching 50 percent of Malaysian households with television in 2012.⁶⁴ Although RTM's TV1 and TV2 are available on Astro, its news programs do not feature in the top 50 most watched news programs on Astro.⁶⁵

RTM at times seems to be playing catch-up with its private counterparts, with TV2 focussing on a variety of entertainment programs in four different languages, while its radio stations play mostly music, with news programs interspersed. Only TV1 broadcasts mainly news and current affairs programs, but its reach is even less than that of TV2.

Recent public debate on the role of public service media has highlighted the need for equal air time for political parties to present their manifestos during elections, especially on state media. Following a huge

62. Interview with Mr Abu Bakar Ab Rahim and Mr Magli Alias.

63. Interview with RTM television production deputy director Ms Nurliza Ali, Kuala Lumpur, 12 September 2012.

64. E.H. Choong, "Astro has three million subscribers and market penetration of about 50%," *Thestar.com*, 9 August 2012, at <http://biz.thestar.com.my/news/story.asp?file=/2012/8/9/business/11825472> (accessed 21 January 2013).

65. Nielsen statistics for July 2007, July 2009, and July 2011 based on the average number of individuals who have seen a specific program (per program per minute) or day part (per day per minute).

rally on 9 July 2011 in Kuala Lumpur calling for clean and fair elections attended by up to 50,000 people, a parliamentary select committee on electoral reform was set up. Its recommendations, passed in Parliament in April 2012, included a requirement for all campaigning parties to be allowed free and fair access to the media. In May 2012, Mr Rais said his ministry had prepared a Cabinet paper to allow equal access for political parties to present their election manifestos.⁶⁶ However, he had caveats to his announcement: there would be time limits, presentations must follow ministry ground rules, and each announcement would be based on its newsworthiness. The EC also clarified that the presentations would be subject to certain rules, for instance the message had to be pre-recorded to “avoid sensitivities” and had to obtain EC approval.⁶⁷

This suggestion did not find favor with Bersih 2.0, which had organized the 9 July 2011 rally. Its co-chairperson, Ambiga Sreenevasan, said presenting manifestos was insufficient, and did not equate to balanced reporting or free access to the media.⁶⁸ Federal opposition politicians are rarely featured on RTM programs compared with BN’s politicians. In March 2013, Mr Rais announced that political parties would be given 10 minutes of air time each on RTM to present their manifestos.⁶⁹ This offer was rejected by the federal opposition Pakatan Rakyat (PR) coalition, which said that 10 minutes of air time did not constitute fair access to the media.⁷⁰

Bernama has also had to face complaints of being biased in their reporting on federal opposition politicians. An editorial by *Themalaysianinsider.com*, commenting on complaints of misreporting by Bernama by the opposition leader Anwar Ibrahim, reminded the state agency of its duty to serve Malaysia, not just the government of the day, being a federally funded news organization.⁷¹ In September 2012, it emerged that a photograph released by Bernama of Prime Minister Najib Razak meeting people in his constituency had been doctored to make it appear that the crowd was larger. Bernama’s chief editor said that an internal investigation revealed that the photograph was indeed doctored and that further investigations would be made to determine the motive.⁷² A 2013 study by the Centre for Independent Journalism and the University of Nottingham in the run-up to the general election showed that Bernama gave extensive coverage to the BN. During the period studied, BN received 62.1 percent of Bernama’s coverage, compared to 34.71 percent for the opposition coalition. Bernama also gave the BN the most positive and neutral coverage, while the opposition coalition received the most negative coverage and attacks.⁷³

66. *Themalaysianinsider.com*, “Cabinet paper on equal media access for political parties ready: Rais,” 22 May 2012, at <http://www.themalaysianinsider.com/litee/malaysia/article/cabinet-paper-on-equal-media-access-for-political-parties-ready-rai> (accessed 29 August 2012).

67. *New Straits Times*, “EC: Election manifesto over RTM will be via recording,” 22 June 2012, at <http://www.nst.com.my/latest/ec-election-manifesto-over-rtm-will-be-via-recording-1.97139> (accessed 31 January 2013).

68. T. Palani, “Bersih: What fair access to the media?,” *Freemalaysiatoday.com*, 13 June 2012, at <http://www.freemalaysiatoday.com/category/nation/2012/06/13/bersih-what-fair-access-to-media> (accessed 29 August 2012).

69. *Thestar.com*, “GE13: Political parties to get 10 minutes RTM airtime each to present manifestos,” 22 March 2013, at <http://thestar.com.my/news/story.asp?file=/2013/3/22/nation/20130322192459&sec=nation> (accessed 10 April 2013).

70. R. Anand, “Pakatan rejects RTM’s offer of 10 minutes airtime,” *Malaysiakini.com*, 26 March 2013, at <http://www.malaysiakini.com/news/224942> (accessed 10 Apr 2013).

71. *Themalaysianinsider.com*, “Bernama’s credibility—The Malaysian Insider,” 20 January 2011, at <http://testsite.internalinsider.info/mobile/breakingviews/article/bernamas-credibility-the-malaysian-insider> (accessed 18 September 2012).

72. *Themalaysianinsider.com*, “Bernama admits PM photo doctored,” 20 September 2012, at <http://www.themalaysianinsider.com/malaysia/article/bernama-admits-pm-photo-doctored> (accessed 24 September 2012).

73. T.J. Houghton, “Watching the Watchdog, Preliminary Results—Release 1,” University of Nottingham and Centre for Independent Journalism, 21 Apr 2013, at <http://pilihanraya.info/wp-content/uploads/2012/10/WtW.Release.1.11.pdf> (accessed 14 May 2013).

2.2.2 Public Service Provision in Commercial Media

Commercially funded media are expected to broadcast two minutes of public service announcements (PSA) every hour. Media organizations are given some leeway in producing their own PSAs, resulting in a range of issues being addressed, such as advice on road safety and greetings during festivals. Advertisements are not to exceed more than 10 minutes per hour.

Terrestrial television broadcasters are also expected to air at least 60 percent of local content. Media Prima said that the 60 percent requirement was not an issue for them as they were interested in creating local content and supporting local industry.⁷⁴

2.3 Assessments

RTM has been often criticized for not providing free and fair coverage to political parties and focussing mainly on BN. There have been recent demands by NGOs such as Bersih 2.0 for free and fair access to the media, especially to RTM and Bernama. A grudging concession was made in June 2012 to allow political parties to present their general election manifestos during the campaigning period, subject to restrictions. This was criticized for not going far enough.

RTM has already lost audience share and viewership to Media Prima and Astro, even before the digital switch-over of terrestrial television. It also has to compete with additional channels on IPTV, which has gained subscribers rapidly, and people watching programs on the internet. Digitization will give the state broadcaster a chance to rebrand to try to regain audience share. It will have more channels and will be able to target specific groups, whether through language, theme, or age. Whether or not it will be able to benefit from digitization will depend very much on the content that it produces and broadcasts. Given the range of content already available through the internet and satellite television, content will have to be compelling to attract audiences, particularly if it is concerned with government policies and plans. The perception that RTM has become a BN government mouthpiece will be one of the issues it will have to deal with when introducing new channels.

It is unlikely that digitization will make a significant difference to RTM's radio channels, since it already has seven national channels and many other regional channels. It is rather the content of the channels that will make a difference.

The speed and reach of the internet has meant that newsrooms need to rely less on Bernama, as they can also refer to websites or even social media for information on breaking news. Bernama continues to be heavily relied on for information on BN and government events, which other news organizations may not have full

74. Interview with Media Prima's chief operating officer, shared services TV networks, chief operating officer, Mr Kamal Khalid, TV Networks and group general manager, Mr Ahmad Izham Omar, new media and integrated marketing, Ms Lam Swee Kim, Petaling Jaya, 7 August 2012.

access to. Bernama plans to maintain its current single television channel, Bernama TV, once digital terrestrial begins. Digital terrestrial broadcast may increase its reach, since Bernama TV currently broadcasts mainly on Astro, a pay-TV service.

RTM has become less significant over the decades. From the sole and premier broadcasting organization, it has been overtaken in the past decade or so by the private broadcasters Media Prima and Astro. With digital terrestrial transmission in the hands of the CIIP, it will also cease to manage transmission and become a pure broadcaster.

With the proliferation of content through the internet and satellite television, and in future through digital terrestrial television, RTM will need to compete hard to maintain audience share. RTM's deputy director-general (broadcasting), Abu Bakar Ab Rahim, states that if RTM has a viewership of least 20–25 percent of the population, that would be normal for a public broadcasting station.

3. Digital Media and Society

3.1 User-Generated Content (UGC)

3.1.1 UGC Overview

Numbers of visitors to UGC sites have steadily increased, in common with other countries. Of the top 10 most popular visited sites in Malaysia listed in Table 16, five are UGC sites. They are Facebook, Wikimedia, WordPress, Mudah.my, and 4shared.com. The social networking site Facebook tops the UGC list, followed by the free encyclopedia Wikimedia and the blogging site WordPress. The local site Mudah.my, which is similar to eBay, and 4shared.com, a file-sharing site, complete the list. Table 16 also contains other UGC sites—YouTube, Blogspot.com, and Blogger.com—which are subsumed under the Google sites statistics.

Table 16.

Top 10 most popular websites, 2009 and 2011

Ranking	Website	Total no. of unique visitors ('000)		Reach (%), August 2011
		June 2009	August 2011	
1	Google sites	7,091	10,381	92.4
2	Facebook.com	3,076	9,879	87.9
3	Yahoo! sites	6,442	8,231	73.3
4	Microsoft sites	4,697	7,222	64.3
5	Wikimedia Foundation sites	1,924	3,246	28.9
6	WordPress	1,412	3,004	26.7
7	Mudah.my	1,068	2,528	22.5
8	Media Prima Group	n/a	2,225	19.8
9	4shared.com	n/a	2,170	19.3
10	CBS Interactive	1,267	2,167	19.3
Total internet audience		9,320	11,236	100.0

Notes: Total means home/work locations of visitors age 15+; n/a: not available

Reach % denotes the percentage of the total internet population that viewed a particular entity at least once in that particular month. For instance, Yahoo! sites were seen by 73.3 percent of the 11.2 million internet users in August. See http://www.comscore.com/Insights/Press_Releases/2008/06/Top_50_US_Web_Sites (accessed 20 December 2012).

ComScore's Media Metrix uses its unified digital measurement methodology to provide full insight into a site's total audience, which combines census-based site analytics data with panel-based audience measurement data; as well as using tags on all participating companies' content—web pages, videos, apps, and ads—which will be recorded every time they are accessed. See http://www.comscore.com/Media/Files/Misc/comscore_Unified_Digital_Measurement_Methodology_PDF (accessed 18 March 2013). ComScore has different products for audience measurement across different platforms, and has also used its World Metrix service, where rankings are based on unique visitors and also "average visits per visitor"⁷⁵

Sources: ComScore Media Metrix 2009⁷⁶ and 2011⁷⁷

The top UGC site in Malaysia is the social network Facebook. Malaysians are heavy social network users, totaling 12 million Facebook users in 2011⁷⁸ out of 17.5 million web users in the country. Blogging is still to become a popular pursuit. As shown in Table 17, the top visited UGC sites in Malaysia include the blogging platforms Blogspot.com, Wordpress.com, and Blogger.com. The most popular Malaysian blogs among advertisers are entertainment and lifestyle blogs, such as Beautifulnara.com (entertainment blog), Paultan.org (automotive blog), and Ohbulan.com (entertainment blog).⁷⁹ Other top UGC sites are the local classifieds Mudah.my, the online forum Lowyat.net, the video-sharing sites YouTube and 1tube.my, and the social networking site Twitter.com.

75. See http://www.comscore.com/Insights/Press_Releases/2007/04/Top_Worldwide_Internet_Sites (accessed 15 May 2013).

76. See http://www.comscore.com/dut/layout/set/popup/Insights/Press_Releases/2009/8/Maybank_Leads_as_the_Most_Visited_Local_Site_in_Malaysia (accessed 20 December 2012).

77. See http://www.comscore.com/Insights/Press_Releases/2011/10/Social_Networking_Accounts_for_One_Third_of_All_Time_Spent_Online_in_Malaysia (accessed 20 December 2012).

78. Y.H. Lim, "Facebook in Malaysia hits 12 million users, 70% penetration rate," *Grey Review*, 20 December 2011, at <http://www.greyreview.com/2011/12/20/facebook-in-malaysia-hits-12-million-users-70-penetration-rate> (accessed 28 August 2012).

79. Malaysian Digital Association, "Malaysian website rankings for February 2012," 22 March 2012, at http://www.digital.org.my/pdf/MDA-EM_WebsiteRanking_Report_Feb12.pdf (accessed 1 September 2012).

UGC platforms are increasingly used by politicians and companies to try to connect with ordinary Malaysians. Prime Minister Najib Razak set up his own website, blog, Twitter account, Facebook site, YouTube page, and Flickr photo site. His Facebook fan page has more than 1 million “likes” and his Twitter account has more than 830,000 followers. Local and international companies in Malaysia use Facebook fan pages and Twitter as part of their marketing campaigns, from major brands such as KFC and Sony, to smaller companies and local eateries.

Social media sites are also used to share information in an age where the government-controlled traditional media are becoming increasingly distrusted.⁸⁰ For example, a spate of crimes in 2012 was widely discussed on Facebook, with many expressing concern at the crime rate. The government, which initially insisted that increasing crime was a matter of “perception,” eventually issued a statement saying crime-fighting was being made a priority.⁸¹

Many established traditional media in Malaysia have also recognized the importance of establishing their presence on UGC sites. National newspapers *The Star*, *New Straits Times*, *Berita Harian*, *Utusan Malaysia*, and *Sin Chew Daily*, and the tabloid *Harian Metro* have Facebook and Twitter accounts, with *Berita Harian*’s Twitter account being the most popular, with more than 330,000 followers.⁸²

Table 17.
Top 10 UGC sites accessed by Malaysians, February 2012

Ranking	Site	UGC type
1	Facebook.com	Social network
2	Mudah.my	Classifieds
3	YouTube.com	Video-sharing
4	Blogspot.com	Weblog
5	Wikipedia.org	Website
6	Lowyat.net	Web board/forum
7	Wordpress.com	Weblog
8	4shared.com	File-sharing
9	1tube.my	Video-sharing
10	Twitter.com	Social network

Note: The Malaysian Digital Association uses the Effective Measure, which relies on a site’s unique browsers (UB), page views (PV), average session duration (ASD), and average page views per session (APVPS)⁸³

Source: Adapted from Malaysian Digital Association

80. H. Farr, “Social media challenge Malaysia’s political scene,” UPI, 22 February 2012, at http://www.upi.com/Top_News/World-News/2012/02/22/Social-media-challenge-Malaysias-political-scene/UPTU-1531328830104 (accessed 3 September 2012).

81. A. Razak, “For first time since Merdeka, crime-busting a priority,” *Malaysiakini.com*, 16 August 2012, at <http://www.malaysiakini.com/news/206496> (accessed 23 August 2012).

82. See <https://twitter.com/bharianmy> (accessed 2 September 2012).

83. Malaysian Digital Association, “Malaysian website rankings for February 2012,” 22 March 2012, at http://www.digital.org.my/pdf/MDA-EM_WebsiteRanking_Report_Feb12.pdf (accessed 20 December 2012).

Content-sharing from citizen journalists akin to CNN’s iReport is not yet widespread. The Malay-language dailies *Berita Harian*, *Utusan Malaysia*, and *Harian Metro* have UGC segments on their online sites that accept photos, reports, and comments through Short Message Service (SMS) and Multimedia Messaging Service (MMS).

3.1.2 Social Networks

One-third of all time spent online in Malaysia is on social networking websites.⁸⁴ Facebook and Twitter ranked as the top two preferred social networking sites in 2011, with 10.17 million and 1.43 million total unique visitors respectively.⁸⁵ There were more than 12 million Facebook users⁸⁶ in 2011. In 2013, there were about 1.3 million Twitter users⁸⁷ in Malaysia. A Yahoo!-Synovate 2011 study which interviewed 2,635 Peninsular Malaysians found that 90 percent used social networking sites—an increase of 61 percent over 2010, using the same study approach.⁸⁸

Table 18.
Top 10 social networks, 2012

Ranking	Social network
1	Facebook
2	YouTube
3	Twitter
4	LinkedIn
5	Tagged
6	Instagram
7	Tumblr
8	Pinterest
9	Flickr
10	deviantART

Note: The sites in Table 18 are ordered by their one-month Alexa traffic rank. The one-month rank is calculated using a combination of average daily visitors and page views over the past month. The site with the highest combination of visitors and page views is ranked first⁸⁹

Source: Adapted from Alexa.com, “Top Sites in Malaysia”⁹⁰

84. ComScore, “Social networking accounts for one third of all time spent online in Malaysia,” 17 October 2011, at http://www.comscore.com/Press_Events/Press_Releases/2011/10/Social_Networking_Accounts_for_One_Third_of_All_Time_Spent_Online_in_Malaysia (accessed 2 September 2012).

85. ComScore, “Top 10 need-to-knows about social networking and where it’s headed,” 21 December 2011, at http://www.comscore.com/Press_Events/Presentations_Whitepapers/2011/it_is_a_social_world_top_10_need-to-knows_about_social_networking (accessed 2 September 2012).

86. Y.H. Lim, “Facebook in Malaysia hits 12 million users, 70% penetration rate,” *Grey Review*, 20 December 2011, at <http://www.greyreview.com/2011/12/20/facebook-in-malaysia-hits-12-million-users-70-penetration-rate> (accessed 19 July 2012).

87. See <http://www.politweet.org> (accessed 14 May 2013).

88. Yahoo!-Synovate, *Net Index 2011 Highlights Malaysia*, Kuala Lumpur, 2011.

89. For further details, see <http://blog.alexa.com/2009/08/alexa-101-anatomy-of-traffic-rank-graph.html> (accessed 20 July 2012).

90. See <http://www.alexa.com/topsites/countries/my> (accessed 18 December 2012).

Twitter is becoming increasingly popular, with many public personalities on the site. When the national badminton player Lee Chong Wei played the Chinese star Lin Dan during the 2012 Olympics final, there were a staggering 16,847 tweets per minute about the match and the hashtag #ThankYouLeeChongWei made it to Twitter’s Worldwide Trends list in third place.⁹¹

Local social media networks exist such as 1Malaysia.com (initiated by the prime minister), Ruumz.com, eKawan, Uonline.my, eMeiMei, and Friendx.com, but they have far fewer users compared with the established international social media giants.

Table 19.
Top Malaysian social networks, July 2009

Ranking	Social network	Alexa traffic rank in Malaysia, as of 28 July 2009	Google Ad Planner’s unique visitors from Malaysia, as of 28 July 2009
1	Ruumz	1,687	36,000
2	eKawan	2,045	32,000
3	GoEatOut	2,666	22,000
4	Circles99	3,660	9,300*
5	Pacmee	19,444	7,700*
6	eMeiMei	21,360	7,000*
7	Friendx	22,971	n/a

Notes: * Total worldwide unique visitors; n/a: not available

Source: ComScore World Metrix July 2009

3.1.3 News in Social Media

There are no specific data on how many Malaysians read news on social networks and blogs, but there are data showing that the internet is one of Malaysians’ main sources of news. Nielsen figures for 2011 show that Malaysians view the internet as “the preferred information source (63 percent), the most trusted source (46 percent), and the main source of news (44 percent) across all media besides entertainment (51 percent).”⁹²

A 2009 MCMC⁹³ survey on household internet use showed that 76.9 percent of Malaysians used the internet to look for information, 74.8 percent for communication by text, 50.1 percent for leisure, and 46.8 percent for social networking or participating in the online community. It stated that 53.9 percent of internet users looked for “e-books, magazines and newspapers” online. The survey found that 41.9 percent of home users read blogs, and 27.6 percent of them read news portals with no print edition.

91. Y.H. Lim, “Almost half a million Twitter mentions of Malaysian Olympic badminton player,” Forbes.com, 6 August 2011, at <http://www.forbes.com/sites/limyunghui/2012/08/06/almost-half-a-million-twitter-mentions-of-malaysian-olympic-badminton-player> (accessed 14 August 2012). Incidentally, he lost.

92. L.J. Ariffin, “Nielsen: Malaysians spend 20 hours online per week,” Themalaysianinsider.com, 24 October 2011, at <http://www.themalaysianinsider.com/litee/malaysia/article/nielsen-malaysians-spend-20-hours-online-per-week> (accessed 14 August 2012).

93. MCMC, *Household Use of the Internet Survey 2009*, Cyberjaya, 2010.

Editors of traditional and online media organizations revealed, when interviewed, that Facebook and Twitter are major drivers of traffic to their websites. For example, Facebook and Twitter have overtaken Google as the main driver of traffic to top online news site Malaysiakini.com.⁹⁴ Some articles on Malaysiakini.com's Facebook wall have attracted over 1,000 comments.

The group editor, Mustapa Omar, of the top Malay-language tabloid, *Harian Metro*, recognized the importance of social media strategies, particularly to attract youngsters. "We are in fact using social media as a tool to promote our stories and content. It is an important driver to our online portal, and we also use social media for our breaking news—we tell them to read about it there first, and then buy our paper for more," he said.⁹⁵

Malaysia's best-selling English daily, *The Star*, via Thestar.com, hosts a Twitter-based interview segment called "On the spot live tweet sessions" through their iPad app. Various politicians, activists, and prominent individuals in the Malaysian Twittersphere have participated in these sessions, answering questions posed by other Malaysians.

Most of the journalists interviewed for this report also cited consuming news articles from social media networks and having to scan their Twitter feed for news updates. Live tweets, for example, during large rallies, are also useful for a real-time sense of what is taking place on the ground.

Recent news reports demonstrate that news items or issues originating from Twitter and Facebook do reach a mainstream audience and have the ability to go viral. The sharing of crime incidents online in 2012, sparking concerns of a rising crime rate, prompted the government to specifically address the issue of stories on social media. "One person mentions a crime case, and that is only one case, but with the convenience of the internet, everyone clicks a 'share' button, 100 people share (it online), others seeing it will think 100 crime cases have happened," a government spokesperson on crime was quoted as saying.⁹⁶

Another indicator of the popularity of social networking sites was the setting up of Politweet.org. This research firm exclusively analyses interactions on Twitter among Malaysians and between Malaysians and politicians. Politweet recorded the impact of Twitter on reporting the 9 July 2011 Bersih rally for electoral reform. It recorded 33,940 users and 263,228 tweets and re-tweets about the rally, using #bersih and related terms, from 9 June 2011 to 14 August 2011.⁹⁷

Some of the top-trending hashtags worldwide that have originated from Malaysia have been the #ThankYouLeeChongWei (mentioned above), #SNSDtoMY, #yorais, and #Stop114a. With the exception of

94. Interview with Malaysiakini.com chief executive officer, Mr Premesh Chandran, Kuala Lumpur, 12 July 2012.

95. Interview with *Harian Metro* group editor, Mr Mustapa Omar, Kuala Lumpur, 13 August 2012.

96. I. Lim, "Social media gives high crime rate impression, says new crime NKRA chief," *TheMalaysianInsider.com*, 12 August 2012, at <http://www.themalaysianinsider.com/malaysia/article/social-media-gives-high-crime-rate-impression-says-new-crime-nkra-chief> (accessed 14 August 2012).

97. Politweet, "Impact of the July 9 Rally and #bersih on Twitter, 9 Jun–14 August," *Politweet.org*, August 2012, at http://www.politweet.org/site/july9rally_hist.php (accessed 22 August 2012).

#SNSDtoMY,⁹⁸ which was related to fans wanting the South Korean pop group Girls' Generation to come to Malaysia, the other hashtags were related to news issues. The #yorais hashtag was related to Malaysians poking fun at the Minister of Information, Communications, and Culture, Rais Yatim, after he warned against being totally immersed in Facebook and Twitter, which he said were tools of the West.⁹⁹

The hashtag #Stop114a related to a campaign opposing a controversial amendment to the Evidence Act 1950, organized by the media watchdog, the Center for Independent Journalism (CIJ). The amendment was passed hastily in April 2012. After a widespread internet campaign, the prime minister responded to the campaign on Twitter, tweeting "I have asked Cabinet to discuss section 114A of the Evidence Act 1950. Whatever we do we must put people first."¹⁰⁰ However, Mr Rais later announced that no changes would be made to the amendment.¹⁰¹

3.2 Digital Activism

3.2.1 Digital Platforms and Civil Society Activism

The internet has been invaluable for civil society movements in Malaysia, especially as most of the traditional media are under government control. The internet has been used for online petitions,¹⁰² to create Facebook pages highlighting an issue,¹⁰³ to mobilize "flash mobs,"¹⁰⁴ to organize campaigns,¹⁰⁵ and to attract thousands of people to street protests.¹⁰⁶

The internet has also been used by civil society organizations for purely online campaigns, offline gatherings, and combinations of both.

A Facebook group, 1M Malaysians Reject 100-storey Mega Tower, started out with a purely online campaign. In October 2010, it encouraged Facebook users to change their profile pictures to protest against the construction of an estimated MR5 billion 100-storey skyscraper close to a historical site in Kuala Lumpur. The Facebook page garnered over 100,000 supporters in under a month. The group then moved offline and organized cake parties

98. *K-pop Daily News*, "(Info) Amazing Malaysian Sones want SNSD to pay Malaysia a visit #SNSDTOMY Trending on Twitter," 29 January 2011, at <http://www.dkpopnews.net/2011/01/info-amazing-malaysians-sones-want-snsd.html> (accessed 22 August 2012).

99. J. Timbuong, "Rais comment has Net users boiling, creates global sensation," *Thestar.com*, 20 January 2010, at <http://thestar.com.my/news/story.asp?file=/2010/1/20/nation/20100120144558&sec=nation> (accessed 22 August 2012).

100. [Twitter.com/NajibRazak](https://twitter.com/NajibRazak), 14 August 2012, at <https://twitter.com/NajibRazak/status/235342064089452544> (accessed 2 September 2012).

101. [Themalaysianinsider.com](http://www.themalaysianinsider.com/malaysia/article/despite-protests-rai-says-evidence-act-amendment-to-stay), "Despite protests, Rais says Evidence Act amendment to stay," 16 August 2012, at <http://www.themalaysianinsider.com/malaysia/article/despite-protests-rai-says-evidence-act-amendment-to-stay> (accessed 13 December 2012).

102. [Stopanimalabuse.my](http://stopanimalabuse.petfinder.my), "Shake-up needed in Malaysia to end animal abuse," 18 May 2011, at <http://stopanimalabuse.petfinder.my> (accessed 23 August 2012).

103. Facebook, "1M Malaysians reject 100-storey mega tower," at <https://www.facebook.com/NoMegaTower> (accessed 23 August 2012).

104. Facebook, "Malaysians can walk freely in KLCC without police permit," at <https://www.facebook.com/events/224349327638764> (accessed 23 August 2012).

105. See <https://www.facebook.com/events/224349327638764> (accessed 23 August 2012).

106. Facebook, Bersih 2.0 official page, at <https://www.facebook.com/BERSIH2.0OFFICIAL> (accessed 23 August 2012).

round the country. The aim of the cake-eating was to get round the law requiring public gatherings to obtain a police permit and to make the police look outlandish for arresting a group of friends eating cake together. One such gathering in a McDonald's outlet involving university students drew a Facebook response from the university's vice-president. He announced on his Facebook page that the proposed cake party was illegal and that police would bring in anyone gathered for the party for questioning.¹⁰⁷ The cake party went ahead anyway, albeit in the presence of about a dozen police seated next to the group in McDonald's.¹⁰⁸

The 1M Malaysians Facebook group then focussed on broader public accountability, mobilizing their large number of supporters to help organize a Mother's Day demonstration on 9 May 2011 against a rare earth processing plant near Kuantan, Pahang, operated by the Australian company Lynas, in order to highlight public health concerns over the disposal of the radioactive waste that would be produced. The event by the beach had a picnic atmosphere with about 1,000 attendees, mostly mothers.¹⁰⁹ The group was also instrumental in publicizing the 9 July 2011 Bersih 2.0 rally, which was attended by about 50,000 people. The Facebook group continues to foster discussion online and currently has over 300,000 "likes" on its Facebook page.

Other groups have utilized digital platforms successfully. LoyarBurok.com (a humorous use of Malay slang to mean shifty lawyer) is an active blog highlighting human rights and public accountability issues. It is a good example of a group moving fluidly between online and offline activities. Its online following is used to promote offline activities such as voter education campaigns and public forums. The group writes a column collectively in the state newspaper, *Selangor Times*, and runs a center where people can congregate and run activities.

Seksualiti Merdeka (Sexuality Independence), an annual festival held to foster greater understanding of sexuality rights, is another group that relies on social media platforms to share articles and information. This is particularly important as the traditional media can often be openly hostile in their coverage of LGBT issues.¹¹⁰ In 2010, Seksualiti Merdeka launched a video campaign, "It gets better in Malaysia," featuring Malaysians telling young LGBTs that things will improve.¹¹¹ The internet, however, can also be used to persecute and harass individuals. Azwan Ismail, a Malay-Muslim who was in one of the videos, received death threats online after he openly stated he was gay.¹¹² His video was viewed over 150,000 times.

107. L.H. Lee and W.K. Lee, "Utar warns students over anti-tower cake party," Malaysiakini.com, 16 November 2010, at <http://www.malaysiakini.com/news/148399> (accessed 24 August 2012).

108. N. Aw, "Police join Utar students at McDonald's," Malaysiakini.com, 16 November 2010, at <http://www.malaysiakini.com/news/148431> (accessed 28 August 2012).

109. L.H. Lee, "'Nice cops' allow anti-Lynas protest," Malaysiakini.com, 9 May 2011, <http://www.malaysiakini.com/news/163596> (accessed 28 August 2012).

110. J. Ding, "Media vs LGBTs," The Nut Graph, 18 June 2010, at <http://www.thenutgraph.com/media-vs-lgbts> (accessed 28 August 2012).

111. Seksualiti Merdeka, "It gets better in Malaysia," 8 December 2010, at <http://www.seksualitimerdeka.org/2010/12/it-gets-better-in-malaysia.html> (accessed 24 August 2012).

112. S.J. Zahiid, "'Okay to be gay' video courts death threats," Free Malaysia Today, 22 December 2010, at <http://archive.freemalaysiatoday.com/fmt-english/news/general/14555-okay-to-be-gay-video-courts-death-threats> (accessed 28 August 2012).

Digital platforms have been particularly useful in organizing gatherings. Creative protests against the Peaceful Assembly Bill organized by KilltheBill¹¹³ were primarily promoted via Facebook and email groups. Other rallies, such as those by environmental groups Himpunan Hijau (Green Assembly) and Save Malaysia Stop Lynas, and the women's group Women's Voice of Change (*Wanita Suara Perubahan*)¹¹⁴ also relied on digital platforms to publicize their events.

The Bersih rallies

The biggest rallies assisted by digital platforms were the 9 July 2011 and 28 April 2012 mammoth Bersih rallies, organized by Bersih 2.0. The 2011 rally was attended by up to 50,000 people, and the 2012 rally was probably the largest in the nation's history, with at least 80,000¹¹⁵ (some reports say 300,000¹¹⁶) taking to Kuala Lumpur's streets. The internet was widely used to publicize both events.

The hype prior to the rallies on the internet was palpable. Facebook turned yellow (the Bersih color), with many users putting up Bersih badges on their profile pictures or changing their pictures to something yellow. Humorous videos were posted on YouTube advising first-time rally-goers on what to bring to a rally.¹¹⁷ Useful how-to notes on what to bring and steps to take if arrested or tear-gassed were issued and re-posted by various groups on blogs and Facebook. Tweets with the hashtag #bersih started appearing on the Twittersphere, discussing the rally. Bersih's official Facebook page garnered over 200,000 "likes."¹¹⁸

113. KilltheBill, Facebook, at <https://www.facebook.com/KillTheBill> (accessed 28 August 2012).

114. Wanita Suara Perubahan, Facebook, at <https://www.facebook.com/wanitasuperMY> (accessed 28 August 2012).

115. P. Wong and A. Alhadjri, "Ex-IGP Hanif to head six-member independent advisory panel on Bersih 3.0," *theSun*, at <http://www.thesundaily.my/news/374183> (accessed 23 August 2012).

116. S. Pathmawathy, "300,000 at Bersih 3.0, Ambiga claims success," *Malaysiakini.com*, at <http://www.malaysiakini.com/news/196344> (accessed 23 August 2012).

117. YouTube, "Bersih 2.0: First time Kor (Pt.1)," 28 June 2011, at <http://www.youtube.com/watch?v=rnLGR9FUCnA> (accessed 28 August 2012).

118. Bersih 2.0 [Official], Facebook, at <https://www.facebook.com/BERSIH2.0OFFICIAL> (accessed 28 August 2012).

Online news sites such as Malaysiakini.com published organizers' statements and news on the rally. This was important in the rally's organization as the traditional media played down the Bersih 3.0 rally¹¹⁹ and branded both rallies illegal.

A Bersih 2.0 steering committee member and political scientist, Wong Chin Huat, said there was a "market of information" surrounding Bersih that was built up. "We managed to win over the cybersphere," said Mr Wong.¹²⁰ "The most resourceful, technologically savvy people, adopted the cause." This helped to contribute to the wave of information and Bersih-related postings on various digital platforms.

On the rally day itself, Facebook, YouTube, and Twitter were used to share photographs, videos, and commentary about the event live. Police blocks into the city were avoided as protesters posted various ways of entering the city to join the protest. Online accounts also rebutted official statements from the police and authorities, particularly on attendance that was estimated at implausibly low numbers by the police. An online storytelling wave started after both rallies, picked up and continued by the online media. These accounts also enabled non-marchers to get involved and have a sense of ownership about the protest.

Concurrent Bersih 3.0 rallies were held in other Malaysian cities such as Ipoh, Penang, Johor Baru, Kuantan, Kota Kinabalu, and Melaka. The internet's reach also resulted in expatriate Malaysians being able to participate. An internet site, Global Bersih, was set up and Facebook sites were used to organize concurrent Bersih 2.0 and 3.0 protests. Bersih 3.0 protests were held in 85 locations in 35 countries.¹²¹

A YouTube video was posted after the events, chronicling the different protests around the world.¹²²

Interestingly, the Bersih rally itself was suffixed with 2.0, and later 3.0, a nod to the internet term of "Web 2.0" and subsequent improvements or new versions of websites, software, or computer applications. This reflected the digital tools that made the movement a success.

3.2.2 The Importance of Digital Mobilizations

Mobilizing digitally has become part and parcel of many Malaysian civil society movements. With more Malaysians now accessing online news as part of their information diet, the internet's reach is vital for movements to reach the masses. Mr Wong, a keen observer of digital activism and who has been behind a number of Facebook-organized gatherings, points out that digital mobilization is not related only to the desktop or even the laptop any more, but extends to iPads, tablets, and mobile phones.¹²³

119. Center for Independent Journalism (CIJ), "CIJ alarmed at Bersih 3.0's near-blackout by print media," 26 April 2012, at <http://cijmalaysia.org/2012/04/26/cij-alarmed-at-bersih-3-0s-near-blackout-by-print-media> (accessed 24 August 2012).

120. Interview with Wong Chin Huat, Selangor, 25 August 2011.

121. See <http://www.globalbersih.org/locations/global-bersih-3-0> (accessed 24 August 2012).

122. YouTube, "Global Bersih 3.0 (from 72 cities worldwide)—FINAL version," 30 April 2012, at <http://www.youtube.com/watch?v=whTVmnd-RmUg> (accessed 24 August 2012).

123. Interview with Wong Chin Huat, Selangor, 25 August 2012.

The internet's reach means that a small group of people can have a potentially huge impact if the issue is compelling enough. After it emerged that an editorial from *Sin Chew Daily* was plagiarized from a Taiwanese newspaper, Facebook users went on a hunt and revealed over 20 more such cases.¹²⁴ Facebook users also published research instrumental in exposing a fake doctor, Dr Winson Seow, who had published an autobiography detailing inspiring accounts of serving as a trauma surgeon in war zone countries and had collected donations for charitable causes.¹²⁵ He was featured in local newspapers and interviewed on the TV3 talk show "*Malaysia Hari Ini*" (Malaysia Today) on his war zone experience as a doctor and trauma surgeon.¹²⁶ Following the revelations, Dr Seow apologized and said he would return all monies collected.

The internet is also able to extend to places beyond the mainstream media's reach. The internet site Sarawakreport.org has been exposing alleged corruption and land grabs by the Sarawak chief minister, Abdul Taib Mahmud, and his family. Although the site publishes in a sensationalist manner, it has successfully highlighted Sarawak issues that are often ignored by other Malaysians, partly due to the geographical distance of the eastern state from other states in Peninsular Malaysia. Mr Taib himself appeared in videos explaining his daughter's business connections in Canada and Sarawak's timber industry, which were uploaded on YouTube by a user called therealsarawak.¹²⁷ The Malaysian Anti-Corruption Commission has also launched an investigation into Mr Taib over the allegations of corruption.¹²⁸ The investigation is ongoing,¹²⁹ although Mr Taib has said he refuses to cooperate with the commission.¹³⁰

Events such as the Bersih 3.0 rally indicate how digital platforms can help bring out numbers of people to a rally. The 2012 rally was noticeably multi-ethnic and cut across different classes and age groups. The rally, along with two others in 2007 and 2011, certainly attracted the government's attention, with anti-riot police being deployed and a city lockdown prior to the event. The government eventually set up a parliamentary select committee to address electoral reform, despite formerly dismissing Bersih's demands for a clean and fair election as "unnecessary."

The government also responded to protests against the Lynas rare earth processing plant near Kuantan, Pahang. Groups such as Save Malaysia Stop Lynas organized protests in Parliament and outside the Australian

124. Malaysiakini.com, "Sin Chew struck with new plagiarism claim," 31 July 2012, at <http://www.malaysiakini.com/news/205127> (accessed 28 August 2012).

125. N.M. Entaban, "Winson Seow says sorry," Thestar.com, at <http://thestar.com.my/news/story.asp?file=/2012/8/15/nation/11860397&sec=nation> (accessed 28 August 2012).

126. YouTube, "Malaysia Hari Ini, TV3 interview Dr Winson Seow (13 March 2012)," 13 March 2012, at <http://www.youtube.com/watch?v=z-mMNHxjr-I> (accessed 28 August 2012).

127. YouTube, "Jamilah in Canada," 22 March 2011, at http://www.youtube.com/watch?v=zkd6JdIyt_w (accessed 28 August 2012).

128. P. Lee, "MACC still mum on Taib," Freemalysiatoday.com, 9 June 2011, at <http://www.freemalysiatoday.com/category/nation/2011/06/09/macc-still-mum-on-taib> (accessed 3 September 2012).

129. A. Sagayam, "Probe into claims against Taib 'still on,'" *The Malay Mail*, 24 September 2012, at <http://www.mmail.com.my/story/probe-claims-against-taib-%E2%80%98still-on%E2%80%99-31111> (accessed 13 December 2012).

130. Themalaysianinsider.com, "Taib Mahmud: MACC doesn't deserve my co-operation," 4 April 2013, at <http://www.themalaysianinsider.com/malaysia/article/taib-mahmud-macc-doesnt-deserve-my-co-operation> (accessed 15 May 2013).

High Commission, and even took their mission to Sydney and Canberra.¹³¹ The grassroots movement drew more than 40,000 followers on Facebook.¹³² Lynas's chief executive officer, Nicholas Curtis, admitted in a 2 July 2012 Bloomberg report that he had underestimated social media's power in opposing the plant. "I'd have dealt with the emerging community debate by the social media a little bit more intensely, a little bit earlier," he said. "We probably didn't recognize the power of the social media to create an issue."¹³³

The ruling party has also recognized the internet's reach and influence. Malaysia's former prime minister, Abdullah Ahmad Badawi, admitted that his party made a serious misjudgment in relying solely on government-controlled newspapers and television in the run-up to the 2008 general election. "In the last election, we certainly lost the internet war, the cyberwar," he was quoted as saying.¹³⁴ The government has attempted to introduce online sedition guidelines and curb the online media by making them subject to the licensing laws. These plans have been shelved indefinitely after a public outcry. BN openly admits to setting up teams of "cybertroopers" to counter opposition information posted online.¹³⁵

These kinds of responses from the public, the government, and private corporations belie the claim by some that online activities are mere "internet games" played by moneyed urbanites.¹³⁶ Mr Wong says that online action is no substitute for offline action. He recalls a note by the 1M Malaysians group that reminded the public that you cannot change the world by only pressing "like" on Facebook; people have to be willing to go offline. "The internet is special because it reaches out and crosses boundaries," says Mr Wong. "But it's when people are willing to go offline, that's where things change."¹³⁷

Mr Wong describes four stages of digital political participation. The first stage is that of the anonymous critics, who are willing to make caustic comments, but unwilling to reveal their true identities. The second stage is when people start to take a stand on the internet under their own names and become more conscious of issues. The third stage is when they become more proactive and start acquiring information for themselves. And the fourth stage is when they assist in setting up or running websites and organizing events and connecting their online activities with what they do offline. Mr Wong believes that digital mobilization cannot be dismissed lightly. "The internet may not reach 100 percent of Malaysians," said Mr Wong. "But its reach is much further than what meets the eye."

131. Save Malaysia, Stop Lynas!, "Latest news: Save Malaysia, Stop Lynas! Mission to Australia—The Final Report," 11 July 2011, at <http://savemalaysia-stoplynas.blogspot.com/2011/07/latest-news-save-malaysia-stop-lynas.html> (accessed 3 September 2012).

132. See http://www.facebook.com/home.php?sk=group_117036588370543 (accessed 3 September 2012).

133. B. Porter and S. Permatasari, "Lynas CEO finds social media hobbles rare-earth plans," Bloomberg, at <http://mobile.bloomberg.com/news/2012-07-01/lynas-ceo-finds-social-media-hobbles-rare-earths-plans> (accessed 28 August 2012).

134. *New York Times*, "Malaysian leader admits ignoring Internet was a mistake," at <http://www.nytimes.com/2008/03/25/world/asia/25iht-malay.1.11396684.html> (accessed 28 August 2012).

135. R. Anand, "BN turns to 10,000 cyber-troopers," 6 June 2012, at <http://www.mmail.com.my/story/bn-turns-10000-cyber-troopers> (accessed 28 August 2012).

136. C. Chooi, "Pro-Pakatan urban folk preaching to empty audience, says Kayveas," *Themalaysianinsider.com*, 17 June 2012, at <http://www.themalaysianinsider.com/malaysia/article/pro-pakatan-urban-folk-preaching-to-empty-audience-says-kayveas> (accessed 28 August 2012).

137. Interview with political scientist and Penang Institute Fellow Mr Wong Chin Huat, Selangor, 25 August 2012.

3.3 Assessments

Digitization has been instrumental in the diversity of news offered in Malaysia, whether via traditional and alternative media, or via UGC available on platforms like social media. News on politics or citizenry issues, which was typically the monopoly of the mainstream media, can now be steered and informed through websites, Twitter, and Facebook. Topics that become hot on social media networking sites, for example, have leapt from computer screens to newspapers and broadcast news.

Government scandals involving corruption have been aired in the online media, forcing traditional print media to give coverage to stories that would otherwise probably not have been published.

News is also no longer the sole domain of journalists and editors of media organizations. Citizen journalists have used the internet to give their own accounts of incidents. Although sensationalism is propagated far more quickly online due to the speed at which information travels, important stories have broken online that were later discussed in Parliament and the traditional media.

Politicians have also had to begin engaging with citizens online. Government ministers have even begun to respond to some queries on their Twitter feed, instead of calling for an official press conference or releasing an official statement.

Despite digitization contributing to more news on offer, heads of online media organizations acknowledge that digitization has not heralded a new age of investigative journalism, as discussed in the next section.

Given state control over the traditional print and broadcast media, the internet has been a crucial tool in mobilizing Malaysians both online and offline. Blogs, websites, Facebook, Twitter, and email have all been utilized in raising awareness on issues and organizing gatherings and protests. The internet has been used for purely online campaigns such as signing online petitions or taking action online, and also to organize small and large gatherings offline. Groups such as the 1M Malaysians Reject 100-storey Mega Tower Project show how quickly a galvanizing issue can attract public reaction, garnering more than 100,000 supporters in under a month. The huge Bersih rallies in 2011 and 2012 have proved how invaluable the internet has been in helping to organize events and get out information to thousands of people. The internet's reach has also meant that a small group of people can have a big impact, with the internet being used to conduct research and publicize information.

Although some claim that online activity is only confined to wealthy urban dwellers, responses from the public, the government, and private corporations contradict that. Although the internet may not reach all Malaysians, its impact certainly cannot be taken for granted, as admitted by Lynas's chief executive officer and Malaysia's former prime minister. When online activism translates into actual action on the streets, such as during the Bersih rallies, such activity invariably also becomes part of the news in the traditional mainstream media. Certain exposés and scandals that first became known online have also been picked up by the traditional media, when the stories became too big to ignore.

Going by the trends in this digitized landscape and in Malaysian society, it would seem that political groups, politicians, civil society groups, and the Malaysian public will continue to use new media and social networking platforms to communicate, spread information, build links and communicate, spread information, and determine the public mood with regard to national issues.

4. Digital Media and Journalism

4.1 Impact on Journalists and Newsrooms

4.1.1 Journalists

Journalists and editors in newsrooms, both traditional and online, have had to change their work processes and keep abreast with digital developments. While traditional media practitioners previously relied on their archives, books, and face-to-face interviews to write their stories, today's Malaysian journalists are multi-taskers. They are expected to glean information from the internet and social media platforms, work faster, and play more roles.

With a wide range of news sources and online platforms for citizens, there is greater democratization of different voices and views in Malaysian media today. Traditional media have had to make many changes due to competition from online media, social networking, and citizen journalism. However, this growth has also meant more traffic and noise, and journalists in Malaysia have an important role to play in distinguishing fact from fiction.

Digitization and new media have altered newsroom practices in Malaysia, and local journalists have had to step up to various new challenges.

In the mainstream newspapers particularly, journalists and editors have seen their work flow and processes change in response to the 24-hour news cycle and competition from online and social media.

While previously journalists had 8–12 hours to produce their story for the next day's newspaper, this is no longer the case, as readers expect news to be published the day it occurs. Journalists have also had to focus on other variables over the last five years. Traditional print journalists, especially, have had to take on other responsibilities not within their usual work scope. Among other things, they have had to coordinate multimedia components to their stories, such as preparing videos or graphics, as well as shorter stories or excerpts for text alerts, Twitter feeds or online news sites.

The workload has increased and journalists have to multitask daily. A journalist with online news site Malaysiakini.com, for example, could possibly cover up to three events a day, filing three stories on three

completely unrelated topics. They also send video clips for their Malaysiakini.tv site.¹³⁸ Many journalists now use smartphones, some provided by their news organizations, allowing for on-the-spot reporting. Journalists may provide “live feeds” with the news story updated every few minutes as developments unfold. Newsrooms also make use of Twitter to provide live updates.

Table 20.
Guide to leading Malaysian news media, May 2012

Name	Language	Description	Circulation	Total unique visitors
Malaysiakini.com	English, Malay, Mandarin, Tamil	Online only, largely subscription-based, set up in 1999	Not applicable	1,096,000
Merdekareview.com	Mandarin, Malay	Online only, shut down in 2012 due to lack of funds		n/a
<i>New Straits Times</i>	English	Mainly print. Malaysia’s first English daily. Part of UMNO-linked Media Prima Group, publishes online at Nst.com.my	94,661	n/a
<i>Selangor Times</i>	English, Mandarin (online only)	Mainly print. Free weekly newspaper in the Klang Valley, endorsed by the PR-led Selangor state government. Publishes online at Selangortimes.com	100,000*	n/a
<i>Sin Chew Daily</i>	Mandarin, English (online only)	Print and online. Largest Chinese-language daily newspaper in Malaysia, publishes online at Sinchew-i.com	388,223	n/a
<i>The Star</i>	English, Malay (online only)	Print and online. Most read English newspaper, MCA-owned, publishes online at Thestar.com.my	287,204	1,660,000
Themalaysianinsider.com	English, Malay	Online-only news site, set up in 2008	Not applicable	541,000
Thenutgraph.com	English, Malay	Online-only news site, focussing mainly on politics and political commentary. Set up in 2008 but scaled down in 2010 due to lack of funds		n/a
<i>theSun</i>	English	Print and online. Malaysia’s first national free daily newspaper, distributed mainly in the Klang Valley, publishes online at Thesundaily.my	300,531	n/a
<i>Utusan Malaysia</i>	Malay, English (online only)	Print and online. UMNO-owned Malay-language daily, also publishes online at Utusan.com.my	172,859	887,000

Notes: * Every weekend; n/a: not available

Sources: ComScore.com (online); Audit Bureau of Circulations, 2011 (print)

138. Interview with Malaysiakini.com editor in chief, Mr Steven Gan, Kuala Lumpur, 18 July 2012.

A news story may be delivered little by little, to satiate the audience's need for immediate updates and to keep people coming back for more. A tweet might come first, or a text alert, followed by a paragraph on the website, later updated to a full-length story, and finally the print version appears the next day. Whereas in the past there would be only one lead story of the day, these days there may be several such stories online, online media editors say.

Malaysiakini.com's editor in chief, Steven Gan, says that the nature of reporting in online journalism has changed and is more akin to broadcasting, where you report what you see and know, as it happens. Mr Gan cites the example of reporting on an accident. "You report what you see—an accident has occurred, you're not sure how many have died, you can see two bodies, there may be more. You don't wait until the full picture has emerged and you keep updating the story."

Some media organizations have been quicker and more adept than others at addressing these challenges and using the internet and different new platforms. Journalists with Malaysiakini.com and Themalaysianinsider.com, for example, have Blackberries, *The Star* was one of the early adopters in providing news videos online, and *Harian Metro* and *Berita Harian* have set up convergence newsrooms. While slower on the digital uptake, newspapers like *New Straits Times* also brought in interactive CoverItLive sessions featuring real-time blogging and conversations with government leaders.

Most traditional media organizations now have different editors for their online sites. Online news sites, meanwhile, have taken to publishing in different languages, with journalists from different language sections sharing various resources but one editor-in-chief. Malaysiakini.com publishes in four languages (English, Malay, Chinese, and Tamil), and Themalaysianinsider.com and Thenutgraph.com publish in English and Malay (Merdekareview.com, which has ceased publication for financial reasons, published in Chinese and Malay).

The role of the national newswire agency Bernama changed with the advent of internet news in the late 1990s, as it had to match the speed of other online portals. While the newswire was previously seen as providing the official response from the ruling government, these days its role is undercut by reporters obtaining quick and direct responses from ministers and politicians from phone calls, text messages, and Twitter.

Journalists now have to monitor the internet regularly. With politicians, NGOs, and media personalities using social media, journalists have to check their Twitter or Facebook feeds frequently. It is not uncommon for news articles to originate from discussions or comments in social media.

While their responsibilities have increased, journalists often do not see commensurable increments to their salaries. Heads of media organizations often view this as a natural progression and addition to their skills, although some media organizations have established separate multimedia, internet, or video production units to help create content. The need for journalists to write their articles fast for their online sites, provide excerpts for other platforms, and chase several stories daily sometimes leads to mistakes and lack of accuracy. The focus on speed also means a lack of verification. The specific attention to social networking sites means some stories are wholly crafted from chatter and comments from personalities on Twitter or Facebook.

The *malaysianinsider.com*'s chief executive officer, Jahabar Sadiq, said that while online media needed more qualified and experienced journalists to add context and value to their news items, the reality was that they were harder to come by. "In the old days, rookie reporters in the traditional media followed their seniors to different assignments to learn. But because we lack resources, we have to send them on their own and training is on the job. Everything is done in hyper speed," he said.¹³⁹

4.1.2 Ethics

Verification of information and facts is currently an issue faced by both online and traditional media. Almost all of the journalists and editors we interviewed said that sometimes information is not verified due to the need to put out articles speedily. Most Malaysian news organizations generally do not practice fact and quote checks.

Shaila Koshy, a senior journalist with *The Star*, cited an example of less verification in the reporting of accounts of crime that first appeared on Facebook. "Usually journalists would check with the police station and verify the incident details with what's in the police report. But that does not always happen any more," she said.¹⁴⁰

There have been instances where journalists quote wholesale from online reports without checking with the original source. Selecting the most salacious quote and not providing the context of the situation or article is another problem, said Ms Koshy.

Plagiarism has been a recent topic among journalists in Malaysia. There have been reported cases of plagiarism in newspaper columns, involving editors,¹⁴¹ leader writers,¹⁴² and columnists.¹⁴³ Editors we interviewed said that plagiarism is very easy to do online using the copy-and-paste function. Bernama's editor-in-chief, Yong Soo Heong, said: "Previously, some news editors would say 'Do not read the Bernama ticker tape,' and come up with an original story first. But we can't do that now because everyone can read online and search Wikipedia or Google."¹⁴⁴

Editors we spoke to said there is now less fieldwork and research done by journalists when writing their articles. As journalists can now easily approach sources through email, Twitter, Facebook, and other platforms, they are less likely to go out and cultivate contacts. "Before the advent of the internet, journalists had to read a

139. Interview with *TheMalaysianInsider.com*'s chief executive officer, Mr Jahabar Sadiq, Kuala Lumpur, 13 July 2012.

140. Interview with *The Star* senior journalist, Ms Shaila Koshy, Petaling Jaya, 8 August 2012.

141. J. Kent, "Malaysia editor in plagiarism row," BBC News, 2 November 2006, at <http://news.bbc.co.uk/1/hi/world/asia-pacific/6108666.stm> (accessed 15 September 2012).

142. Malaysiakini.com, "Sin Chew senior writer resigns over plagiarism," 30 July 2012, at <http://www.malaysiakini.com/news/205014> (accessed 11 October 2012).

143. Uppercaise.wordpress.com, "Plagiarism query on Star column," *Uppercaise—Malaysian Media Matters*, 4 September 2012, at <http://uppercaise.wordpress.com/2012/09/04/plagiarism-query-on-star-column> (accessed 15 September 2012).

144. Interview with Mr Yong Soo Heong.

thick folder of previous stories before going out on assignment. This gave them a sense of how an issue had developed through time and what questions needed to be asked. With Google search and social media now available, many journalists do not feel the need to have a sense of the history of an issue. Instead, they respond to posts and feeds and treat those as their background information,” said Thenutgraph.com editor Jacqueline Ann Surin, who worked for 15 years in the traditional press before starting Thenutgraph.com.¹⁴⁵

The culture of publishing corrections online has generally not been established. Thenutgraph.com maintains a corrections page, but other online media organizations generally do not have a standard for corrections, to reflect when an article has been altered and what the original version said. Editors, however, did express support for the idea of making corrections public and traceable and said they were looking into it.

4.2 Investigative Journalism

4.2.1 Opportunities

Digitization has made some data simpler to access, such as journals and reports, which has helped investigations.¹⁴⁶ Journalists are now able to quickly obtain background on an issue from a wide variety of resources online. Online media, blogs, and social media provide journalists with alternative views and possible leads for their articles.

But researching online also has its drawbacks. Over-reliance on Wikipedia or other UGC sites without proper verification may result in misreporting, and there is more information to sift through which may be difficult to verify. One editor felt that the internet may even make things harder for investigative journalists. “If there’s more information, that just means more verification and having to separate what’s true from what’s not,” he said.¹⁴⁷

Investigative journalism in Malaysia is hindered by other factors that digitization cannot really affect, the chief one being a lack of publicly available official documents and archives. There is no federal freedom of information law, although state enactments have been made in two states. The Official Secrets Act 1972 in fact allows ministers and authorized officials to classify government documents as secret, making it a crime to reveal them or their contents. All manner of documents, from environmental impact assessments to water and highway concession agreements, have been classified as secret. Although a few government agencies (such as the MCMC)¹⁴⁸ have become more proactive in publishing information online, there is still a general wariness on the part of government officials about providing information to the public, even when it is not classified as secret.

145. Email interview with Thenutgraph.com editor, Ms Jacqueline Ann Surin, 26 October 2012.

146. Email interview with *Selangor Times* editor, Mr Chan Kok Leong, 8 August 2012.

147. Interview with Mr Jahabar Sadiq.

148. See <http://www.skmm.gov.my> (accessed 12 December 2012).

Due to this, a lot of articles labeled as investigative have been dependent on leaks or informants. Journalists may also receive documents anonymously. In the digital age, documents are sometimes emailed to newsrooms, but editors say they still have to be independently verified to make sure they are not fake. Editors must also be discerning and try to ascertain whether sources have an axe to grind or are promoting their own interests. Stories sometimes cannot be pursued because facts cannot be corroborated.¹⁴⁹

With or without digitization, investigative journalistic pieces still require the basic skills of reading reports, sifting through documents, triangulating evidence, following leads, and interviewing people on the ground. The special reports and investigations desk at the newspaper *theSun*, for example, regularly produced revealing pieces on alleged government corruption and abuse of power.¹⁵⁰ An exposé on the ballooning costs of the Port Klang Free Zone project¹⁵¹ involved plowing through the Auditor-General's report, audit reports, interviewing sources, and reviewing documents received through the post.

4.2.2 Threats

The migration of news to digital platforms has brought with it unique digital threats. Malaysia's online sites, especially those seen to be critical of the ruling government, have suffered cyber-attacks. The distributed denial of service (DDoS) attacks have all been anonymous. It is noteworthy that the most sophisticated and concerted attempts appear to have been launched against websites critical of the BN government.

Malaysiakini.com sustained several DDoS attacks, especially during significant events such as the Bersih rallies in 2011 and 2012 and during the Sarawak state elections in 2011.¹⁵² The attacks involved multiple systems programmed to access the site all at once, which jammed the site and made it difficult for genuine users to reach it.

The attacks have compelled Malaysiakini.com to move their online infrastructure and install protective measures such as moving to Microsoft Azure's cloud platform and using a Google tool that has built-in DDoS mitigation. Despite this, Malaysiakini.com's chief executive officer, Premesh Chandran, said the site still experienced sophisticated DDoS attacks that appeared tailored specifically to get past the defenses of these

149. Interview with Mr Steven Gan.

150. J. Toyad and S. Jessy, "Cover Story: Word Warrior," *Theedgemalaysia.com*, 26 October 2009, at <http://www.theedgemalaysia.com/first/153706-cover-story-word-warrior.html> (accessed 15 September 2012).

151. The Port Klang Free Zone (PKFZ) is an industrial park, managed by the Port Klang Authority (PKA). It is being investigated for a dubious land sale, poor management, conflicts of interest, and massive cost overruns, amounting to at least MYR 6 billion (US\$ 1.9 billion). In 2007, the project received a government soft loan of MYR 4.6 billion (US\$ 1.5 billion), which was criticized as a bailout. The project has not performed as expected and it is still unclear whether the PKA will be able to meet its future debt obligations, which might involve further public funds. See S.A. Chua, "Port Klang Authority seeks haircut on PKFZ loan," *Theedgemalaysia.com*, 23 November 2012, at <http://www.theedgemalaysia.com/highlights/225527-pka-seeks-haircut-on-pkfz-loan-.html> (accessed 12 December 2012); M. Shanmugam, "Cover story: Total PKFZ bill RM8bil?," *Theedgemalaysia.com*, 27 April 2009, at <http://www.theedgemalaysia.com/first/14334-cover-storytotal-pkfz-bills-rm8-bil.html> (accessed 12 December 2012); *Thestar.com*, "PricewaterhouseCoopers reveals wide-ranging critique of how the PKFZ project was mismanaged," 29 May 2009, at <http://biz.thestar.com.my/news/story.asp?file=/2009/5/29/business/3860068&sec=business> (accessed 12 December 2012).

152. Malaysiakini.com, "Cyber attack against Malaysiakini begins, again," 27 April 2012, at <http://www.malaysiakini.com/news/196305> (accessed 15 September 2012).

platforms.¹⁵³ Online website editors prepared for further attacks, especially in the run-up to Malaysia's 5 May 2013 general election. The Technology news site The Verge reported a flood of DDoS attacks and ISP blocks against opposition sites and independent media before the general election. It also reported that Malaysian ISPs had blocked specific domains critical of the BN, such as a YouTube video seen as critical to the regime. Opposition Facebook pages were also targeted by the blocks.¹⁵⁴ The MCMC, however, denied that ISPs were blocking websites, citing increased visitor numbers as the reason why certain sites could not be accessed.¹⁵⁵

The whistleblowing site and blog Sarawak Report (Sarawakreport.org) experienced attacks during the April 2011 Sarawak state elections.¹⁵⁶ The site, which also runs Radio Free Sarawak, accused Sarawak's chief minister, Abdul Taib Mahmud, of corruption and land-grabbing.

MCMC has blocked websites too. In 2008, it confirmed that it had ordered all internet service providers to block the online news blog Malaysia Today (Malaysia-today.net).¹⁵⁷ The blocks were lifted after several days. The blog was well known for publishing sensational accounts of government corruption. MCMC said the site was blocked because some of the comments were insensitive, bordering on incitement. In 2010, a blogger, Raja Petra Kamarudin, who is at the helm of Malaysia Today, said the site was experiencing "mysterious technical problems" after publishing an article accusing BN's main party UMNO of corruption involving the national carrier.¹⁵⁸

4.2.3 New Platforms

Blogs contribute to investigative journalism through their contribution to socio-political discussion. Popular bloggers include Jeff Ooi (Jeffooi.com), Marina Mahathir (Rantingsbymm.blogspot.com), Raja Petra (known as RPK) and Haris Ibrahim (Harisibrahim.wordpress.com). There are also journalists who blog, such as Ahirudin Atan (Rockybru.com.my) and Abdul Kadir Jasin (Kadirjasin.blogspot.com), and there are many anonymous blogs about Malaysian socio-political matters.

Although not exactly fitting the mold of investigative journalism, some of these blogs have tackled important policy issues and made as valuable contributions to the alternative news scene. Mr Ooi focussed on political issues and "the big gaps between policy development and policy implementation."¹⁵⁹ Tony Pua and Ong Kian Ming took on educational policy in their blog Education in Malaysia (Educationmalaysia.blogspot.com).

153. Interview with Malaysiakini.com's chief executive officer Premesh Chandran, Kuala Lumpur, 12 July 2012.

154. R. Brandom, "On the eve of an election, the Malaysian web comes under attack," The Verge, 4 May 2013, at <http://www.theverge.com/2013/5/4/4299844/before-election-malaysian-web-comes-under-attack> (accessed 14 May 2013).

155. *theSun*, "No blockage of access to websites by ISP: MCMC," 3 May 2013, at <http://www.thesundaily.my/news/687103> (accessed 14 May 2013).

156. S. Teoh, "Sarawak Report 'on the run' after cyber-attacks," Themalaysianinsider.com, 12 April 2011, at <http://www.themalaysianinsider.com/malaysia/article/sarawak-report-on-the-run-after-cyber-attacks> (accessed 20 September 2012).

157. A. Ong, "Malaysia Today blocked! Order from MCMC," Malaysiakini.com, 27 August 2008, at <http://www.malaysiakini.com/news/88683> (accessed 11 October 2012).

158. Asia Sentinel, "Malaysian Website Blocked to Cover up a Scandal," 9 September 2010, at http://www.asiasentinel.com/index.php?option=com_content&task=view&id=2687&Itemid=178 (accessed 20 September 2012).

159. New Media and the Informed Citizen, "Interview with Jeff Ooi, Member of Parliament for Jelutong and Prominent Blogger," 1 July 2009, at [http://www.paradigm-infinity.com/Interview with Jeff Ooi.pdf](http://www.paradigm-infinity.com/Interview%20with%20Jeff%20Ooi.pdf) (accessed 20 September 2012).

Mr Ooi and Mr Pua both entered politics and contested parliamentary seats successfully in the 2008 general election. Two former journalists, Anil Netto (Anilnetto.com) and Gobind Rudra (Uppercaise.wordpress.com), blog on civil society issues, the latter highlighting journalistic issues such as plagiarism.¹⁶⁰

The closest thing to investigative journalism by a blog is Malaysia Today. RPK has posted many exposés on the government and political parties. Articles are often backed up by official-looking documents published online. RPK's most controversial allegation involved Prime Minister Najib Razak's wife Rosmah Mansor. He signed a statutory declaration¹⁶¹ saying that he was reliably informed that Ms Mansor was present when an interpreter Altantuya Shaariibuu (who happened to be a Mongolian citizen but because she was multilingual worked as an interpreter in other countries) was murdered in a deserted area outside Kuala Lumpur in 2006. (In 2008, Mr Najib's close associate Abdul Razak Baginda was acquitted of abetting Ms Shaariibuu's murder, while two Special Action Squad officers who had been assigned to Mr Baginda were found guilty and sentenced to death in 2009.¹⁶² Mr Najib has had to fend off allegations of links to the murdered interpreter, who purportedly acted as an interpreter in a submarine deal between the Malaysian government and the French company Scorpene, while Mr Najib was defense minister.) RPK's declaration caused a huge stir nationally, with plenty of debate online about links between the gruesome murder and the prime minister's close circle. In 2011, however, RPK distanced himself from the statutory declaration, saying "I no longer accept the story. I think it's quite impossible. It can't be that the prime minister's wife would want to go to such a place [where the murder took place]; it's a jungle."¹⁶³

RPK has always maintained he owes no political parties any favors.¹⁶⁴ He continues to put up postings critical of both BN and PR, complete with confidential documents.¹⁶⁵ However, he has become a controversial figure. He was detained without trial, charged with criminal defamation by the government, exiled himself to London, and has now returned to Malaysia amid criticism that he has sold out to the BN government when he recanted some of his previous allegations and began criticizing the PR leader Anwar Ibrahim.¹⁶⁶

160. G. Rudra, "Suspicious deep insights by beauty in Star column," 5 September 2012, at <http://uppercaise.wordpress.com/2012/09/05/suspicious-deep-insights-by-beauty-in-star-column> (accessed 21 September 2012).

161. A statutory declaration is a document attested to be true by its maker and signed before a Sessions Court judge, magistrate, or commissioner of oaths. See Statutory Declarations Act 1960, at <http://www.agc.gov.my/Akta/Vol.%201/Act%2013.pdf> (accessed 12 December 2012).

162. S.A. Chua and M.W. Yong, "Azilah, Sirul guilty of Altantuya murder," 9 April 2009, at <http://www.theedgemaalaysia.com/political-news/3849-update-azilah-sirul-guilty-of-altantuya-murder.html> (accessed 12 December 2012).

163. Thestar.com, "RPK: I don't believe PM's wife was at Altantuya's murder scene," 14 April 2011, at http://thestar.com.my/news/story.asp?file=%2F2011%2F4%2F14%2Fnation%2F8480372&sec=nation&sms_ss=facebook&at_xt=4da74c2fffa2d9df%2C0 (accessed 20 September 2012).

164. Malaysiandigest.com, "Raja Petra's Email Exchange with Kee Thuan Chye," 20 May 2011, at <http://www.malaysiandigest.com/features/23441-raja-petras-email-exchange-with-kee-thuan-chye.html> (accessed 20 September 2012).

165. R.P. KaMarchudin, "MACC 'Deep Throat' comes out of the closet," 29 May 2012, at <http://www.malaysia-today.net/mtcolumns/49609-macc-deep-throat-comes-out-of-the-closet> (accessed 14 September 2012).

166. H. Ibrahim, "Fear mongering à la RPK style," The People's Parliament, 23 September 2012, at <http://harismibrahim.wordpress.com/2012/09/23/fear-mongering-ala-rpk-style> (accessed 23 September 2012).

Sarawak Report has also released documents online, such as financial statements and paper trials relating to alleged kickbacks received by the Sabah chief minister Musa Aman's sons¹⁶⁷ and wealth accumulated by the Sarawak chief minister, Abdul Taib Mahmud, from alleged timber industry corruption. The site's tone is a mixture of high-society gossip and online exposés. However, there are no bylines for Sarawak Report articles, and material on some controversial issues stem from non-official sources that are difficult to verify.

The half-sensational, half-revelatory nature of blogs such as Malaysia Today and Sarawak Report certainly attracts audience attention. But the mixture of postings based on hearsay and credible sources makes verification an issue, since readers need to understand that a claim based on anonymous sources, leaked documents, and insider information needs to be backed up by independently verifiable information before it can be accepted as the truth. These blogs also rarely attempt to get all sides of the story, so the principles of balance and fairness are sorely missing.

There are also pro-UMNO blogs such as Papagomo (Papagomo.com), Big Dog (Bigdogdotcom.wordpress.com), Apanama (Apanama2020.blogspot.com), and New Media Unit (UMB) cybertroopers¹⁶⁸ that report on BN leaders and activities and publish stories on PR parties, political leaders, and NGOs.

Some of these blogs seem to work in concert with the UMNO-owned newspaper, *Utusan Malaysia*. A front-page *Utusan Malaysia* report accusing the Democratic Action Party (DAP) of plotting with Christian leaders to make Malaysia a Christian nation with a Christian prime minister cited Big Dog and Papagomo as sources. The report was roundly condemned and later found to be unsubstantiated, since the bloggers had not even been present at the dinner where the alleged plot was discussed.

4.2.4 Dissemination and Impact

Websites like Sarawak Report and the radio station Radio Free Sarawak have been able to disseminate news on alleged state government corruption to rural areas that are hard to reach. Although there are no empirical studies to link online news to election results, the opposition in Sarawak had its best ever performance in 2011, after the widespread publication of such information.

Mr Premesh (Malaysiakini.com's chief executive officer) said that the impact of the internet cannot be discounted, even though it may not be accessible in all homes, especially in rural areas.¹⁶⁹ He points out that there is wireless internet connection everywhere now, not just at cybercafés, but also at the local *mamak* (eatery serving snacks and drinks). People are also connected through their smartphones. "You go to the ground, and rural areas, you will see internet-based materials, either photocopied, on CDs, people accessing it on wifi. I think we need to get away from this idea of direct consumption. It is like a web of news," says Mr Premesh.

167. Sarawak Report, "Hold on Trust for Aman—More Devastating Evidence From The ICAC Investigation!," 15 April 2012, at <http://www.sarawakreport.org/2012/04/hold-on-trust-for-aman-more-devastating-evidence-from-the-icac-investigation> (accessed 22 September 2012).

168. J. Yap, "PRS' cyber-troopers ready for coming polls," Borneo Post Online, 22 March 2012, at <http://www.theborneopost.com/2012/03/22/prs-cyber-troopers-ready-for-coming-polls> (accessed 12 December 2012).

169. Interview with Mr Premesh Chandran.

Breaking stories can reach thousands in a matter of minutes with the internet. Many government scandals have first appeared or are widely disseminated on the internet, making it difficult for the traditional print media to ignore. This ranges from serious allegations, for example, one involving the use of funds from a cow-breeding program to purchase luxury condominiums,¹⁷⁰ to more light-hearted ones, for example, on the number of expensive Hermès Birkin handbags the prime minister's wife allegedly owns.¹⁷¹ A story in *Thenutgraph.com* on whether the government paid for a full-page color advertisement in *The New York Times* praising Najib Razak's wife, Ms Mansor, eventually reached Parliament, where the government was required to explain whether public money was spent on the advertisement. The question, along with the government's denial that it had spent money on the ad, was carried in major newspapers. Such knock-on effects have become commonplace, with print newspapers at times quoting their online counterparts as sources.

The internet has also increased the reach of radio, as stations such as Radio Free Sarawak are also internet-based and thus able to circumvent the requirement for a broadcasting license from the MCMC.

4.3 Social and Cultural Diversity

4.3.1 Sensitive Issues

The most sensitive issues in Malaysia are race, religion, and the traditional Malay rulers.¹⁷² This is reflected in an amendment to the federal constitution that allows Parliament to restrict questions about Malay as the national language, the special position of the Malays and natives of Sabah and Sarawak, and the powers of the rulers.

Article 153 of the constitution safeguards the “special position of the Malays and the natives of Sabah and Sarawak,” permitting quotas in public service, education, and scholarships. Over the years, however, this has come to signify Malay dominance. Other ethnic groups such as Chinese and Indian Malaysians have been labeled “migrants” or “squatters” by BN leaders in the past, a reference to their ancestors who may have migrated decades or even centuries ago. This is despite the constitution stating that the head of state's (Yang di-Pertuan Agong's) function is to safeguard the “legitimate interests of other communities.”

Islam has a special position as well. The constitution states that it is the “religion of the federation,” but government leaders have argued that as all Malays are Muslims (this is stipulated in the constitution), and as Malays have a special position, so does Islam.¹⁷³

170. H. Baharom and L. Chia, “Shahrizat blames media for NFCorp ‘mess,’” *Themalaysianinsider.com*, 10 October 2012, at <http://www.themalaysianinsider.com/litee/malaysia/article/shahrizat-blames-media-for-nfcorp-mess> (accessed 8 November 2012).

171. Phattgurll.blogspot.com, “DPS Rosmah Mansor & her Hermes Birkins,” 13 September 2012, at <http://phattgurll.blogspot.com/2011/09/dps-rosmah-mansor-her-birkins.html> (accessed 18 October 2012).

172. Nine out of Malaysia's 14 states have traditional Malay rulers. Every five years, the nine rulers elect the official head of state (Yang di-Pertuan Agong).

173. J. Ding, “Islam's special position,” *Thenutgraph.com*, 1 February 2010, at <http://www.thenutgraph.com/islams-special-position> (accessed 18 October 2012).

Thus, the “3Rs” of race, religion, and rulers are often deemed sensitive issues by government leaders and any discussion questioning the status quo as propagated by UMNO is severely discouraged by the ruling party. Consequently, BN-owned or -controlled newspapers do little to challenge the UMNO version of the reality of Malay and Muslim dominance.

In a speech in 2007, Deputy Prime Minister Najib Razak said, when officiating the Malaysian Press Institute awards: “Debating these (racial and religious) issues in the media will not bring about any solution but can cause conflicts and tension in society, because there is no easy solution, what is more, the media also have their own stand on these issues.”¹⁷⁴

Important problems, such as the ability of Muslims to officially convert to another religion¹⁷⁵ and whether or not the word Allah can be used by non-Muslims to refer to God,¹⁷⁶ tend to be discussed more thoroughly and openly online than in the print and broadcast media. Ms Surin (editor of Thenutgraph.com) said: “When I was at *The Star* and *theSun*, I found that most of my news reports, features or columns that were about Malay supremacy or Islam, specifically political Islam in Malaysia, were either spiked [not used] or heavily edited. However, once I founded Thenutgraph.com, I was able to publish critical pieces about Malay supremacy and the distortion of Islam towards political ends.”¹⁷⁷

Chen Shaua Fui of MerdekaReview.com (now closed down, as mentioned above) said she thought religious issues remained the most sensitive in Malaysian society, and was something that the Chinese-language media did not cover enough. Ms Chen said that court cases involving Islam were followed closely at Merdeka Review, along with discussions on *hudud* law and the politicization of the *hudud* law issue.¹⁷⁸ She said columnists were also engaged to write about topics connected with Islam.¹⁷⁹

Another sensitive issue is the poverty and discrimination faced by indigenous groups (Orang Asli) who represent around 12 percent of the population.¹⁸⁰ Most are in the east Malaysian states of Sabah and Sarawak, but there are about 150,000 indigenous people in Peninsular Malaysia as well. Many of the indigenous people face land grabs and encroachment on their native customary land. There is little coverage in the mainstream

174. D. Teoh, “Reporting religion as news: The case of Malaysia,” Oxford Centre for Religion and Public Life, 6–10 August 2007, at <http://www.ocrpl.org/?p=81> (accessed 18 October 2012).

175. J. Hamid and S. Azman, “Malaysia’s Lina Joy loses Islam conversion case,” Reuters, 30 May 2007, at <http://www.reuters.com/article/2007/05/30/us-malaysia-religion-ruling-idUSSP20856820070530> (accessed 18 October 2012).

176. J.A. Surin, “‘Allah’ issue: Who started it?” Thenutgraph.com, 12 January 2010, at <http://www.thenutgraph.com/allah-issue-who-started-it> (accessed 18 October 2012).

177. Email interview with Ms Jacqueline Ann Surin.

178. *Hudud* law refers to a class of punishments for certain offences under Islam, including adultery, theft, and robbery. The Pan-Islamic Malaysian Party (PAS) has controversially called in the past for *hudud* to be implemented in the states that it governs. For further discussion on *hudud* and its possible application in Malaysia, see J.A. Surin, “Whose hudud?” Thenutgraph.com, 3 October 2011, at <http://www.thenutgraph.com/whose-hudud> (accessed 12 December 2012); A. Mowe, “Islam beyond hudud,” Thenutgraph.com, 19 January 2009, at <http://www.thenutgraph.com/islam-beyond-hudud> (accessed 12 December 2012).

179. Email interview with Merdeka Review assistant editor, Chen Shaua Fui, 3 September 2012.

180. International Work Group for Indigenous Affairs, “Indigenous peoples in Malaysia,” at <http://www.iwgia.org/regions/asia/malaysia> (accessed 12 December 2012).

media on the difficulties faced by these minority groups. There are also the power dynamics to deal with. A 2008 exposé by *The Star* on the rape of Penan minors and women by logging company employees in Sarawak was watered down when *The Star* apologized to one of the logging companies, Samling, saying there was no link between Samling and the rapes, as part of an out-of-court settlement.¹⁸¹ The reporter who broke the story and who had already left the paper for unrelated reasons, was not consulted over the apology.¹⁸²

LGBTs have been portrayed as deviant and un-Muslim in the print and broadcast media.¹⁸³ Citing the fact that Islam says that LGBTs are not allowed under the religion makes it even more difficult for open discussion to take place.

4.3.2 Coverage of Sensitive Issues

Coverage of sensitive issues in the media is regulated by the Sedition Act, which prohibits anything that may “promote feelings of ill will and hostility between different races or classes;” “bring into hatred or contempt or ... excite disaffection against any ruler or any government,” or the administration of justice; and questions any privileges relating to Malay as the official language, the special position of the Malays and indigenous peoples of Sabah and Sarawak, and the position of the Malay rulers. The print media is also governed by the Printing Presses and Publications Act which allows the home minister to revoke the license of any newspaper he or she deems errant, or send them letters threatening to do so unless an adequate explanation is given. Online publications are subject to section 233 of the Malaysian Communications and Multimedia Act which deems illegal “obscene, indecent, false, menacing or offensive” content published with intent to “annoy, abuse, threaten or harass.”

Some examples of the use of these laws to suppress the coverage of sensitive issues relating to race, religion, and royalty are listed below.

The publication of a photograph of the singer Erykah Badu, who was scheduled to perform in Malaysia, with body art of the Arabic script for Allah on her shoulder, earned *The Star* a Home Ministry “show-cause” letter, after the photograph was deemed offensive. Two editors were suspended over the photograph and Ms Badu’s show was cancelled.¹⁸⁴ The mislabeling of a food pull-out, “Ramadan Delights,” when the feature contained photographs of pork ribs also earned *The Star* the same sort of letter and its editor a dressing down from the home minister.

In 2010, an opposition member of Parliament, Tony Pua was questioned by police for sedition after suggesting that discounts for Malays and other Bumiputeras (sons of the soil) be abolished for luxury residential

181. [Thestar.com](http://thestar.com.my/news/story.asp?file=/2012/10/2/nation/12110602&sec=nation), “NolinktoSamlingroup,” 2 October 2012, at <http://thestar.com.my/news/story.asp?file=/2012/10/2/nation/12110602&sec=nation> (accessed 18 October 2012).

182. [Malaysiakini.com](http://www.malaysiakini.com/news/211557), “Penan rape: Former Star journalist furious with ‘deal,’” 13 October 2012, at <http://www.malaysiakini.com/news/211557> (accessed 18 October 2012).

183. J. Ding, “Media vs LGBTs,” [Thenutgraph.com](http://www.thenutgraph.com/media-vs-lgbts), 18 June 2010, at <http://www.thenutgraph.com/media-vs-lgbts> (accessed 18 October 2012).

184. C. Chooi, “The Star suspends two editors over Erykah Badu row,” [Themalaysianinsider.com](http://www.themalaysianinsider.com/malaysia/article/the-star-suspends-two-editors-over-erykah-badu-row), 29 February 2012, at <http://www.themalaysianinsider.com/malaysia/article/the-star-suspends-two-editors-over-erykah-badu-row> (accessed 18 October 2012).

properties and the funds channeled to the poor instead.¹⁸⁵ Bumiputeras generally receive a 7 percent discount when buying property from developers.

In 2009, Malaysiakini.com was investigated by MCMC for two videos put up on their site. One was of protestors who had brought a decapitated and bloody cow's head (an insult to Hindus) to the Selangor state assembly entrance to demonstrate against the relocation of a Hindu temple to a Muslim majority area. Another was of the home minister attempting to justify the protest, with the protestors standing behind him at a press conference.¹⁸⁶

In 2012, Ahmad Abdul Jalil, 27 years old, was arrested for allegedly insulting the ruler of the state of Johor on a Facebook posting. He was remanded for three days under the Sedition Act, released by a magistrate's order after no charge was made, then immediately rearrested under the Communications and Multimedia Act.¹⁸⁷

The mainstream print and broadcast media do not generally take on sensitive issues. For example, when the High Court ruled in December 2009 that a Catholic publication had the right to use the word Allah to refer to God, the print media generally kept to parroting the government line that non-Muslims using the word Allah could potentially "confuse" Muslims. There was little coverage given to other, broader views such as the fact that the word Allah predates Islam, has been used by other religions for centuries to refer to God, and is still liberally used by Christians in countries like Egypt and Indonesia without any seeming confusion. The ability of the media to deliver useful information to the masses and bring added clarity to complex issues such as these is generally not utilized by the tightly controlled print and broadcast media.

There are no quotas for minority programming or minority coverage. There is therefore a lack of coverage on minority issues such as LGBT and indigenous peoples' rights. Although there is more space and openness for coverage of such issues in the online media, some are still governed by the need to publish stories that attract viewership. Themalaysianinsider.com's editor, Jahabar Sadiq, acknowledges the need to publish stories on indigenous groups, but cites limited resources as the reason for not receiving more extensive coverage on his site. "When you have limited personnel and experience, you put your forces where you think you will make most impact—politics, and business," he said.¹⁸⁸

Mr Gan (Malaysiakini.com's chief editor) says his site tries to focus on minority issues such as indigenous groups' rights. He cites three priority areas: (1) news underreported in the mainstream media; (2) basic issues of human rights, press freedom, corruption, and good governance; and (3) event-based news, depending on what is going on at the time. He stresses that reporting is issue-driven and is not based on the number of

185. U.S. Department of State, "2010 Human Rights Report: Malaysia," at <http://www.state.gov/j/drl/rls/hrrpt/2010/eap/154391.htm> (accessed 18 October 2012).

186. Malaysiakini.com, "MCMC tells Malaysiakini: Take down videos," 4 September 2009, at <http://www.malaysiakini.com/news/112111> (accessed 18 October 2012).

187. C. Chooi, "Short-lived freedom for youth accused of royal Facebook slur," Themalaysianinsider.com, 5 November 2012 (accessed 8 November 2012).

188. Interview with Mr Jahabar Sadiq.

hits a story will get. “The media organization should set the agenda, and tell the readers that these issues are important,” said Mr Gan.¹⁸⁹

Due to limited resources, Thenutgraph.com had an editorial policy to focus on issues that the other media, whether traditional or online, had forgotten about. “Journalists have institutional memory of an issue and I felt it was important for readers not to forget about an issue especially when it involves violations of human rights,” said Ms Surin.

4.3.3 Space for Public Expression

The internet has enlarged the space for public expression for sensitive issues, minority groups, and opposition parties, which received limited coverage in the traditional press. With social media, specific causes such as the environment, or protesting against an expensive mega-project, can receive publicity and support online. These online groups can also be utilized to mobilize people offline (see section 3.2).

The internet has also helped open discussions on previously taboo topics. Mr Sadiq (Themalaysianinsider.com’s editor) says that online discussion of issues previously deemed sensitive has made people actually less sensitive and more open. “When the churches were (fire)bombed in 2010,¹⁹⁰ we were getting calls saying please go slow, you are whipping up sentiments. I said I was not whipping up anything,” said Mr Sadiq. He feels that once the issue is touched on, people’s minds are already influenced, and previously sensitive issues can be discussed on various platforms online.¹⁹¹

Newspaper columnists who find their articles spiked or edited also publish the original versions on their own blogs, when previously few would have known of such censorship.¹⁹²

The quality of debate on the internet is not always constructive. Due to anonymity, comments can sometimes get nasty and even violent. When a gay Malay-Muslim released a YouTube video about his sexuality as part of a project to encourage gay youth facing discrimination, the comments section contained slurs and even death threats.¹⁹³

The *Selangor Times* editor, Chan Kok Leong, said comments sections online provide more room for minority groups to express themselves, but this has not translated into good-quality debate. He voiced the need for the

189. Interview with Mr Steven Gan.

190. Several churches in and around Kuala Lumpur were subject to arson attacks after a 31 December 2009 High Court ruling striking down a Home Ministry ban on the Catholic newsletter *The Herald* for using the word Allah to refer to God. One church suffered extensive damage. See S.J. Zahiid, “PJ church attacked, minor damage,” Themalaysianinsider.com, 9 January 2010, at <http://www.themalaysianinsider.com/mobile/malaysia/article/PJ-church-attacked-minor-damage> (accessed 12 December 2012).

191. Interview with Mr Jahabar Sadiq.

192. M. Mahathir, “My Record-Breaking Run Continues...,” Rantingsbymm.blogspot.co.uk, 24 April 2012, at <http://rantingsbymm.blogspot.co.uk/2012/04/my-record-breaking-run-continues.html> (accessed 10 September 2012).

193. Thestar.com, “Gay man fears for his life after exposing his sexuality on Net,” 23 December 2010, at <http://thestar.com.my/news/story.asp?file=/2010/12/23/nation/7670758&sec=nation> (accessed 10 October 2012).

media to develop guidelines to ensure that the space is not abused by flammers, trolls, or spammers. “Not many internet media groups in Malaysia today have good guidelines for comments,” he said.¹⁹⁴ Mr Gan feels that the public still need to be educated on how to assess information from the internet: what to believe, how to assess sources, and how to respect privacy.

4.4 Political Diversity

4.4.1 Elections and Political Coverage

The opposition’s great gains in the 2008 general election have been attributed to the effective use of the internet by the ruling BN and commentators.¹⁹⁵ An empirical study of the 2008 election results found that candidates with blogs, particularly opposition members, were more successful in winning seats compared with those without blogs.¹⁹⁶

James Gomez of Monash University noted a corresponding rise between the opposition’s use of the internet and generally better election outcomes for them.¹⁹⁷ He considered that it might be worth researching the use of the internet by opposition parties to communicate in countries like Malaysia with a dominant ruling party, and how the internet can counter the media and the political disadvantage suffered under what is in effect a one-party regime. This is significant for the opposition and alternative voices, which had no platform to disseminate their views before the advent of the internet. A Merdeka Center survey found that two-thirds of Malaysians had access to alternative sources of information such as those on the internet, although 90 percent learned about the elections through the traditional press.¹⁹⁸

Following the 2008 election results, there were attempts from the ruling BN government to impose curbs on the internet. Two proposals were floated in 2011: introducing sedition guidelines for online content¹⁹⁹ and extending the law requiring newspapers to obtain publishing licenses to apply to online media.²⁰⁰ Both were shelved indefinitely after widespread objections from the online media and the online community. A 2012 amendment to section 114 of the Evidence Act also created a presumption that the owner or editor of an online publication is the publisher of the contents of that site (see section 7.1.2.2).

194. Email interview with *Selangor Times* editor, Mr Chan Kok Leong, Petaling Jaya, 8 August 2012.

195. Thestar.com, “Blogging in Malaysia ranks among highest in the world,” 3 April 2008, at <http://thestar.com.my/news/story.asp?file=/2008/4/3/nation/20827588&sec=nation> (accessed 18 October 2012).

196. R. Gong, “Internet Politics and State Media Control: Candidate Weblogs in Malaysia,” Communication Policy Research South, 2009, at <http://www.cprsouth.org/wp-content/uploads/drupal/Rachel%20Gong.pdf> (accessed 18 October 2012).

197. J. Gomez, presentation entitled “Opposition Parties and General Elections: New Media Policy Responses in Malaysia and Singapore,” Monash University, 2010, at http://microsites.oii.ox.ac.uk/ipp2010/system/files/IPP2010_Gomez_Presentation.pdf (accessed 20 October 2012).

198. I. Suffian, “Reflections of the 2008 Malaysian General Election: Role of the Internet in Political Communications,” Merdeka Center for Opinion Research, 2 June 2008, at http://www2.lse.ac.uk/IDEAS/publications/reports/pdf/SR005/Msia_Suffian.pdf (accessed 20 September 2012).

199. A.H. Abdulah Sani, “Guidelines for cyber sedition to be announced on Wednesday,” at [Themalaysianinsider.com](http://www.themalaysianinsider.com/mobile/malaysia/article/guidelines-for-cyber-sedition-be-announced-on-wednesday), at <http://www.themalaysianinsider.com/mobile/malaysia/article/guidelines-for-cyber-sedition-be-announced-on-wednesday> (accessed 1 November 2012).

200. C. Chooi and D. Chong, “NUJ says no to online media controls,” [Themalaysianinsider.com](http://www.themalaysianinsider.com/mobile/malaysia/article/nuj-says-no-to-online-media-controls), at <http://www.themalaysianinsider.com/mobile/malaysia/article/nuj-says-no-to-online-media-controls> (accessed 1 November 2012).

There have been no further attempts to regulate media coverage on the internet, although existing curbs via laws such as the Sedition Act 1948 and section 233 of the Communications and Multimedia Act 1998 remain. The internet certainly provides a freer space for expression than the heavily regulated print media. This led, for example, to the setting up of Malaysiavotes.com, which covered the 2008 general election. More online news sites were set up after the 2008 elections including Freemalaysiatoday.com, Themalaysianinsider.com, and Thenutgraph.com.

The ruling BN has openly spoken of the need to improve their cyber-communication strategy and the setting up of “cybertrooper” units,²⁰¹ which have been described as key to BN’s success in the next elections. Some members of Parliament have also started text messaging their constituents directly.²⁰²

BN representatives have accused the online media of being biased towards the opposition and not giving the government sufficient space for rebuttals.²⁰³ The same criticism is often leveled at the generally BN-friendly print and broadcast media, which are heavily regulated compared with their internet counterparts. What this creates is a situation where there is sometimes a dichotomy between the traditional and the new media. Both can be accused of being partisans of different sides of the political divide. However, to be fair, what often underpins the BN’s accusations against the online media is that the BN is not able to control it in the same fashion as it does the traditional media, which are dependent on state permits.

A 2013 study by the Centre for Independent Journalism and the University of Nottingham just before the 5 May 2013 general election demonstrated that BN received the most media coverage by a significant margin.²⁰⁴ This study included print, television as well as online media. This was most apparent in the output of the state news agency Bernama and on television. BN also received the most positive coverage by a significant margin, while opposition parties received very little positive coverage.²⁰⁵ Contrary to accusations that online media are biased towards the opposition, coverage was relatively fair compared to their print and television counterparts. The opposition coalition received 47.02 percent of news coverage, while BN received 44.81 percent.²⁰⁶

4.4.2 Digital Political Communications

Digital media have certainly changed political communication and the diversity of voices in political life. From 1998 when the Deputy Prime Minister, Anwar Ibrahim, was sacked and arrested on charges of sodomy and corruption, Malaysians began turning to the internet for news they could not obtain from the heavily

201. M.F. Darwis, “Saifuddin: Cybertroopers, social media key to BN’s GE13 success,” Themalaysianinsider.com, 14 October 2012, at <http://www.themalaysianinsider.com/litee/malaysia/article/saifuddin-cybertroopers-social-media-key-to-bns-ge13-success> (accessed 8 November 2012).

202. Z. Azlee, “Stop spamming my phone, Raja Nong Chik,” Themalaysianinsider.com, 14 September 2012, at <http://www.themalaysianinsider.com/litee/print/opinion/stop-spamming-my-phone-raja-nong-chik> (accessed 1 November 2012).

203. P. Lee, “BN: Be fair, online media,” Freemalaysiatoday.com, 11 September 2012, at <http://www.freemalaysiatoday.com/category/nation/2012/09/11/bn-be-fair-online-media> (accessed 1 November 2012).

204. T.J. Houghton, “Watching the Watchdog, Preliminary Results—Release 5,” University of Nottingham and Centre for Independent Journalism, 21 April 2013, p. 6, at <http://pilihanraya.info/wp-content/uploads/2012/10/WtW.Release.5.pdf> (accessed 14 May 2013).

205. T.J. Houghton, “Watching the Watchdog, Preliminary Results—Release 5,” University of Nottingham and Centre for Independent Journalism, 21 April 2013, p. 11, at <http://pilihanraya.info/wp-content/uploads/2012/10/WtW.Release.5.pdf> (accessed 14 May 2013).

206. T.J. Houghton, “Watching the Watchdog, Preliminary Results—Release 5,” University of Nottingham and Centre for Independent Journalism, 21 April 2013, p. 9, at <http://pilihanraya.info/wp-content/uploads/2012/10/WtW.Release.5.pdf> (accessed 14 May 2013).

regulated press. As internet usage becomes more common, and with the rise of the use of smartphones and tablets, politicians today ignore digital media at their peril.

Malaysiakini.com was set up specifically to provide news that its founders Steven Gan and Premesh Chandran felt was not available in the mainstream press. More news websites followed and popular blogs on Malaysian political life emerged, such as Jeffooi.com. A political analyst, Ong Kian Ming, who is now a member of the DAP and a member of Parliament, noted that in the past few years the rise of social media platforms Facebook and Twitter greatly increased the level of participation among activists, politicians, and the politically interested.²⁰⁷ As noted above, more news websites were set up after the 2008 general election. Politicians are also increasingly on Twitter and Facebook, including Prime Minister Najib Razak and the opposition leader, Anwar Ibrahim, who both maintain active accounts.

According to Ibrahim Suffian from the Merdeka Center for Opinion Research, BN was outclassed by their rivals in the new media battle in the 2008 general election with an assortment of technology being utilized. This included targetted text messages, candidate and party websites, online donation drives, YouTube videos, and distribution of video compact discs as a form of digital leafleting.²⁰⁸

Mr Ong said that the increased number of methods for disseminating information and project one's personal voice in the public sphere have increased the diversity of political life and its complexity. "While social media has allowed politicians to have a more 'personal' voice in reaching out to the larger public, this can sometimes backfire if they say something inappropriate," said Mr Ong.

A January 2011 tweet by Tan Keng Liang, the youth chief of a BN component party, for example, drew the ire of the public and politicians alike. His tweet said, "Would you choose @jezlai (a BN member) or @hannahyeoh which will be on maternity leave soon (as assemblyperson for Subang Jaya in the upcoming elections)?" Critics lambasted him for implying that the incumbent PR assemblyperson Ms Hannah Yeoh, who was then pregnant, would be less capable.²⁰⁹ Mr Tan said his statement had been twisted and he had never questioned Ms Yeoh's abilities as an assemblyperson. With the informality and instantaneous nature of social media, however, instances such as these will probably become more common.

The internet can also serve as a repository for political communication, easily accessible long after an event has passed. A July 2012 debate between the MCA president, Chua Soi Lek, and the DAP secretary-general, Lim Guan Eng, was streamed live on the internet and is now available for viewing via YouTube. It has been viewed over 160,000 times to date.²¹⁰

207. Email interview with Ong Kian Ming, Selangor, 30 July 2012.

208. I. Suffian, "Reflections of the 2008 Malaysian General Election: Role of the Internet in Political Communications," Merdeka Center for Opinion Research, 2 June 2008, at http://www2.lse.ac.uk/IDEAS/publications/reports/pdf/SR005/Msia_Suffian.pdf (accessed 20 September 2012).

209. *Freemalaysiatoday.com*, "Kok to Tan: Apologise to all women," 3 January 2011, at <http://www.freemalaysiatoday.com/category/nation/2011/01/03/kok-to-tan-apologise-to-all-women> (accessed 1 November 2012).

210. *Malaysiakini.tv*, "Soi Lek vs Guan debate Round 2—Part 1," YouTube, 8 July 2012, at <http://www.youtube.com/watch?v=79z7uHWKwVs> (accessed 15 May 2013).

4.5 Assessments

Digitization has certainly affected the way journalists work because of the continuous drive for speed and minute-by-minute updates demanded by the public. Gone are the days of submitting a story a day, since journalists are now expected to send soundbites for tweets, SMS updates, and online teasers, and perhaps take voice and video recordings for online uploads. Online news sites compete to be the first to publish a breaking story. In the push for speed, accuracy and verification is at times sacrificed, so that corrections have to be made to stories. The accountability of corrections has yet to be properly established, with many online sites not reflecting that an earlier version of the story has been amended. The training of journalists has become an issue. Apart from having to learn best practices in journalism, editors and journalists have to simultaneously be adept at all sorts of technical and delivery skills, which do not necessarily add to one's journalistic skills. As the public demands more stories at a faster pace, long-form journalism and more analytical feature articles have also taken a back seat, with limited resources devoted to competing to live up to readers' expectations.

Research has been simplified, on the one hand, with vast stores of information available from the internet, but made more complicated, on the other, since journalists have to sift through information for accurate, verifiable facts. Journalism has become more interactive, as users are able to post comments and publish their own blogs. However, the quality of debate online can still improve, with name-calling and *ad hominem* insults still very much present.

The internet has made it much easier for information to reach the masses, so that the print and broadcast media have no choice at times but to air stories covered extensively online. It has made it easier for exposés of government corruption and abuses to become widely disseminated. Again, however, verification is an issue: some of the most popular blogs consist of a mixture of verifiable facts and sensational hearsay.

Publishing on the internet has brought with it threats of its own. Online sites such as Malaysiakini and Sarawak Report face DDoS attacks from anonymous people during crucial times such as the Sarawak state elections and the mammoth Bersih rally in Kuala Lumpur.

The internet has opened up discussion on issues previously branded sensitive by the government, such as race, religion, and the rulers. The UMNO ideology of Malay dominance, previously considered a taboo subject not to be questioned, is now openly debated. While the print and broadcast media generally tiptoe around religious issues such as the use of the word Allah by non-Muslims, online news sites publish critical articles on the subject.

This has not gone unnoticed by the government. Laws such as the Sedition Act and the Communications and Multimedia Act have been utilized for "offences" such as insulting a ruler on Facebook or questioning the provision of housing discounts for Bumiputeras.

For politicians, the internet has provided a new frontier for communicating with constituents. The opposition's savvy use of the internet was widely credited for bringing them great gains in the 2008 general election. Both

the prime minister and the opposition leader maintain active Facebook and Twitter accounts, as do many other politicians. But the more informal and instantaneous nature of the internet has given rise to more political gaffes and the possibility of such mistakes going viral on the internet, hence making it even easier and far more instantaneous for citizens to hold politicians accountable.

The internet continued to play a major role in the general election on 5 May 2013, with the BN setting up cybertrooper units to manage their image online. Online sites that published critical pieces on the incumbent government such as Malaysiakini came under DDoS attacks as well as blocks from unknown sources.

5. Digital Media and Technology

5.1 Broadcasting Spectrum

5.1.1 Spectrum Allocation Policy

The MCMC is responsible for allocating spectrum in Malaysia. (For the number of commissioners and appointment, see section 7.2.2.) MCMC publishes a spectrum plan that indicates how spectrum is currently used and its plans to develop it in the future. It is reviewed periodically and the latest plan was issued in 2011.²¹¹

The spectrum plan lists three methods of spectrum assignment—fixed price, auction, and tender. A fixed price assignment is when the spectrum is offered at a specified price. The spectrum plan states that this method is not appropriate when the demand for a specific spectrum band exceeds supply. An auction awards the spectrum according to the highest bid made by qualified applicants. With the tender method, the spectrum plan states it is mainly adopted where there is competition for a particular spectrum band. Two types of tender methods may be utilized. The “beauty contest” involves applicants submitting their proposals that are then assessed accordingly, or there is the comparative tender with price, which is similar to the “beauty contest” except that applicants also include an offer price for the spectrum in their proposal, which is included in the evaluation.

Government agencies such as RTM are required under the spectrum plan to apply to the MCMC should they require spectrum. As spectrum is a valuable national resource, political, business, and national interests are involved and allocation is not determined entirely by market forces.

In terrestrial television broadcasting, for instance, there are only two broadcasters—the state broadcaster RTM, which broadcasts three channels, and Media Prima, which broadcasts four channels. Media Prima is a private media conglomerate whose major shareholders are the Employees Provident Fund, Gabungan Kesturi, and Altima (see section 1.3.1.4), which have been linked in media reports with UMNO. Despite

211. MCMC, *Spectrum Plan*, Cyberjaya, 2011.

free-to-air terrestrial television spectrum being limited, spectrum was found when the government planned to launch the Islamic channel TV Al-Hijrah in 2010.²¹²

In 2006, the telecoms industry was taken by surprise when a beauty contest for 3G spectrum resulted in MCMC awarding two non-mobile operators, MiTV and TTDotCom, the coveted spectrum instead of an established mobile company, DiGi.²¹³ MiTV (now known as U Television) is majority-owned by the Berjaya Group,²¹⁴ whose chairperson is Vincent Tan, a corporate figure with close business links to the ruling BN government, particularly during the tenure of Prime Minister Mahathir Mohamad. TTDotcom's most substantial shareholder is Khazanah Nasional,²¹⁵ the federal government's investment arm. At the time, DiGi was majority-owned by Telenor ASA, a multinational mobile operator with its headquarters in Norway.²¹⁶ The minister in charge openly admitted that DiGi was bypassed because it was a foreign company. He said that as all three applicants had met the required criteria, the decision was made to award the 3G licenses to the two local applicants instead of DiGi.²¹⁷ A year later, in 2007, DiGi bought the 3G spectrum from one of the successful local applicants, Time.com.²¹⁸ Time.com had paid MR50 million (US\$ 16.6 million) for the 3G spectrum in 2006, which it sold to DiGi for a reported MR 654 million (US\$ 218 million).²¹⁹ Time.com had to obtain permission from MCMC and the minister before it could transfer its 3G spectrum to DiGi.²²⁰

Spectrum allocation usually involves obtaining a license beforehand. Many spectrum tenders or allocations will require applicants to hold licenses as network facilities providers or network service providers, for instance. The granting of a license, as discussed in section 7.2.3, is decided by a government minister, on MCMC's recommendation.

Once digital terrestrial television broadcasting begins in 2013 or 2014,²²¹ the CIIP will become the digital gatekeeper for digital television broadcasting, albeit under MCMC supervision. MCMC's applicant information package for CIIP applicants requires the successful bidder to carry all current terrestrial channels

212. Thestar.com, "TV Al Hijrah to promote new medium in Islamic propagation," 6 December 2010, at <http://thestar.com.my/news/story.asp?sec=nation&file=/2010/12/6/nation/20101206214502> (accessed 12 September 2012).

213. Bernama, "MiTV Corporation & TTDotcom win 3G Spectrum Licences," 3 March 2006, at http://www.bernama.com.my/bernama/v3/news_lite.php?id=183614 (accessed 14 May 2013).

214. Berjaya Corporation, "2007 Annual Report," Kuala Lumpur, at <http://www.berjaya.com/pdf/annual-reports/bjcorp07.pdf> (accessed 14 May 2013).

215. See <http://www.khazanah.com.my> (accessed 3 January 2013).

216. Telenor Group, "DiGi is the third largest mobile operator in Malaysia," June 2012, at http://www.bernama.com.my/bernama/v3/news_lite.php?id=183614 (accessed 24 December 2012).

217. Thestar.com, "Lim explains why DiGi isn't awarded a 3G spectrum licence," 12 March 2006, at <http://thestar.com.my/news/story.asp?file=/2006/3/12/nation/13643206&sec=nation> (accessed 12 September 2012).

218. B.K. Sidhu, "DiGi offers RM700mil for TDC's 3G spectrum," Thestar.com, 14 November 2007, at <http://biz.thestar.com.my/news/story.asp?sec=business&file=/2007/11/14/business/19464037> (accessed 12 September 2012).

219. M.H. Fong, "Corporate: Spectrum refarming could see telcos' capex rise," Theedgemalaysia.com, 31 May 2010, at <http://www.theedgemalaysia.com/features/168450-corporate-spectrum-refarming-could-see-telcos-capex-rise.html> (accessed 12 September 2012).

220. Thestar.com, "DiGi not guaranteed to get 3G spectrum licence," 21 November 2007, at <http://biz.thestar.com.my/news/story.asp?file=/2007/11/21/business/19532000&sec=business> (accessed 3 January 2013).

221. MCMC, "National Roll Out of Digital Terrestrial Television," Selangor, 2012, p. 4, at http://www.itu.int/ITU-D/asp/CMS/Events/2012/digitalbroadcasting/S5_Ikmal_Hisham.pdf (accessed 5 January 2013).

free of charge during the initial simulcast period, thereby favoring incumbents in the initial period. It is also unclear at the moment how long simulcast will take place before complete analog switch-off. MCMC has said that only the following broadcasters will be offered channels in the initial period: the incumbents RTM, Media Prima, and Al-Hijrah, Bernama, and the newcomer Worldview Broadcasting Channel (WBC). WBC began trial transmissions in December 2011. However, an August 2012 report in *Edge Financial Daily* described the channel as “ailing,”²²² and named four shareholders and directors of WBC—Wan Johan Wan Ismail, Kamarudin Yusoff, Izman Ismail, and Rita Sarbanon Ismail. The online news site Fz.com reported in October 2012 that WBC employees had not been paid their salaries for months.²²³

According to the MCMC chairperson, digital television broadcasting will only be opened to other broadcasters after digital migration has “stabilized.”²²⁴ WBC was linked in an Fz.com report to Gerbang Perdana, a company that has been the beneficiary of major government infrastructure and construction projects, including a new customs and immigration complex at the Johor–Singapore border. The report stated that WBC is housed in a building belonging to Gerbang Perdana. If WBC is indeed linked to a company with close government connections, then it is unlikely to add much in terms of plurality and diversity of news to what is already on offer on terrestrial television.

Broadcasters and telecoms companies will be watching closely to see what MCMC proposes to do with the 700 MHz spectrum once analog switch-off takes place, although when this will be is not yet certain. The mobile operators group GSMA is lobbying for the 700 MHz band to be allocated to mobile broadband. It commissioned a study which indicates that this could create 800,000 additional broadband subscribers in rural areas by 2020 and bring about significant economic and social benefits.²²⁵

5.1.2 Transparency

Spectrum allocation is transparent to a certain degree. MCMC publishes detailed applicant information packages, setting out the criteria that applicants need to meet to qualify for spectrum allocation and guidelines on how to apply. In situations, however, where all applicants meet the published criteria, as in the DiGi example noted above, then extraneous factors may come into play, such as the factor of local or foreign companies cited by the communications minister in 2006.

Licenses are approved by the minister responsible, currently the information, communications, and culture minister, on MCMC’s recommendation. The minister has discretion in granting licenses, and the fact that the

222. J. Barrock, “Media Prima in early talks with Worldview Broadcasting Channel,” *The Edge Financial Daily*, 15 August 2012, at <http://www.theedgmalaysia.com/in-the-financial-daily/218716-media-prima-in-early-talks-with-worldview-broadcasting-channel.html> (accessed 5 January 2013).

223. M. Abdullah, “WBC employees seek HR ministry’s help,” Fz.com, 19 October 2012, at <http://fz.com/content/wbc-employees-seek-hr-ministry%E2%80%99s-help> (accessed 5 January 2013).

224. Interview with MCMC chairperson, Mr Sharil Mohamed Tarmizi, Cyberjaya, 20 July 2012.

225. Boston Consulting Group, “Socio-economic impact of allocating 700MHz band to mobile in Asia Pacific,” GSMA, October 2010, at http://www.malaysianwireless.com/wp-content/uploads/2010/11/bcg_report_2010.pdf (accessed 12 September 2012).

minister in charge of communications is also the minister in charge of disseminating government information may introduce a political element into the issuing of licenses and by extension, spectrum (see section 7).

The granting of a license is no guarantee of being issued spectrum. The regional news radio station Business FM, for example, was granted a license to broadcast nationally, but it was only allocated spectrum in and around Kuala Lumpur. Bernama's Radio 24 is also unable to broadcast nationally, and has only been allocated spectrum in and around Kuala Lumpur and since 2012, in Johor Baru, in the south.

5.1.3 Competition for Spectrum

Given that there are effectively only two television broadcasters in Malaysia, we did not encounter any issues among television broadcasters regarding competition for spectrum. Television broadcasting is an expensive and risky business, especially in light of the fact that government control is so tight that competition for licenses is very limited. There exists, however, the perennial tension between broadcasters and telecoms companies over which group should be allocated more spectrum.

There is also steep competition among telecoms companies for spectrum, as mobile devices are now moving on to 4G or long-term evolution (LTE). In 2010, telecoms companies expressed dismay when YTL Communications' executive director confirmed a report that YTL had been cleared to use the 700 MHz spectrum for a pay-TV service.²²⁶ YTL is part of YTL Corporation, a large Malaysian conglomerate that deals in utilities, development, and property, among other things. It started as a construction company and achieved a major success when it became the first independent power producer in Malaysia in 1993. Through its managing director, Francis Yeoh, YTL "was able to cut a lucrative deal with [Malaysia's main energy provider] Tenaga Nasional," where Tenaga Nasional guarantees to purchase electricity amounting to 72 percent of YTL's plant's output.²²⁷ In 1997 *Asiaweek* reported that Mr Yeoh was a friend of Prime Minister Mahathir Mohamad. However, Mr Yeoh downplayed such ties and said his company's success did not hinge on the prime minister.²²⁸

The mention of the 700 MHz band sparked fears that YTL could later combine their video service with voice and data and start offering mobile broadband services using the prized spectrum. There were accusations of a lack of transparency in awarding YTL this much sought-after spectrum band without an open tender.²²⁹ MCMC and the government then denied that the 700 MHz spectrum had been awarded to YTL and confirmed in February 2011 that no assignment would be made and bidding could be opened in the future.²³⁰

226. J. Sadiq, "YTL says spectrum for digital TV, not broadband," *Themalaysianinsider.com*, 26 November 2010, at <http://www.themalaysianinsider.com/business/article/ytl-says-spectrum-for-digital-tv-not-broadband> (accessed 13 September 2012).

227. YTL, "YTL Corporation Berhad: A Vision of the Future," at <http://www.ytl.com.my/getnews.asp?newsid=12843> (accessed 9 January 2013).

228. M. Fletcher and Steven K.C. Poh, "Power Tycoon," *Asiaweek*, 11 July 1997, at <http://www.i2media.com.my/gallery/articles/asiaweek/1997-07-11-power-tycoon.pdf> (accessed 5 January 2013).

229. E. Yapp, "Demystifying the 700MHz debacle," *Themalaysianinsider.com*, 6 December 2010, at <http://www.themalaysianinsider.com/opinion/article/demystifying-the-700mhz-debacle> (accessed 13 September 2012).

230. A. Zalkapli, "Putrajaya keeps 700MHz spectrum, open for bids later," *Themalaysianinsider.com*, 24 February 2011, at <http://www.themalaysianinsider.com/business/article/putrajaya-keeps-700-mhz-spectrum-open-for-bids-later> (accessed 13 September 2012).

The government was also criticized for awarding LTE licenses to nine telecoms companies (later reduced to eight), prompting questions whether the market would be able to support so many organizations.²³¹ The largest share (40 MHz) of the LTE spectrum was awarded to a newcomer, Puncak Semangat, owned by a local billionaire, Syed Mokhtar Al-Bukhary, whose companies manage several large government contracts.²³² The MCMC chairperson, Sharil Tarmizi, defended the award, saying Puncak Semangat's entry would invigorate competition in the market. Market analysts, however, say the process in which the award was made was "not ideal," and CIMB Research was quoted as saying that "there appears to be a lack of tender process or criteria and scoring system for the award process, unlike the 3G beauty contest. In addition there was no official call for expression of interest for the spectrum, which is a scarce resource."²³³

Digital terrestrial television broadcasting will begin with three digital multiplexes and will be controlled by a single operator, the CIIP. Whether or not there is competition to control the management of the digital multiplexes will have to be evaluated once digital broadcasting begins.

5.2 Digital Gatekeeping

5.2.1 Technical Standards

It was initially decided by MCMC, following consultations with television and radio broadcasters, that digital terrestrial television would use the DVB-T standard. Due to the delay in implementation, however, the newer standard DVB-T2 will now be used. Our research did not encounter any issues with the technical standards to be adopted for digital broadcasting.

The three digital multiplexes used during digital switch-over should be able to accommodate at least 21 standard-definition channels and nine high definition channels. The decision on the number of channels and the mix of standard- and high-definition channels was reached after consultation between MCMC and television broadcasters.

5.2.2 Gatekeepers

The issue of whether the CIIP, which will manage the digital terrestrial television (DTT) multiplexes, will charge prohibitive fees for channels, or whether there are any issues related to its role as the digital gatekeeper, will need to be reviewed after the start of DTT broadcasting. The CIIP will remain under MCMC's regulation.

The other digital gatekeeper would be Astro, which is the only digital satellite broadcaster at the moment. Save for some complaints about Astro raising its rates, our research did not encounter any serious problems

231. E. Yapp, "Malaysia's LTE spectrum distribution draws criticism," ZDNet.com, 9 December 2011, at <http://www.zdnet.com/malaysia-lte-spectrum-distribution-draws-criticism-2062303179> (accessed 9 January 2013).

232. S.H. Zakaria, "MCMC defends spectrum award," *The Edge*, 12 December 2012, at <http://fz.com/content/mcmc-defends-spectrum-award> (accessed 9 January 2013).

233. Thestar.com, "Puncak Semangat's award 'not ideal,'" 13 December 2012, at <http://biz.thestar.com.my/news/story.asp?file=/2012/12/13/business/12453795&sec=business> (accessed 9 January 2013).

connected with Astro's role as a digital gatekeeper. Major sporting events such as the Olympics and the World Cup have also been aired on free-to-air terrestrial television, and not exclusively on Astro. Astro is majority-owned (about 50 percent) by Ananda Krishnan, listed by Forbes as Malaysia's second-richest person, and by Khazanah Nasional, the government's investment fund (20.8 percent).²³⁴

Under the Communications and Multimedia Act 1998, MCMC also has the power to make directions against anti-competitive behavior by any licensee in a dominant position in a communications market. Section 134(1) of the Act states that MCMC may publish guidelines which clarify the meaning of "substantial lessening of competition." This may include reference to:

- the relevant economic market;
- global trends in the relevant market;
- the impact of anticompetitive conduct on the number of competitors in a market, and on market share;
- the impact of the conduct on barriers to entry;
- the impact of the conduct on the range of services in the market;
- the impact of the conduct on the cost and profit structures in the market; and
- any other matters which MCMC is satisfied are relevant.

5.2.3 Transmission Networks

Our research did not come across any cases of transmission network operators intervening in the distribution of spectrum. Broadcasters mainly manage their own transmission while also employing Telekom Malaysia's transmitters. Telekom Malaysia was formerly the national telecoms provider, privatized in the 1980s and partially listed on the stock exchange in 1990. The government continues to hold a majority ownership of its shares, for example through Khazanah Nasional, which as of 2010 held a 36.78 percent stake.²³⁵ The government also holds a golden share that enables it to veto major decisions that may affect the national interest.²³⁶

234. J. Sadiq, "Astro share prices falling on costs, rules and future competition, says report," *Themalaysianinsider.com*, 26 October 2012, at <http://www.themalaysianinsider.com/malaysia/article/astro-share-price-falling-on-costs-rules-and-future-competition-says-report> (accessed 5 January 2013).

235. *The Edge*, "Khazanah still owns 36.78% stake in Telekom Malaysia," 22 July 2010, at <http://www.theedgemaalaysia.com/business-news/170396-khazanah-still-owns-3678-stake-in-telekom-malaysia.html> (accessed 5 January 2013).

236. C. Lee, "Telecommunications Reforms in Malaysia," Faculty of Economics and Administration, University of Malaya, Kuala Lumpur, 2001, p. 4.

5.3 Telecommunications

5.3.1 Telecoms and News

The increasing availability of mobile internet services means that telecoms companies now provide internet connectivity that allows users to access news providers of their choice on their mobile devices. This could be through news websites or applications such as Twitter or Facebook, or through RSS feeds. Mobile users may also subscribe to text message alerts from news providers delivered on their mobile phones. The mobile penetration rate is high in Malaysia, achieving almost 130 percent in 2011.

Telecoms companies are also involved in distributing news due to their involvement in IPTV deployment. Telekom Malaysia provides a high-speed fiber-optic broadband service, UniFi, which comes bundled with Hypp TV. Hypp TV includes the seven terrestrial free-to-air channels, Berita TV, and Al-Hikrah. It also includes foreign news and current affairs channels, such as DW, Australia Network, Channel News Asia, Euronews, and Bloomberg TV. Other news channels such as Al-Jazeera English are available with an additional monthly subscription.

Maxis, one of the three major mobile companies in Malaysia, also offers high-speed fiber-optic broadband and in 2012 a partnership with Astro for content on their IPTV service.²³⁷ Services were expected to begin by the end of 2012. There are no specific must-carry regulations, but individual licenses may stipulate that the licensee has to carry certain terrestrial channels.

5.3.2 Pressure of Telecoms on News Providers

Our research did not come across any cases of telecoms putting pressure on news providers.

5.4 Assessments

MCMC is in charge of allocating spectrum and is developing a spectrum plan on how spectrum is to be utilized in Malaysia. The spectrum allocation process is transparent to a certain degree, but is not entirely free from political, business, and national interests. A government minister is still in charge of the issuing of licenses, which are often a prerequisite for applying for spectrum. MCMC is also not entirely independent from the government (see section 7.2.2).

Aside from these constraints, MCMC is generally market-oriented in the distribution of spectrum and also aims to fulfill the national policy objectives for the communications and multimedia industry as set out in the Communications and Multimedia Act 1998. MCMC has been proactive in re-farming spectrum, which has resulted in Malaysians being increasingly connected to the internet through mobile devices, especially in urban and semi-urban centers.

237. T.E. Goh, "Maxis, Astro in IPTV partnership," *Business Times*, 6 September 2012, at http://www.btimes.com.my/Current_News/BTIMES/articles/maxistro/Article (accessed 13 September 2012).

The matter of spectrum allocation has not received much in the way of public or media attention. Even media-conscious civil society organizations have not addressed the matter in any substantial way, and it is not surprising that the authorities have not ranked public consultation highly in the process.

There is a healthy level of competition for mobile cellular and mobile broadband services in the telecoms industry.

Broadcasting, however, seems to be controlled a little more tightly, with effectively only two terrestrial television broadcasters, the government and Media Prima, and a single digital satellite television provider, Astro. In radio as well, three broadcasters dominate: Media Prima, AMP Radio Network (owned by Astro), and Star RFM, owned by MCA, a component party of the ruling coalition.

The Communications and Multimedia Act 1998 specifically mentions promoting a civil society where information-based services will provide the basis of continuing enhancements to quality of work and life as one of the national policy objectives for the communications and multimedia industry. It also cites “ensuring an equitable provision of affordable services over ubiquitous national infrastructure” as an objective.

Whether or not public interest will play a major role in the allocation and regulation of white spaces and digital dividend, however, will have to be evaluated once analog switch-off takes place. Given previous accusations that the government favored certain businesses in the area of spectrum allocation, it is possible that allocation of the digital dividend following analog switch-off could turn out to be a contentious affair, with political, commercial, and public interest issues all being part of the mix.

6. Digital Business

6.1 Ownership

6.1.1 Legal Developments in Media Ownership

The most significant characteristic of Malaysia's laws on media ownership is the absence of specific rules regulating ownership and cross-ownership. There is no prohibition on monopolies or cross-ownership in the media market, although the regulator has the legal power to act if it considers anything to be anti-competitive in the broadcasting and telecoms markets.

Despite the large number of newspapers and the presence of several broadcasters, the media market is, in fact, dominated by a few large organizations, as can be seen in the examples below.

Media Prima has the most widespread media ownership. It operates four free-to-air television channels, which in 2010 cornered 90 percent of the nation's free-to-air advertising.²³⁸ Media Prima's TV3 is the most watched free-to-air television channel and broadcasts the most watched news program "*Buletin Utama*" (Prime/Main Bulletin). Other than the government, it is currently the only free-to-air terrestrial television broadcaster. Media Prima also operates three radio stations and three newspapers, including the Malay-language tabloid *Harian Metro*, the country's most widely read paper. Media Prima has been linked in media reports in *The Edge* to BN through two of their shareholders, Gabungan Kesturi, which owns 11.49 percent, and Altima, which owns 8.25 percent.²³⁹ (Media Prima's largest shareholder is the Employees Provident Fund with an 18.46 percent share, in addition to a diverse group of smaller local and international shareholders.)

Astro All Asia Networks (Astro) is the only digital satellite television broadcaster. As of 2012, it had penetrated about half of all households in Malaysia.²⁴⁰ It is the largest pay-TV operator in South-east Asia by subscriber base. It also has eight radio stations, which in 2010 had a combined market audience share of 54.2 percent.²⁴¹

238. Nielsen Audience Measurement as quoted in Media Prima, "Annual Report 2010," Selangor, p. 83.

239. Media Prima, Investor FAQs, at http://www.mediaprima.com.my/investorcenter/investor_faqs.aspx (accessed 3 October 2012).

240. E.H. Choong, "Astro has three million subscribers and market penetration of about 50%," *Thestar.com*, 9 August 2012, at <http://biz.thestar.com.my/news/story.asp?file=/2012/8/9/business/11825472&sec=business> (accessed 27 September 2012).

241. Astro All Asia Networks, "Annual Report 2010," Kuala Lumpur, p. 28.

Astro's parent company Astro Malaysia Holdings was re-listed on the stock market in 2012 after it was privatized in 2010 by its major shareholders Ananda Krishnan and Khazanah Nasional.²⁴² After the listing, Mr Krishnan held about 50 percent of the company, while Khazanah held 20.8 percent.²⁴³ Mr Krishnan was listed by Forbes as Malaysia's second richest person in 2012.²⁴⁴ He also owns a major stake in the telecoms company Maxis.

Star Publications, majority-owned by BN's component party MCA, owns a majority of the nation's most read English-language daily, *The Star*, as well as two radio stations through its subsidiary Star RFM.

Utusan Group, majority-owned by UMNO, owns the Malay-language newspapers *Utusan Malaysia* and *Kosmo!*, and other magazines.

Media Chinese International, chaired by businessperson Tiong Hiew King, owns all the main Chinese-language newspapers in Peninsular Malaysia: *Sin Chew Daily*, *China Press*, *Guang Ming Daily*, and *Nanyang Siang Pau*. *Sin Chew Daily* is also widely read in Sarawak. Media Chinese International is part of the Rimbunan Hijau Group, a timber company.

Malaysia's oldest Tamil-language newspaper, *Tamil Nesan*, is owned by Vell Paari Samy Vellu, the son of a former president of the Malaysian Indian Congress (MIC), a BN component party.²⁴⁵ Mr Vell Paari is also the paper's managing director.

In Sarawak, the main Sarawakian English- and Chinese-language newspapers, *Borneo Post* and *See Hua Daily News*, are both owned by the KTS Group, a plantation and timber company managed by the Lau family. Its current managing director is Henry Lau. KTS also owns *Utusan Borneo* and the Peninsular Malaysia newspaper *Oriental Daily*.

The other large Sarawak newspaper group, Sarawak Press, is majority-owned by family members of Sarawak's chief minister, Abdul Taib Mahmud.

Media Chinese International's Mr Tiong and KTS Group's Mr Lau are both involved in the timber industry, and hence would be affected by the awarding of timber concessions by the government. The only significant legal restriction pertaining to media ownership is the power of the government-appointed regulator, MCMC, to direct a licensee in a dominant position to cease any conduct that may lessen competition. According to the Communications and Multimedia Act 1998, what constitutes a dominant position is determined by MCMC.

242. K. Yunus, "Major shareholders of Astro stand to gain big," *Business Times*, 5 October 2012.

243. J. Sadiq, "Astro share prices falling on costs, rules and future competition, says report," *Themalaysianinsider.com*, 26 October 2012, at <http://www.themalaysianinsider.com/malaysia/article/astro-share-price-falling-on-costs-rules-and-future-competition-says-report> (accessed 5 January 2013).

244. Forbes, "Ananda Krishnan," March 2012, at <http://www.forbes.com/profile/ananda-krishnan> (accessed 5 January 2013).

245. Malaysian Indian Congress (MIC), "Tamil Nesan starts English pullout to help MIC woo voters," 3 September 2012, at <http://www.mic.org.my/news-events/national-news/2012/tamil-nesan-starts-english-pullout-help-mic-woo-voters> (accessed 28 September 2012).

MCMC may publish guidelines specifying matters to be taken into account such as the commercial market, market share, and the licensee's power to set rates independently of the government for its services. This ruling, however, is only applicable to organizations that require a license from MCMC, namely broadcasters and telecommunications companies.

6.1.2 New Entrants in the News Market

The newest terrestrial broadcaster is Worldview Broadcasting Channel (WBC), which started its test transmission in December 2011.²⁴⁶ It was reported in *The Edge* that WBC is owned by four individuals: Wan Johan Wan Ismail and Kamarudin Yusoff with 31.6 percent each, Izman Ismail with 26.6 percent, and Rita Sarbanon Ismail with 10 percent. WBC's main content is to consist of news, current affairs programs, and documentaries. It was expected to go on air in April 2012; however, in August 2012, a news report said that Media Prima was in preliminary negotiations to take up a stake in WBC, which was said to be "ailing."²⁴⁷ Media Prima clarified in a statement that no formal discussions or agreements had been entered into relating to the acquisition of WBC and that the necessary announcement would be made under stock exchange requirements should any agreement be made.²⁴⁸ The online news site Fz.com also reported in October 2012 that WBC employees had not received their salaries for months.²⁴⁹ The company had issued a statement in December 2011 that it would begin broadcasting in April 2013, though the link provided to its website did not work. The press statement said the station's core content would be news, with 70 percent international news coverage and the remainder current affairs programs and documentaries. "WBC local viewers will be able to watch live news reports from various locations around the world, presented from a Malaysian perspective, in three languages, Bahasa Malaysia, English, and Arabic," the statement said.²⁵⁰

A new cable television network, ABN, which has begun broadcasting in several areas, also has several new news channels such as NDTV, a "pioneer in India's news television".²⁵¹

The now privatized former state telecoms provider Telekom Malaysia started its UniFi high-speed fiber-optic broadband service in March 2010. The service is bundled with IPTV Hypp TV, which includes news channels such as Bernama TV, Euronews, DW, Australia Network, Channel News Asia, and Bloomberg TV. Maxis is also set to roll out IPTV in 2013, with content from Astro.²⁵²

246. *New Straits Times*, "New local news channel to take off in April 2012," 6 December 2011, at <http://www.nst.com.my/latest/new-local-news-channel-to-take-off-in-april-2012-1.15809#> (accessed 24 September 2012).

247. J. Barrock, "Media Prima in early talks with Worldview Broadcasting Channel," *The Edge*, 15 August 2012, at <http://www.theedgemaalaysia.com/in-the-financial-daily/218716-media-prima-in-early-talks-with-worldview-broadcasting-channel.html> (accessed 24 September 2012).

248. Media Prima, "Article entitled: Media Prima in early talks with Worldview Broadcasting Channel," Bursa Malaysia, 15 August 2012, at <http://announcements.bursamalaysia.com/edms/edmswebh.nsf/LsvAllByID/1E2824353EB8BA6348257A6C005D949E?OpenDocument> (accessed 3 October 2012).

249. M. Abdullah, "WBC employees seek HR ministry's help," Fz.com, 19 October 2012, at <http://fz.com/content/wbc-employees-seek-hr-ministry-%E2%80%99s-help> (accessed 9 February 2013).

250. See <http://www.nst.com.my/latest/new-local-news-channel-to-take-off-in-april-2012-1.15809/facebook-comments-7.17180> (accessed 14 May 2013).

251. NDTV@25, at <http://www.ndtv.com/convergence/ndtv/corporatepage/index.aspx> (accessed 14 May 2013).

252. *Business Times*, "Maxis-Astro to rollout IPTV packages by 2013," 5 September 2012, at http://www.btimes.com.my/Current_News/BTIMES/articles/20120905132702/Article/index_html (accessed 25 September 2012).

The international news channel, Al Jazeera English, set up its regional headquarters in Kuala Lumpur in 2006. It has since scaled down operations in Kuala Lumpur but maintains an office there.

Bername launched a news radio station Bernama Radio24 in 2007. It originally only broadcast in and around Kuala Lumpur, but since 2012 it has also been available in Johor Baru. Business FM (BFM) was launched in 2008 by Malek Ali, a Malaysian entrepreneur who had previously worked with an online job site Jobstreet.com, the telecoms company Maxis and Yahoo!²⁵³ BFM provides coverage of news and current affairs from 6 a.m. to 9 p.m. The radio station focusses on business, and has also tackled human rights and constitutional matters, and interviewed civil society leaders on national topics.

In 2010, Radio Free Sarawak started broadcasting for two hours daily on shortwave radio and also online. The radio station has broadcast accounts of land grabs and alleged corruption by Sarawak's chief minister, Abdul Taib Mahmud. Radio Free Sarawak was set up by a British investigative journalist, Clare Rewcastle Brown, who was born in Sarawak and lived there till aged eight. As a journalist, she witnessed the degradation of Sarawak's rainforests on a media trip and continued reporting on the state. Ms Rewcastle Brown enlisted the support of a Sarawakian, Peter John Jaban, to deliver the broadcasts.²⁵⁴

The free weekly community newspaper *Selangor Times* started publishing in November 2010. It is a state newspaper and is therefore exempt from obtaining a permit to publish from the Home Ministry. Selangor is run by the federal opposition coalition, PR.

The online media have probably seen the greatest number of new entrants in the last five years. The purely online sites Themalaysianinsider.com, Freemalaysiatoday.com, Thenutgraph.com, and Malaysiachronicle.com are some of the news portals set up in the last five years. Although the names of the editorial teams of these news portals are mostly publicly available, the funders have remained anonymous. It is generally believed that these online portals have financial backers, as online advertisements alone are still insufficient to fund a fully functioning newsroom. Thenutgraph.com has since scaled back operations dramatically due to lack of funds. Several of these portals such as Themalaysianinsider.com and Thenutgraph.com were set up around the 2008 general election, when the BN lost its usual two-thirds majority in Parliament and the governance of five states. The dissemination of information via the internet was widely believed to have strongly influenced the election results.²⁵⁵ In 2012, two other internet news portals were set up: Fz.com, which focusses on news and current affairs, and Kinibiz, a business news portal set up by Malaysiakini. International search engines Yahoo! and MSN have also set up small teams that provide local news.

253. E. Oh, "Up close and personal with Malek Ali," *Thestar.com*, 22 January 2011, at <http://biz.thestar.com.my/news/story.asp?file=/2011/1/22/business/7842888&sec=business> (accessed 9 February 2013).

254. D. Cohen, "Gordon Brown's sister-in-law tackles corruption in Borneo," *London Evening Standard*, 22 February 2011, at <http://www.standard.co.uk/lifestyle/gordon-browns-sisterinlaw-tackles-corruption-in-borneo-6569716.html> (accessed 9 February 2013).

255. Many politicians have commented on how the internet made a big difference in the 2008 general election, not least among them Prime Minister Abdullah Ahmad Badawi. "In the last election, we certainly lost the internet war, the cyber war ... It was a very, very serious mistake on our part," he said. See *New York Times*, "Malaysian leader admits ignoring internet was a mistake," 25 March 2008, at http://www.nytimes.com/2008/03/25/world/asia/25iht-malay.1.11396684.html?_r=0 (accessed 9 February 2013).

6.1.3 Ownership Consolidation

The most detrimental merger to media pluralism and diversity in the newspaper industry in the past decade was the buyout of *Nanyang Siang Pau* (*Nanyang*) and sister publication *China Press* by the MCA investment arm Huaren Holdings in 2001 and their subsequent sale to the Rimbunan Hijau Group in 2006.

Rimbunan Hijau Group, a timber company headed by Tiong Hiew King, already owned *Sin Chew Daily* and *Guang Ming Daily* when it bought *Nanyang* and *China Press*. The transaction brought all the main Chinese-language newspapers in Peninsular Malaysia under one media group.

The Chinese-language press has traditionally been more outspoken compared with their Malay- and English-language counterparts. Mr Wong said that prior to *Nanyang* and *China Press*'s sale, there was a duopoly in the Chinese-language market, with a few smaller newspapers. Now, there is a monopoly controlling most of the market, with a few smaller newspapers. "Previously, due to competition, the two main newspaper groups would not want their readers to think they are too conservative. Now, they all have the same boss, so the pressure of competition does not push them to be more outspoken," said Mr Wong.²⁵⁶

Another newspaper acquisition is Media Prima's takeover of New Straits Times Press (NSTP) in 2010. When Media Prima launched the takeover, it already had 43.29 percent of shares in NSTP,²⁵⁷ and successfully bought out shareholders and de-listed NSTP from Bursa Malaysia in 2010.²⁵⁸

As stated above, Malaysia's media are dominated by a few large organizations, of which several are directly owned by the ruling coalition BN or have links to it. Others are owned by business personalities with close business relations with the government, thereby making it possibly counter-productive to their business interests should their newspapers be seen to be too critical of the government. A paper by academics Zaharom Nain and Mustafa Kamal Anuar has detailed the close alignment of the mainstream media with the BN government.²⁵⁹

With the addition of stringent legal controls, the result has been a tame mainstream press, wary of appearing critical of the ruling BN government. In an analysis on media coverage of the 2004 general election, Mr Mustafa observed that the mainstream press "overwhelmingly presented a sympathetic, and often, flaunting, bias in favor of the incumbent BN while providing insufficient coverage of the views—or even demonizing—the opposition parties."²⁶⁰ Content analysis demonstrated an overwhelming amount of positive news about

256. Interview with Wong Chin Huat, Petaling Jaya, 25 August 2012.

257. *The Edge*, "Media Prima gets 77.52% stake of NSTP," 18 December 2009, at <http://www.theedgemaalaysia.com/business-news/155947-media-prima-gets-7752-stake-of-nstp.html> (accessed 24 September 2012).

258. *Thestar.com*, "Media Prima now holds 96.12% of NSTP," 6 August 2010, at <http://biz.thestar.com.my/news/story.asp?file=/2010/8/6/business/20100806153656> (accessed 24 September 2012).

259. Z. Nain and M.K. Anuar, "Ownership and Control of the Malaysian Media," World Association for Christian Communication, April 1998, at http://archive.waccglobal.org/wacc/publications/media_development/archive/1998_4/ownership_and_control_of_the_malaysian_media (accessed 27 September 2012).

260. Anuar, "Politics and the Media," p. 25.

the BN compared with negative news. Conversely, there was a large number of negative news items on the federal opposition and many fewer positive news items. A study conducted by the CIJ in 2011 on several English- and Malay-language newspapers had similar findings,²⁶¹ as did a 2013 study by the CIJ and the University of Nottingham.²⁶²

Another academic paper demonstrated that in the 2000 general election, newspaper headlines carried BN leaders' statements, such as "Opposition parties are strange bedfellows, says Ling," "Ling: Opposition not democratic," and "Lim: Opposition spreading lies."²⁶³ It also noted that MCA-owned *The Star* was used to attack the federal opposition, the DAP, MCA's direct competitor in many constituencies.²⁶⁴

It is rare to find articles in the traditional print media that are openly critical of the prime minister. The School of Communications professor, Wang Lay Kim, notes that cues (instructions of various degrees of subtlety) to newspapers from the powers-that-be appear particularly blatant during periods when the ruling party's power is threatened in any way.²⁶⁵

It is therefore mainly on the internet that critical articles on the government frequently appear. However, the ownership of many online news sites is opaque. The online media are also struggling to fund themselves and many are dependent on the whims of their financial backers, as discussed below.

6.1.4 Telecoms Business and the Media

Telecoms companies have become involved in the media sector through their involvement in delivering fiber-optic broadband services and by extension, IPTV (see section 5.3.1).

Telekom Malaysia's Hypp TV, bundled with its fiber-optic broadband service UniFi, includes news channels such as Bernama TV, DW, Australia Network, Channel News Asia, Euronews, and Bloomberg TV. Astro partnered with the telecoms company TIME dotCom to offer broadband services together with IPTV, which carries Astro's channels. Astro has also partnered with the telecoms company and fiber-optic broadband service provider Maxis to provide content for their IPTV service.

Our research did not find any instances where the involvement of telecoms companies in delivering news channels on IPTV influenced media independence in any way.

261. J. Ding and J.A. Surin, *Freedom of Expression in Malaysia 2011*, Center for Independent Journalism, Kuala Lumpur, p. 42.

262. See <http://www.nottingham.edu.my/Modern-Languages/CentrefortheStudyofCommunicationsandCulture/Watching-the-Watchdog.aspx> (accessed 16 May 2013).

263. L.K. Wang, "Media and Democracy in Malaysia," *The Public* 8(2) (2001), pp. 67–68, p. 85 (hereafter, Wang, "Media and Democracy in Malaysia").

264. Wang, "Media and Democracy in Malaysia," p. 73.

265. Wang, "Media and Democracy in Malaysia," p. 74.

6.1.5 Transparency of Media Ownership

Media ownership is transparent to a certain degree. The names of shareholders and directors can be ascertained through a straightforward Companies Commission search. It is also no secret that some of the media, such as Star Publications and the Utusan Group, are owned outright or are majority-owned by BN parties. A BN minister, Nazri Aziz, openly referred to the prime minister as *Utusan Malaysia's* boss. When commenting on articles in the newspaper featuring the former prime minister, Mahathir Mohamad, that appeared to contradict government policies, the prime minister reportedly said, "I cannot understand *Utusan*. Who is their boss—Najib or Dr Mahathir?"²⁶⁶

It is also generally known that several other media are owned by corporations with business ties with the government. The KTS Group and Rimbunan Hijau Group, for instance, have timber businesses which depend in part on the award of timber concessions by the government. The Free English-language paper *theSun* is part of Berjaya Media, which is part of the Berjaya Group. Berjaya's major shareholder is Vincent Tan, who has enjoyed close business ties with the BN government.

But the use of proxies may make it difficult in some cases to determine the actual owners of a media company. Mr Mustafa states that while one can to a certain extent access information on media ownership, one may not be able to ascertain who the real owners of certain media are, as the listed companies may well be proxies to certain vested interests.²⁶⁷

To take an example, the new broadcaster WBC, expected to take up eight channels after digital switch-over, six of which are high-definition, reportedly has four shareholders listed, who are also directors of the company.²⁶⁸ It would be impossible to say, without inside knowledge, whether these four shareholders are the only ones involved in financing this expensive venture, or whether there are other individuals or political parties involved.

Other than the usual requirements to disclose shareholders and directors to the Companies Commission, there are no specific obligations for media owners to declare their ownership to a specific body in the public interest.

The transparency of ownership of online media sites is also difficult to ascertain. As there are no regulations for setting up a website, how much information is disclosed about the owners, funders, or even editors and writers of an online site is up to the site owners themselves. *Themalaysianinsider.com*, for example, is still financially dependent on a few investors who remain anonymous, although it also receives advertising

266. C. Chooi, "Nazri asks if Utusan wants Dr M to replace Najib," *Themalaysianinsider.com*, 15 September 2010, at <http://www.themalaysianinsider.com/malaysia/article/nazri-asks-if-utusan-wants-dr-m-to-replace-najib> (accessed 27 September 2012).

267. Email interview with Mustafa Kamal Anuar, Kuala Lumpur, 22 July 2012.

268. J. Barrock, "Media Prima in early talks with Worldview Broadcasting Channel," *The Edge*, 15 August 2012, at <http://www.theedgemaalaysia.com/in-the-financial-daily/218716-media-prima-in-early-talks-with-worldview-broadcasting-channel.html> (accessed 26 September 2012).

revenue.²⁶⁹ On 23 April 2013, a Fz.com report stated that the Redberry Media Group, which also owns the newspaper *Malay Mail*, had become a major shareholder of Themalaysianinsider.com.²⁷⁰ This was strongly denied by Themalaysianinsider.com editor Jahabar Sadiq,²⁷¹ who has demanded that Fz.com retracts the story and apologizes.²⁷² Such speculation highlights the concern over the concentration of media ownership, which could affect editorial independence and diversity. Thenutgraph.com's original investors also remain anonymous due to fears that their business concerns would be affected if they were found to be funding an independent and critical news organization.²⁷³ Malaysiakini.com, however, has been more open about its sources of funding, stating that it derives income chiefly from subscriptions and advertising.²⁷⁴

6.2 Media Funding

6.2.1 Public and Private Funding

RTM is funded by the government. In 2011, the information, communications and culture minister said the government spent RM 560 million (US\$ 183 million) on the state broadcaster for the year.²⁷⁵ Any revenue RTM earns through advertising, sponsorships, or smart partnerships with the private sector are channeled back to the government to defray the operating costs. Government spending on state media is expected to increase after the digital switch-over as there will be more channels and therefore more content to produce or purchase. This amount, however, has not been disclosed.

Bernama is funded partly by a government grant and partly through self-generated revenue from its newswire service, photographs, and other sources, such as its news update service, Bernama Mobile Newsroom.²⁷⁶

The rest of the media industry is funded primarily by advertisements. In 2011, advertisers spent MR 10.76 billion (US\$ 3.07 billion) on media expenditure, an increase of 11.9 percent over 2010.²⁷⁷ Advertising expenditure grew steadily in 2010 and 2011 after a slow 2009 following global economic uncertainties. Expenditure continued to grow in 2012, albeit at a slower rate than in 2011.²⁷⁸ Newspapers retained the

269. Interview with Jahabar Sadiq.

270. Fz.com, "Revision of Redberry takes over The Malaysian Insider?," 23 April 2013, at <http://fz.com/node/13330/visions/27833/view> (accessed 14 May 2013).

271. Email interview with Themalaysianinsider.com editor, Jahabar Sadiq, Petaling Jaya, 14 May 2013.

272. Fz.com, "Insider denies report, slams fz.com," 24 April 2013, at <http://fz.com/content/insider-denies-report-slams-fzcom> (accessed 20 May 2013).

273. Email interview with Jacqueline Ann Surin.

274. P. Chandran, "Attacks on Malaysiakini, here we go again," Malaysiakini.com, 27 September 2012, at <http://www.malaysiakini.com/news/210114> (accessed 1 October 2012).

275. Rais Yatim, "Strengthening the broadcasting world creatively and innovatively," Ministry for Information, Communications and Culture, 23 May 2011, at http://www.kpkk.gov.my/index.php?option=com_content&view=article&id=3394%3Aucapan-pemukiman-rtm&catid=174%3Aucapan-menteri&lang=bn (accessed 29 August 2012).

276. Interview with Bernama chief editor, Yong Soo Heong, Kuala Lumpur, 13 August 2012.

277. Nielsen, as quoted in Mahpar, "Adex up 12% in 2011," Thestar.com, 2 February 2012, at <http://biz.thestar.com.my/news/story.asp?file=/2012/2/2/business/10613321&sec=business> (accessed 25 September 2012) (hereafter Mahpar, "Adex up 12% in 2011").

278. M.H. Mahpar and E. Mahalingam, "Advertisers remain cautious," Thestar.com, 15 September 2012, at <http://biz.thestar.com.my/news/story.asp?file=/2012/9/15/business/12022528&sec=business> (accessed 25 September 2012).

biggest portion of advertising expenditure in 2011, at 40.5 percent. Pay-TV and the internet saw the biggest growth in advertising expenditure of 26.7 percent and 22.1 percent respectively. Although internet advertising is growing, advertising in newspapers remains a traditional first choice for many advertisers at this stage, although the next generation of media planners may shift their advertising consumption patterns.²⁷⁹

Table 21.
Advertising expenditure in the media, 2010 and 2011

Media	Share (%) 2010	Share (%) 2011	Adex growth (%)
Newspapers	40.5	40.5	11.9
Free-to-air TV	30.1	28.0	4.2
Pay-TV	20.3	22.9	26.7
Radio	4.3	4.0	4.6
Magazines	1.4	1.4	-3.7
In-store media	1.3	1.3	14.0
Outdoor	1.2	1.1	-0.5
Internet	0.5	0.6	22.1
Cinema	0.2	0.2	-9.4
Total	100.0 (MR9.6 billion)	100.0 (MR 10.8 billion)	11.9

Note: Ad spending based on published rate cards except for outdoor, which is based on actual spending. Pay-TV ratings based on 12 channels. Internet data based on website spending from Yahoo!, MSN, Forbes, Utusan, Sin Chew, and The Star sites

Source: Nielsen, as quoted in *The Star*, 2 February 2012²⁸⁰

The government has consistently been a top advertiser. In 2011, local government institutions topped the product and service category, with mobile line services in second place.

Although internet advertising has increased, funding for exclusively online news publications from advertising remains in a precarious position, as with many other online news sites worldwide (see section 6.2.2).

6.2.2 Other Sources of Funding

Most major newspapers have set up online sites and accounts on social media (see section 3.1.1). A lot of the new online activities, however, aim for the same traditional source of funding, that is, to attract more viewers and therefore more advertisers.

For instance, a few major newspapers, such as *The Star*, *Harian Metro*, *New Straits Times*, and *Sin Chew Daily*, have developed digital versions of their newspapers or e-papers. This allows for easy viewing of their

279. Interview with Yahoo! Malaysia country ambassador and sales director Kee Jon-Tjin, Petaling Jaya, 25 September 2012.

280. Mahpar, "Adex up 12% in 2011."

newspapers on mobile devices such as tablets and mobile phones by downloading an application. Digital versions have tended to be more interactive, such as *The Star's* iSnap function, which allows users to view videos and more photos by hovering their smartphones over selected news stories. In addition to adding more “eyeballs” through increased readership, the e-papers also generate revenue, as users have to pay a subscription to receive daily updates. To promote their digital versions, however, newspapers have been giving out free trials during the initial period. *The Star* even bundled their print version and e-paper for an annual rate that was cheaper than purchasing the print version alone.

Established print newspapers have also been able to attract advertisers to their online news sites. A top online news site, *Thestar.com*, is able to sustain itself through online advertising.²⁸¹ *Thestar.com* and other online versions of print newspapers, however, are able to benefit from the existing resources and newsrooms set up for their print publications, in addition to economies of scale, something that exclusively online news sites do not enjoy. As print commands the lion's share of media advertising expenditure, online news sites with established print counterparts also benefit, as advertisers naturally gravitate to known names when advised to include online advertising as part of their media plan.²⁸²

Other than the leading online-only site *Malaysiakini.com*, news sites without print counterparts have struggled to be self-sustaining. *Malaysiakini.com* is a subscription-based website charging MR 150–450 (US\$40–120) per year for its content. Advertising revenue for *Malaysiakini.com* came close to matching subscriptions for the first time in 2011. This is significant, as prior to 2008 subscriptions accounted for up to 90 percent of revenue. *Malaysiakini.com's* chief executive officer, Premesh Chandran, expects advertising revenue to match and eventually surpass subscriptions over the next few years. Other sources of funding make up about 5 percent of revenue, such as book sales, grants, user subscriptions, text message alerts, and new media schools. *Malaysiakini.com* also syndicates news stories to news aggregators such as Yahoo!

Themalaysianinsider.com was able to garner about MR 80,000–120,000 (US\$ 26,230–39,400) per month in advertising in 2012. It is, however, not yet self-sustaining and is dependent on several “angel” investors. It hopes to be self-sustaining through advertising within seven years of its founding, namely by 2015.²⁸³

Other purely online sites are largely dependent on private backers and find it difficult to sustain operations, should their backers pull out. *Thenutgraph.com* drastically scaled down operations in 2010 after only two years of publication when their seed funders decided not to continue funding.²⁸⁴ *Merdekareview.com* launched a joint subscription plan with *Malaysiakini.com's* Chinese-language site in 2011, but still had to close in 2012 after its backers pulled out.²⁸⁵ Both *Thenutgraph.com* and *Merdekareview.com* received generous public

281. Interview with Star Publications chief operating officer, digital business, Wong Siah Ping, Petaling Jaya, 7 August 2012.

282. Interview with Yahoo! Malaysia country ambassador and sales director, Kee Jon-Tjin, Petaling Jaya, 25 September 2012.

283. Interview with Jahabar Sadiq.

284. J.A. Surin, “*The Nut Graph's* Plan B,” *Thenutgraph.com*, 22 July 2010, at <http://www.thenutgraph.com/the-nut-graph%E2%80%99s-plan-b> (accessed 25 September 2012).

285. *Merdeka Review*, “*Merdeka Review* ceases operations,” 2 August 2012, at http://www.merdekareview.com/bm/news_v2.php?n=13306 (accessed 25 September 2012) (hereafter, “*Merdeka Review* ceases operations”).

donations when news of their financial difficulties became known; however, ad hoc donations were not sufficient to sustain regular operations.

Other online news sites that are dependent on private funding are also beholden to their funders, in the absence of viable alternatives. Speaking at the launch of the subscription service for Malaysiakini.com's Chinese-language version in September 2011, the editor-in-chief, Steven Gan, said that the internet age has largely benefitted companies such as Facebook and Google, but news content providers have faced difficult challenges.²⁸⁶ "Online media in Malaysia cannot continue to rely on the generosity of a few rich tycoons—partly because we know how fickle they can be," said Mr Gan.

Online advertising has seen rapid growth in the last two years and is expected to grow exponentially.²⁸⁷ The bulk of online advertising, however, has been going to international search engines or social media sites such as Google, Facebook, Yahoo!, and MSN.

Other sources of funding that have emerged are applications such as Bernama's Mobile Newsroom, which allows individual subscribers to receive news stories from Bernama and Reuters on their smartphones. Packages start from MR 100 (US\$33) per month. Bernama has also partnered with some government agencies which advertise on Bernama's website. Bernama, in return, has developed information portals about those agencies with links to the website from Bernama's webpage.

Broadcasters have entered the online world in search of new opportunities and sources of revenue.

Media Prima has established Tonton.com, which features 2.15 million videos and an average of 525,000 unique visitors per month. The site hosts free video on demand and live streaming as well as pay-TV programs and movies. It generates revenue through advertising as well as its paid transactional video streams.

Media Prima, RTM, and Bernama's television channels are also available on IPTV, thereby increasing their viewership from the additional platform. Media Prima TV Network's chief operating officer, Ahmad Izham Omar, said the idea with free-to-air television is to have as many people watching their programs as they can. This has prompted Media Prima to create new platforms (such as the online TV portal Tonton.com mentioned above), and also be part of other media platforms such as IPTV.

Astro has partnered with TIME dotCom to provide broadband services along with Astro's channels available on IPTV. Astro has also partnered with Maxis to provide content to Maxis' IPTV service, which is delivered via its fiber-optic broadband service. Astro has also launched Astro On-The-Go, which allows users to watch 11 Astro channels and selected live sports events on their smartphones or tablets. It has a catch-up service

286. N. Aw, "2 Chinese news portals in subscription joint venture," Malaysiakini.com, 21 September 2011, at <http://www.malaysiakini.com/news/176428> (accessed 25 September 2012).

287. M.H. Mahpar, "Malaysia's adex gathers momentum in February," Thestar.com, 19 March 2012, at <http://biz.thestar.com.my/news/story.asp?file=/2012/3/19/business/10938964&sec=business> (accessed 27 September 2012).

for top-ranking Astro programs and a pay-per-view service which includes movies and classics. Astro has launched a Facebook site which allows viewers to download movies from the site for a fee.

Broadcasters have also been making innovations in order to ride on the increasing use of smartphones and tablets. Astro's radio division has developed applications that can be downloaded on to smartphones and tablets to enable users to listen to their radio stations. The applications are free and also interactive. Users can also listen to radio through live streaming on the internet. Astro's radio channels have established a presence on social media sites such as Facebook and Twitter. Their radio hosts maintain blogs and Twitter accounts to interact with their users. Astro Radio's digital content manager, Kavitha Doraimanickam, said that advertisers now can advertise on multiple platforms.²⁸⁸ Advertisements do not just air on radio but also appear on Facebook, as "skins" on websites and blogs, on applications, on gifts, and goodie bags given out on the ground. "People aren't just listening to radio in their cars any more, but wherever they go," said Ms Kavitha.

Other radio stations such as Business FM provide online podcasts of their interviews which listeners can listen to online or download free. Business FM listeners can also watch videos of selected interviews on the internet.

Although the methods are varied, the objective is very similar: to attract more readers, listeners or viewers, in order to attract more advertising, which remains the main source of funding for most media.

6.3 Media Business Models

6.3.1 Changes in Media Business Models

The media industries continue to rely on advertising and subscriptions to generate revenue. Many of the media industry leaders interviewed stated that the main revenue-earner is still advertising. What has changed, however, is the means through which content, and thereby advertising, is delivered. More and more content is made available on digital platforms, to attract viewers, listeners, and readers, who are increasingly abandoning traditional media and accessing their preferred content digitally. Media companies that ignore or neglect the internet do so at the risk of losing their audience to other media companies with a more aggressive or attractive presence online.

Nielsen figures show that advertising expenditure for newspapers, which traditionally command the largest share of advertising spend, contracted slightly from 2011 to 2012, from MR 3,589.5 million (US\$ 1,196.5 million) to MR 3,551.7 million (US\$ 1,183.9 million).²⁸⁹ The report recorded that advertising spend for free-to-air television increased by only 1.8 percent compared with an increase of 15.3 percent for pay-TV. Internet advertising has grown substantially: Nielsen figures indicate that from 2010 to 2011 it grew by 32.5

288. Interview with Astro Radio digital content manager, D. Kavitha, Kuala Lumpur, 11 September 2012.

289. *Business Times*, "Advertising expenditure tops RM9b in 10 months," 15 November 2012, at http://www.btimes.com.my/Current_News/BTIMES/articles/adex/Article (accessed 12 February 2013).

percent.²⁹⁰ This is taking into account the fact that Nielsen data only cover selected websites and publishers and the real digital spend and market share will be more than what is reflected in Nielsen's statistics. The chief executive officer of Universal McCann, a media agency, estimated digital advertising expenditure in 2012 to exceed MR 450 million (US\$ 150 million), compared with MR 300 million (US\$ 100 million) in 2011.²⁹¹

Broadcasters can no longer continue broadcasting solely through their traditional medium, as viewers and listeners no longer tune in for their favorite programs at the appointed time. Media consumption is becoming increasingly on-demand. Radio is therefore now available not just on the radio but also through DVR players on the internet and on smartphones through downloaded applications, so that listeners can tune in whenever they want. The applications are interactive and have playback functions so that viewers and listeners can catch up on programs they have missed.

All major newspapers have established an online presence with websites, Facebook pages, and Twitter accounts (see section 3). Some have launched digital versions or e-papers downloadable on tablets and smartphones.

A lot of the new activity, however, as discussed above, is to attract a traditional source of funding, namely advertisers. Being present on multiple platforms allows for increased viewership and listenership, thereby assisting broadcasters and news publications to maintain or increase advertising revenue.

Despite the audience shifts from free-to-air television and newspapers on to the internet, businesses still gravitate to the traditional media when placing advertisements. Yahoo! Malaysia country ambassador and sales director, Kee Jon-Tjin, states that this practice is slowly changing, and businesses are realizing that online advertising can in fact be more versatile than traditional models and deliver more targeted information to audiences.²⁹²

The slow pace of the move toward digital marketing has meant that purely online business models have not been able to stay afloat through advertising alone, such as is the case for Thenutgraph.com and Merdekareview.com discussed above. The financial viability and sustainability of purely online models are crucial for the independence and diversity of the Malaysian media scene, which has benefitted from the more vocal online media, compared with their more subdued print counterparts. At the moment, with the exception of Malaysiakini.com, most purely online media sites are still dependent on anonymous financial backers.

290. H. Mahpar, "Ad Market bucks the trend," *Thestar.com*, 31 December 2011, at <http://biz.thestar.com.my/news/story.asp?file=/2011/12/31/business/10100869&sec=business> (accessed 12 February 2013).

291. K. Singh, "Digital Marketing expected to exceed RM450m for 2012," *Digital News Asia*, 13 May 2012, at <http://www.digitalnewsasia.com/node/79> (accessed 12 February 2013).

292. Interview with Yahoo! Malaysia country ambassador and sales director, Kee Jon-Tjin, Petaling Jaya, 25 September 2012.

6.4 Assessments

Digitization has not affected monopolies and dominant positions in the media market or media ownership by political parties. The media market is still dominated by large organizations that are directly or indirectly owned by political parties or with close business ties to the ruling BN government.

Large organizations in dominant positions, in fact, have the most resources to respond to the challenges of digitization and are able to launch new products and enter into partnerships to ensure that their content continues to be available on multiple platforms.

Digitization has therefore not made these media more, or less, independent. The traditional broadcast and print media remain tame and slow to criticize BN government policies.

The exception is on the internet, where the absence of strict licensing requirements and the free entry for news sites has resulted in a more diverse news offering online. Exclusively online news sites such as Malaysiakini.com and Themalaysianinsider.com tend to publish news and views that are not available in the traditional media. The increasing reach of the internet has meant more online advertising, which has benefitted online news sites to a certain degree, although apart from Malaysiakini.com, which relies mainly on subscriptions and advertisements, other purely online news sites are still struggling to be self-sustaining through advertisements.

Transparency of ownership has been unchanged in the last five years, although media ownership is ascertainable to a certain extent. The use of proxies, however, and the lack of a legal requirement to disclose media ownership for the public interest has meant that the true owners or controllers of a particular media company may be kept hidden quite simply. Transparency of ownership of purely online news sites can be opaque, as there are no requirements for publications to disclose their owners, funders, and even editors and writers.

The online media have struggled to find suitable models of financing and of the established purely online news sites, only Malaysiakini.com is truly self-sustaining, depending on a combination of mainly subscriptions and advertisements. Malaysiakini.com, however, is one of the oldest online news sites, and not many viewers are prepared to pay for even one online news subscription, let alone more.

Many online news sites are dependent on their funders, and are therefore at the mercy of these funders changing their minds, as in the cases of Thenutgraph.com and Merdekareview.com. From the funders and investors' points of view, it is difficult to continue putting money into a business that may not generate any returns, even after several years. This is worrisome, as the online media have been more outspoken and critical as they are less shackled by the legal and political controls that the print and broadcast media face. A lack of transparency regarding ownership and funding by some online sites does affect their credibility and has left the online media open to attacks of being pro-opposition and biased.

Although digitization has seen audience shifts from traditional media such as free-to-air television and newspapers on to the internet, the media industry is still mainly dependent on advertising for revenue. Digitization has prompted changes in the sense that broadcasters and newspapers can no longer rely on single platforms to deliver their content, but must be present on multiple platforms.

Although advertising spend on digital marketing has increased over the years, the volume is still insufficient at present to fully sustain purely online news sites. This may change as business owners start to invest more in online advertising. Digitization has not made any changes to the monopolies in the Malaysian media market or the ownership of media companies by political parties, which together with tight legal controls are probably the most detrimental to the Malaysian media's independence and diversity. An increase in the number of platforms on which news is available therefore does not translate into more diversity, as unless the monopolies, legal controls, and ownership issues are dealt with, the ability of a newsroom to be more independent will not be affected, because of the multiple platforms available.

7. Policies, Laws, and Regulators

7.1 Policies and Laws

7.1.1 Digital Switch-over of Terrestrial Transmission

7.1.1.1 Access and Affordability

The Communications and Multimedia Act 1998 set out the national policy objectives for the Malaysian communications and multimedia industry. Section 3(2)(f) states that one of the objectives is “to ensure an equitable provision of affordable services over ubiquitous national infrastructure.”

This policy objective seems to have been taken into account in MCMC’s plans to migrate terrestrial transmission from analog to digital. MCMC has been tasked with implementing the digital switch-over. In a 2003 discussion paper on the introduction of digital terrestrial transmission in Malaysia, MCMC asked questions such as, “What are the best methods in assigning this spectrum, taking into consideration that the broadcasting industry has the responsibility to provide coverage and service to Malaysians, without unduly increasing the cost or subsequently translating the cost to the consumer?”²⁹³

MCMC stated in the same paper that its aim was for the Malaysian public to be able to receive existing channels without any cost, meaning that existing channels would have to be free-to-view on digital television. It also stated that transmission of digital television would eventually provide the same coverage area as analog transmission. The discussion paper also recognized that cost would affect the success of the digital switch-over, including the cost of STBs and digital television sets, and consumers’ willingness to pay for currently free television services.

In 2012, MCMC called for bids for the building and management of the CIIP, which would run the infrastructure for digital transmission. Bidding closed on 24 July 2012 and a final award was expected by May 2013 and is still pending.²⁹⁴

293. MCMC, “Discussion Paper—Concepts for Introduction of Digital Terrestrial Transmission Broadcast in Malaysia 2003,” Kuala Lumpur, 28 April 2003, p. 15.

294. MCMC, “National Roll Out of Digital Terrestrial Television,” Cyberjaya, 2012, p. 21.

MCMC requires the applicants to ensure that the coverage for digital terrestrial transmission services will be no worse than the current coverage for analog broadcasting. MCMC also requires applicants to provide a plan for the subsidy of STBs, estimated to cost approximately MR 300 (US\$ 100) by the time digital transmission begins. According to MCMC's applicant information package for the CIIP tender,²⁹⁵ the aim is for digital transmission to begin after the CIIP tender is awarded. Analog switch-off of television services is targeted for the end of 2015.

In the paper, MCMC recognized the importance of viewers being able to receive analog signals, should they choose not to migrate to digital television. However, it also acknowledged the costs associated in maintaining analog transmission during the simulcast period. MCMC initially proposed a five-year phase-out of analog transmission beginning in 2009, with analog transmission being shut down gradually. It was proposed that analog switch-off would take place at the end of five years or until at least 90 percent of the population had switched to digital television, whichever occurred earlier.

The five-year phase-out period appears to now have been shortened, according to MCMC's applicant information package in 2012. Whether or not this deadline of 2015 will be adhered to will very much depend on the public take-up of digital television once digital transmission begins. Whether or not affordability and accessibility requirements will be met is something that will have to be monitored once the tender for the CIIP is granted and the successful applicant begins operations.

7.1.1.2 Subsidies for Equipment

As stated above, the applicants for the CIIP have been asked to include in their proposal what assistance in the form of STB subsidies for consumers they will be able to provide.²⁹⁶ This includes installation costs and an outdoor unit, if necessary. There are about 6.4 million households in Malaysia. Applicants are expected to obtain private funding with no recourse to government funds. What scheme is proposed and whether this scheme is adequate will have to be examined once the tender is granted in 2013 and the successful applicant reveals its proposal for STB subsidies.

7.1.1.3 Legal Provisions on Public Interest

There are no specific legal provisions or criteria that digital switch-over must serve the public interest. The switch-over will be governed by the Communications and Multimedia Act's broad national policy objectives for the communications and multimedia industry. These objectives include public interest statements, such as "to regulate for the long-term benefit of the end user," "to promote a high level of consumer confidence in service delivered from the industry," and "to promote a civil society where information-based services will provide the basis of continuing enhancements to quality of work and life."

295. MCMC, Applicant Information Package no. 1 of 2012, Cyberjaya, 2012.

296. MCMC, Applicant Information Package no. 1 of 2012, Cyberjaya, 2012.

The term “public interest” is mentioned in the Communications and Multimedia Act in certain specific instances. For example, the Communications and Multimedia Act allows the minister to cancel or suspend licenses and intervene in the setting of rates of services upon MCMC’s recommendation, in the “public interest.” What constitutes public interest, however, is left undefined.

The lack of a definition may work against the public interest as it leaves the minister wide discretion regarding the cancellation and suspension of licenses in the public interest. The government has been accused before of making impressive pronouncements on democracy and an open society but behaving very differently in practice.²⁹⁷ Without specific criteria and the necessary legal framework to ensure that public interest is in fact served, the broad national policy objectives set out in the Communications and Multimedia Act are therefore of limited usefulness.

Politically, it will be difficult for the government to impose analog switch-off if public digital take-up is slow. After announcing plans for the imposition of a goods and services tax,²⁹⁸ for example, the government postponed it indefinitely after a public outcry. With the new political situation after the 2008 and 2013 election results, in which the BN coalition can no longer expect to dominate, the government might be more sensitive about imposing unpopular decisions.

With regard to transparency of funding, MCMC expects the successful applicant for the CIIP to finance the building of the infrastructure through private means, without recourse to government funds.

7.1.1.4 Public Consultation

MCMC has conducted several public inquiries and discussions on the digital switch-over, for instance the discussion paper in 2003 (detailed above), which invited written submissions from interested parties. In 2006, it released a public inquiry paper on the proposed DTT framework and mandatory technical standards that would be applied.²⁹⁹ Major telecoms and media companies, as well as RTM, provided feedback on the mandatory standards MCMC proposed.

MCMC conducted a public consultation exercise from 3 September 2009 to 12 October 2009 to review and update the plans for digital switch-over. MCMC has also held briefing sessions for the public on the digital switch-over process. However, other than media and telecoms organizations, public response to MCMC consultations has been poor. This could be due to a lack of public awareness of digital switch-over and not much media coverage. There has been little media discussion on the affordability of STBs once digital transmission begins or on DTT coverage. There has also been little media coverage on how digitization will affect people’s lives.

297. P. Robertson, “Political bait and switch trumps rights reforms in Malaysia,” Human Rights Watch, 16 December 2011, at <http://www.hrw.org/node/103745> (accessed 19 August 2012).

298. D. Liew, “No date for GST yet, says Najib,” *The Edge*, 19 March 2010, at <http://www.theedgemaalaysia.com/component/content/article/161892.html> (accessed 19 August 2012).

299. MCMC, “A report on a public inquiry [on] the mandatory standards on digital terrestrial television broadcasting (DTTB) for ‘free to air’ service in Malaysia,” Cyberjaya, 20 October 2006.

7.1.2 The Internet

7.1.2.1 Regulation of News Content on the Internet

Internet news sites in Malaysia are not subject to tight licensing laws, unlike Malaysia's print media. In 1996, the government launched the Multimedia Super Corridor (MSC) initiative to attract international technology companies and develop the local information and communications technology industry. As part of this initiative, in order to make it attractive for multinationals to invest in Malaysia, the government set out the MSC Malaysia Bill of Guarantees, which stated that there would be no censorship of the internet. The Communications and Multimedia Act, which contains regulations on the industry, also has a clause stating that "nothing in this Act shall be construed as permitting the censorship of the Internet." Anyone may therefore set up an online news portal without difficulty.

The internet is still subject to laws affecting freedom of expression (see section 7.1.2.2).

7.1.2.2 Legal Liability for Internet Content

There are various laws in Malaysia that restrict freedom of expression, and these laws also extend online. Article 10 of the Federal Constitution guarantees every citizen's right to freedom of expression. Parliament, however, may legislate to restrict that right for the sake of, for example, national security, public order or morality, and in order to prevent incitement to an offence.

- *Sedition Act 1948*

One of the broadest laws restricting the freedom of expression is the Sedition Act 1948. The Act makes it a crime, among other things, to "excite disaffection" against the ruler, the government, and the administration of justice. It is also a crime to promote feelings of ill will and hostility between different races or classes of the population.

There have been many investigations under the Sedition Act, including for postings relating to online news, blogs, or even tweets. For example, in May 2012, a Pan-Islamic Malaysian Party (PAS) MP and former Perak chief minister, Nizar Jamaluddin, was investigated for tweeting that an MR 520,000 (US\$ 173,000) bid for the vehicle number plate "WWW 1" by the Sultan of Johor could have been better used to aid the needy.³⁰⁰ In December 2012, police seized a laptop from the offices of Malaysiakini.com as part of a sedition probe into comments by an academic, Abdul Aziz Bariaboutam, about a decree by the Sultan of Selangor related to a raid on a church by Islamic religious officials who believed proselytization of Muslims was taking place there.³⁰¹

The broadness of the Sedition Act's wording makes anything critical of the rulers, government, or courts potentially a crime under the law. The government announced in July 2012 that it would repeal the Sedition Act and replace it with a National Harmony Act. Prime Minister Najib Razak said the new

300. S.M. Kamal, "Nizar: My tweet was not seditious," *Themalaysianinsider.com*, 30 May 2012, at <http://www.themalaysianinsider.com/mobile/malaysia/article/nizar-my-tweet-was-not-seditious> (accessed 9 January 2013).

301. Malaysiakini.com, "Police seize laptop in sedition probe," 6 December 2012, at <http://www.malaysiakini.com/news/216040> (accessed 9 January 2013).

act would safeguard freedom of speech while protecting national unity by preventing the incitement of religious or ethnic hatred.³⁰² But reforms of similar restrictive laws have proved disappointing. The Peaceful Assembly Act, for example, which repealed provisions requiring public gatherings to obtain police licenses, was criticized as being more restrictive than the laws it replaced.³⁰³ The new law allows police to set onerous conditions on protests and bans public processions altogether.

- *Communications and Multimedia Act 1998, section 233*

The internet is also specifically governed by the Communications and Multimedia Act. Section 233 makes it a crime to publish content which is “obscene, indecent, false, menacing or offensive in character with intent to annoy, abuse, threaten or harass another person.” This is an extremely wide provision whereby even intending to annoy a single person with offensive matter may invite a fine and/or jail sentence. The MCMC chairperson, Sharil Tarmizi, said in a 2009 interview that MCMC’s task is to act on complaints, interview people, gather evidence, and submit it to the attorney-general, who decides whether to prosecute.³⁰⁴

In June 2012, H.K. Chan was found guilty of forwarding offensive comments against the Sultan of Perak. He was given the maximum sentence of one year’s jail and a fine of MR 50,000 (US\$ 16,660), a sentence against which he is appealing.³⁰⁵ In July 2009, B.K. Seah was charged for posting an obscene blog title that annoyed his former boss.³⁰⁶ The prosecuting officer called for a deterrent sentence as the blog title had hurt his former boss’s feelings.

Malaysiakini.com was investigated by MCMC under this provision in September 2009 over two video reports from its site. The videos showed protestors with a decapitated cow head (cows are sacred to Hindus), protesting the relocation of a Hindu temple in a majority-Muslim neighborhood.³⁰⁷ The second showed the home minister, Hishammuddin Hussein, with the protestors standing behind him while he gave a press conference justifying their actions.³⁰⁸ No charges have been brought to date against Malaysiakini.com in relation to the videos. A blogger and his middle-aged parents were also investigated under this section. The Communications and Multimedia Act makes persons registered with the network service provider potentially liable for postings from that account.³⁰⁹ No charges have been filed to date.

302. S.J. Zahiid, “National Harmony Act to replace Sedition Act,” *Freemalaysiatoday.com*, 11 July 2012, at <http://www.freemalaysiatoday.com/category/nation/2012/07/11/najib-repeals-sedition-act> (accessed 15 August 2012).

303. J. Ding, “Najib’s legal reforms legacy,” *Thenutgraph.com*, 9 July 2012, at <http://www.thenutgraph.com/najibs-legal-reform-legacy> (accessed 18 August 2012).

304. J.A. Ding, “MCMC: We’re just doing our job,” *Thenutgraph.com*, 20 October 2009, at <http://www.thenutgraph.com/mcmc-were-just-doing-our-job> (accessed 9 January 2013).

305. M. Sivanantha Sharma, “Engineer sentenced to jail, fined RM 50,000 for insulting Perak ruler,” *Thestar.com*, 1 June 2012, at <http://thestar.com.my/news/story.asp?file=/2012/6/1/nation/20120601193336&sec=nation> (accessed 15 August 2012).

306. M. Mageswari, “IT auditor pleads guilty to slamming his ex-boss in website,” *Thestar.com*, 6 July 2009, at <http://thestar.com.my/news/story.asp?file=/2009/7/6/nation/20090706184331&sec=nation> (accessed 15 August 2012).

307. *Thestar.com*, “Malaysiakini asked to remove ‘cow’s head’ videos,” 4 September 2009, at <http://thestar.com.my/news/story.asp?file=/2009/9/4/nation/20090904165312&sec=nation> (accessed 19 August 2012).

308. *Mysinchew.com*, “Hisham defends cow-head protesters,” 2 September 2009, at <http://www.mysinchew.com/node/28890> (accessed 15 August 2012).

309. P. Wong, “Parents of blogger hauled for questioning,” *theSun*, 16 August 2011, at <http://www.thesundaily.my/news/112643> (accessed 16 August 2012).

- *Evidence Act 1950, section 114A*

In 2012, an amendment was made to section 114 of the Evidence Act 1950, which makes it a presumption of fact that website owners, administrators, and editors are responsible for content published on their sites, including comments posted by others. It also presumes guilt for those who provide web hosting services or internet access as well as the owners of the computers or mobile devices used to publish the content. This reverses the presumption of innocence and requires the persons mentioned to prove that they did not publish the content.³¹⁰

This amendment can be used to facilitate prosecutions for any online content that falls within the Sedition Act or section 233 of the Communications and Multimedia Act, including comments posted by readers on news websites or online forums, including social media sites such as Facebook.

There were protests about the amendment and a campaign was launched on 14 August 2012 by the CIJ, calling for websites and social media users to black out their pages or post banners to raise awareness about the amendment. At the end of the internet blackout day, the prime minister announced via Twitter that he had instructed the Cabinet to “discuss” the amendment.³¹¹ But on 16 August 2012, the information, communications, and culture minister, Rais Yatim, said the Cabinet had decided to uphold the controversial amendment.³¹²

- *Other laws*

Defamation laws also still apply to content published online. In 2011 Fahmi Fadzil, an opposition politician’s aide and writer, had to apologize 100 times on Twitter as part of a settlement where he admitted to defaming a company through his criticism of their human resource policies via his tweets.³¹³ There were suggestions in early 2011 to bring the online media under the Printing Presses and Publications Act³¹⁴ and also to draft special sedition guidelines for the internet,³¹⁵ but they were shelved after heavy public criticism.

There was also an attempt by the government to propose a Computing Professionals Bill, making it compulsory for “computing practitioners” to register with a statutory body and making it an offence for those dealing in the computer industry to operate without registering. This bill was rubbished by the information technology community, who felt that the bill would do more harm than good and stifle innovation.³¹⁶ The bill appears to have been shelved for now.

310. E. Yapp, “Evidence act amendments, a slippery slope,” *Digital News Asia*, 24 May 2012, at <http://www.digitalnewsasia.com/node/165> (accessed 19 August 2012).

311. Bernama, “PM instructs review on S114A of Evidence Act,” *The Malay Mail*, 15 August 2012, at <http://www.mmail.com.my/story/pm-instructs-review-s114a-evidence-act-26596> (accessed 15 August 2012).

312. F.F. Loh, “Rais: Evidence Act to be maintained,” *Thestar.com*, 16 August 2012, at <http://thestar.com.my/news/story.asp?file=/2012/8/16/nation/20120816124831&sec=nation> (accessed 18 August 2012).

313. Associated Press, “Malaysian to tweet apology 100 times in Twitter defamation case,” *Guardian online*, 2 June 2011, at <http://www.guardian.co.uk/world/2011/jun/02/malaysian-tweet-apology-defamation> (accessed 15 August 2012).

314. H. Zakaria, “PPPA not used to control online media ... yet,” *Malaysiakini.com*, 10 March 2011, at <http://www.malaysiakini.com/news/158274> (accessed 18 August 2012).

315. *Thestar.com*, “Rais: Cabinet to rule on enforcement of law against online media,” 3 February 2011, at <http://thestar.com.my/news/story.asp?file=/2011/2/3/nation/7930218&sec=nation> (accessed 18 August 2012).

316. J. Timbuong and G. Goh, “Verbal spat over proposed Computing Professionals Bill,” *Thestar.com*, 14 December 2011, at <http://thestar.com.my/news/story.asp?file=/2011/12/14/nation/10091335&sec=nation> (accessed 20 August 2012).

Despite the many laws regulating freedom of expression, the government is unable to effectively curb the publication of news and views criticizing it online. The more pressing issue for many online media outfits is how to sustain themselves financially. Several independent online news portals have had to close³¹⁷ or scale back operations drastically³¹⁸ as they were unable to find sustainable business models (see section 6.2.2).

7.2 Regulators

7.2.1 Changes in Content Regulation

7.2.1.1 MCMC

The Communications and Multimedia Act brought the regulation and development of the communications and multimedia industry under the supervision of MCMC, including television and radio broadcasters, mobile network providers, and internet service providers. The regulation of broadcasters once the digital switch-over takes place will continue to be under MCMC's aegis.

MCMC is mandated to investigate if it has grounds to believe that an offence under the Communications and Multimedia Act has been committed. Section 211 of the Act has a catch-all provision which makes it an offence for content providers to provide content which is indecent, false, menacing, or offensive in character with intent to annoy, abuse, threaten, or harass any person. This section usually applies to entities such as broadcasters. Section 233(1), mentioned above, is a similar provision making it an offence for individuals to communicate the offensive content.

MCMC also oversees the setting up of a self-regulatory content forum and is in charge of registering a content code produced by the content forum (for details see section 7.2.4).

There have been no significant changes in the last five years to the structure of MCMC, although it has been under a new ministry's purview since 2009. When Prime Minister Najib Razak assumed office in April 2009, three ministries—the Information Ministry, part of the Energy, Water, and Communications Ministry, and the Unity, Culture, Art, and Heritage Ministry—were merged into one entity. Thus MCMC, formerly under the Communications Ministry, is now under the new Ministry of Information, Communications and Culture. Mr Najib's 2013 cabinet now calls this ministry the Communications and Multimedia Ministry, with the culture portion assigned to the Tourism Ministry. Although it may make logistical sense to have one ministry oversee information and communication, this arrangement may indirectly affect the independence of the communications industry, as MCMC is now under the purview of the same ministry that manages the delivery of government information.

317. "Merdeka Review ceases operations."

318. J.A. Surin, "The Nut Graph's future," *Thenutgraph.com*, 6 August 2012, at <http://www.thenutgraph.com/the-nut-graphs-future-2> (accessed 18 August 2012).

RTM has its own broadcasting ethics code and all broadcasters on its channels are required to abide by it. The code underlines RTM's role as the state broadcaster and to protect the Malaysian government's interests. It sets out what can be broadcast on RTM, such as elements that support the nation's vision, respect the people's sensitivities, demonstrate the nation's beauty and progress, are objective and factual, and represent the multi-ethnic nature of Malaysia.

7.2.1.2 Film Censorship Board

Films are subject to the Film Censorship Act 2002, according to which any film imported into Malaysia or produced locally needs to be issued a permit by the Board of Censors. The definition of what constitutes a film is very wide. It includes any record "of a sequence of visual images ... capable of being used as a means of showing that sequence as a moving picture, whether or not accompanied by sound." This definition is wide enough to encompass home videos uploaded online. Although the act is not usually used against such videos, there have been instances where non-compliance with the Film Censorship Board has been cited as a reason for online videos to be removed (see section 7.3.2). The Board of Censors or Film Censorship Board is under the supervision of the Home Ministry.

In 2010, censorship guidelines were amended so that film-makers could submit scripts to the Film Censorship Board before shooting. The Home Ministry secretary-general said this would allow the board to pre-screen for offensive content so that changes could be made accordingly. There was also some loosening of the guidelines with some previously banned words being allowed, depending on the context.³¹⁹ One notable change was that gay characters could be depicted in local films, as long as they repented or came to a bad end.³²⁰

Astro was granted an exemption from the Film Censorship Act and allowed to self-regulate in accordance with censorship guidelines developed by the Home Ministry and information ministry.³²¹ Part of the consideration for this exemption may be related to the volume of programs on Astro, which currently transmits over 150 channels. Due to the increase in channels, such considerations may have to be made once digital terrestrial transmission begins. This may make it difficult, if not impossible, for the Board of Censors to screen every film broadcast on DTT.

In 2012, Astro was criticized for censoring parts of BBC and Al-Jazeera reports about the Bersih rally on 28 April 2012.³²² Astro said that it was adhering to local content regulations.

319. Thestar.com, "New censorship guidelines to allow local movie-makers more flexibility," 9 March 2010, at <http://thestar.com.my/news/story.asp?file=/2010/3/9/nation/5824422&sec=nation> (accessed 16 August 2012).

320. Liz Gooch, "Film pushes Malaysian censorship boundaries, but not too far," *New York Times*, 28 October 2010, at <http://www.nytimes.com/2010/10/29/world/asia/29iht-movie.html?pagewanted=all> (accessed 15 August 2012).

321. "Astro's responsibility in the Marketplace," Communications and Multimedia Content Forum quarterly newsletter, April–June 2012, at http://cmcf.net/wp-content/uploads/2012/03/ReachOut-TV_ENG-web.pdf (accessed 16 August 2012).

322. *theSun*, "BBC, Al-Jazeera decry alleged censorship," 3 May 2012, at <http://www.thesundaily.my/news/368041> (accessed 16 August 2012).

7.2.2 Regulatory Independence

7.2.2.1 MCMC

MCMC was set up by the Communications and Multimedia Act 1998 with “powers to supervise and regulate the communications and multimedia activities in Malaysia.” The minister in charge of communications and multimedia, at present the information, communications and culture minister, appoints all the commission’s members, including the chairperson. The minister may appoint six to nine members, three of which represent the government. The MCMC Act explicitly states that the commission is responsible to the minister. The minister may also give directions of a general character to the commission relating to the performance of its functions and powers under the MCMC Act. The minister also approves regulations that the commission makes regarding how commission employees may be disciplined.

The minister has various powers over the commission’s chairperson. The chairperson may not hold any other office, whether for remuneration or not, without the minister’s written approval. The chairperson’s remuneration is determined by the minister, after consultation with the finance minister. The minister may also revoke the chairperson and any other commission member’s appointment at any time, “without assigning any reason.”

The commission is funded by a government grant under the Act. It also earns revenue from license fees and administration charges, investments it makes, or consultancy and advisory services it provides, among other sources.

Given the ministerial oversight over the commission and its chairperson, the MCMC is therefore not entirely independent from the government.

7.2.2.2 Film Censorship Board

The minister in charge, currently the home minister, appoints the chairperson, vice-chairperson, and at least two other board members. The minister also appoints the chairperson and vice-chairperson of an appeal committee, which hears appeals from film owners aggrieved by the board’s decision.

The minister may also issue general directions to the board that are consistent with the Film Censorship Act regarding government policy on the exhibition of films and publicity materials. The minister is also empowered to make regulations in relation to the provisions of the Act, including the manner in which films must be submitted for consideration, on fees, and on offenses which may be committed.

7.2.3 Digital Licensing

MCMC receives applications for licenses for providers of network facilities, network services, applications services, and content services. MCMC makes a recommendation within 60 days of receiving an application to the information, communications, and culture minister.³²³ The minister then makes a decision with “due regard” to the commission’s recommendation.³²⁴

323. From May 2013, the communications and multimedia minister.

324. Communications and Multimedia Act 1998, section 30.

The Communications and Multimedia Act requires the minister to give reasons if he or she refuses an application and requires him or her to inform an applicant of the decision as soon as it is practicable. However, section 30(8) goes on to state that if the minister takes no action after 30 days from receiving MCMC's recommendation, the application is deemed to have been refused, unless the applicant receives a written notice to the contrary. This seems to allow the minister to circumvent the clause requiring written reasons for a refusal, thereby making the process less transparent.

Applications have to conform to the broad national policy objectives in section 3(2) of the Communications and Multimedia Act, such as to:

- establish Malaysia as a communications and multimedia hub;
- promote a civil society where information-based services enhance the quality of life;
- grow local information resources and cultural representation that facilitate the national identity and global diversity;
- create a robust applications environment for end-users;
- facilitate the efficient allocation of resources such as skilled labor, capital, knowledge, and national assets.

To MCMC's credit, it provides detailed information on how applicants may apply through applicant information packages as well as guidelines with sample application forms. The final decision, however, does not rest with MCMC but with the minister. The fact that the minister who approves broadcasting and content application licenses is also the minister in charge of disseminating government information may introduce issues of partisanship in the process (see section 7.2.1).

The assignment of spectrum, which is also performed by MCMC (see section 5.1), follows the approval of a license. Approval of a broadcast license or content applications service provider license does not necessarily guarantee spectrum. For example, Business FM, a radio station which focusses on business news and current affairs, obtained a license to broadcast nationally. However, it was only allocated spectrum to broadcast in the central region of Peninsular Malaysia, covering Kuala Lumpur and the surrounding areas.³²⁵

Although spectrum is limited, in December 2010 the prime minister launched the state-owned Islamic TV channel Al-Hijrah, which is under the jurisdiction of the Minister for Islamic Affairs in the Prime Minister's Department.³²⁶

325. Interview with BFM founder, Malek Ali, Petaling Jaya, 8 August 2012.

326. A.H. Abdullah Sani, "Astro asked to broadcast Islamic TV, says Jamil," *The Malaysian Insider*.com, 2 December 2010, at <http://testsite.internalinsider.info/mobile/malaysia/article/astro-asked-to-broadcast-islamic-tv-says-jamil> (accessed 20 August 2012).

7.2.4 Role of Self-regulatory Mechanisms

7.2.4.1 Communications and multimedia industry

As mentioned above, the Communications and Multimedia Act provided for the setting up of a self-regulatory content forum, The Malaysian Communications and Multimedia Content Forum, set up in 2001, which formulates a content code to regulate standards and practices in the communications and multimedia industry. The code is registered with MCMC, which has the power to accept or reject it without giving reasons.

Members fall into six categories: advertisers, audiotext hosting service providers, broadcasters, civic groups, content creators, and internet service providers. The code only binds the content forum's members. The Communications and Multimedia Act states that membership of the content forum is voluntary.

The forum has a complaints bureau which receives complaints and has the power to conduct inquiries. It is also empowered to issue a written reprimand, impose a fine not exceeding MR 50,000 (US\$ 16,600), and/or require removal of the offending content or cessation of the offending act. In practice, however, compliance with the code is not entirely voluntary as MCMC may make directions under the Communications and Multimedia Act for licensees to comply with the content code. Failure to comply with the code attracts a fine not exceeding MR 200,000 (US\$ 66,600). Compliance with the code serves as a defense against prosecution for violating matters dealt with in the code.

7.2.4.2 Press council

The print media are tightly governed by publishing and licensing laws as well as, in some cases, ownership by political parties. Nonetheless, there has been talk of setting up a press council since the 1970s. A journalists' initiative in 1999 called for the abolition of licensing laws and self-regulation through an independent media council.³²⁷ In 2001, a Media Council Bill was drafted and discussed, but it was not enacted³²⁸ as media organizations and journalists were against it, fearing it would place even more hindrances on the print media.³²⁹

In 2011, the government proposed a media council that would be co-chaired by the home minister and the information, communications, and culture minister and deputy co-chaired by the respective ministries' secretary-generals.³³⁰ This suggestion was rejected by editors of the print media and it was later shelved.

Reports in 2012 suggested that the media might be willing to set up a press council if the government abolishes the Printing Presses and Publications Act, which requires the print media to obtain licenses and

327. A. Netto, "Malaysian editors speak up at last," *Asia Times*, 12 May 2004, at http://www.atimes.com/atimes/Southeast_Asia/FE12Ae02.html (accessed 21 August 2012).

328. CIJ, "Media Council," 25 September 2010, at <http://cijmalaysia.org/miniportal/2010/09/media-council> (accessed 16 August 2012).

329. K. Tan, "Journalist union to reject a timid press council," *Malaysiakini.com*, 20 April 2002, at <http://www.malaysiakini.com/news/11175> (accessed 16 August 2012).

330. A. Razak and S.K. Ahmad, "Editors snub govt-led media council at first meeting," *Malaysiakini.com*, 25 July 2011, at <http://www.malaysiakini.com/news/171004> (accessed 16 August 2012).

puts them under the Home Ministry's purview. The government is reportedly open to this and has hosted discussions with the print media.³³¹

The form a press council would take is still a matter of contention. Masjaliza Hamzah, CIJ executive officer, says the government is keen to set up a statutory body to regulate the media, but media activists support a voluntary self-regulatory body. Premesh Chandran (Malaysiakini.com's chief executive officer) says that journalists are unlike lawyers and doctors who are licensed to practice under statutory regulations. He pointed out that it would be difficult to establish any sort of licensing requirement for journalists given that anyone can publish a story or report on blogs and social media.³³²

In July 2012, the information, communications, and culture minister Rais Yatim mooted a social media council where issues relating to the law and usage of media could be discussed and where complaints could be lodged.³³³ His suggestion has not been taken up.

7.3 Government Interference

7.3.1 The Market

BN parties directly own some media companies and the BN government controls the print media through publishing laws. There are also other laws (see section 7.1.2.2) that restrict freedom of expression. Indirect interference through the market is therefore not a major factor in the Malaysian media scene. RTM does receive direct government funding, but it is generally outperformed by private broadcasters Media Prima and Astro.

The government has been known to intervene in the market when broadcasters make unpopular decisions. When Astro announced a review of their subscription rates, public complaints prompted the information, communications, and culture minister Rais Yatim to announce that Astro needed clearance from MCMC before it could raise its rates. Mr Rais said the Cabinet had decided that Astro could not raise its rates until clearance was given.³³⁴ MCMC later clarified that the minister was empowered to intervene in the determination of Astro's rates due to a Communications and Multimedia Act clause which allows the minister to do so "as the public interest may require."³³⁵

Industry experts and corporate lawyers pointed out that Astro did not need MCMC's approval for price revisions and despite the minister's announcement, the Astro rate review took effect as planned, a week

331. S. Pathmawathy, "Media council: Nazri okay with PPPA abolition," Malaysiakini.com, 19 June 2012, at <http://www.malaysiakini.com/news/201251> (accessed 16 August 2012).

332. Interview with Premesh Chandran.

333. Thestar.com, "Rais: Malaysia needs social media council," 11 July 2012, at <http://thestar.com.my/news/story.asp?file=/2012/7/11/nation/20120711202337&tsec=nation> (accessed 16 August 2012).

334. Thestar.com, "Cabinet rejects Astro's rate hike pending MCMC consent," 2 July 2011, at <http://thestar.com.my/news/story.asp?file=/2011/7/2/nation/9018014> (accessed 16 August 2012).

335. *theSun*, "Astro rates issue: Minister can intervene, says MCMC," 6 July 2011, at <http://www.ytlcommunity.com/commnews/shownews.asp?newsid=58656&category=featured> (accessed 16 August 2012).

later.³³⁶ In May 2012, Mr Rais said he would discuss the airing of advertisements on Astro as he said it was initially set up on the basis that it would be free of commercials.³³⁷

7.3.2 The Regulator

Prior to digitization, the Printing Presses and Publications Act 1984 was used by the Home Ministry (in effect, the pre-digital regulator) in 1988 to shut down three newspapers—*The Star*, *Sin Chew Jit Poh*, and *Watan*—by suspending their licenses. *The Star* and *Sin Chew* resumed publication after about six months and *Watan* ceased publication altogether. The suspensions were part of a wider crackdown named “Operasi Lalang,” (Weeding Operation), which involved the detention without trial of 106 individuals, ostensibly to prevent racial tension due to parties playing up “sensitive issues,” but criticized as a government effort to suppress the freedom of expression and quell criticism of the government. The specter of Operasi Lalang and the threat of sudden suspension or revocation of publication licenses continue to affect editors and journalists in the print media today.³³⁸

Although the online media are not subject to the Printing Presses and Publications Act, they are still governed by other laws such as the Sedition Act (detailed above), defamation laws, and specifically the Communications and Multimedia Act.

MCMC has had to face allegations of abusing its power over the new media.³³⁹ It has, among other actions, investigated Malaysiakini.com³⁴⁰ (as detailed above), ordered internet service providers to block the news aggregator Malaysiatoday.com for offensive comments,³⁴¹ and questioned a blogger (and even his parents)³⁴² over a blog post about an apparent relationship between a member of royalty and a model. It also called for the removal of an online public service announcement video entitled “Undiliah” (Vote), which promoted voter turnout and featured prominent opposition politicians. MCMC later clarified that its decision was because the video had not been approved by the Film Censorship Board.³⁴³ Actions such as these have prompted questions of selective prosecution and harassment.

336. R. Jayaseelan and E. Mahalingan, “Astro to go ahead with plans to revise rates from Monday,” *Thestar.com*, 8 July 2011, at <http://biz.thestar.com.my/news/story.asp?file=/2011/7/8/business/9059451&sec=business> (accessed 16 August 2012).

337. M. Krishnamoorthy, “Astro to be told to go ad-free, slash fees,” *Malaysiakini.com*, 8 May 2012, at <http://www.malaysiakini.com/news/197287> (accessed 16 August 2012).

338. C.F. Lee, “Living under the shadow of Ops Lalang,” *Selangor Times*, 23 November 2012, at <http://www.selangortimes.com/index.php?section=insight&permalink=20121122155929-living-under-the-shadow-of-ops-lalang> (accessed 9 January 2013).

339. N. Choo, “Multimedia commission denies abuse of power,” *Thenutgraph.com* (Bernama), 1 October 2009, at <http://www.thenutgraph.com/multimedia-commission-denies-abuse-of-power> (accessed 16 August 2012).

340. J. Ding, “Threatened under all three PMs,” *Thenutgraph.com*, 11 September 2009, at <http://www.thenutgraph.com/threatened-under-all-three-pms> (accessed 16 August 2012).

341. *Thenutgraph.com*, “‘Natural’ for MCMC to act, says Syed Hamid,” 28 August 2008, at <http://www.thenutgraph.com/natural-for-mcmc-to-act/> (accessed 16 August 2012).

342. P. Wong, “Parents of blogger hauled for questioning,” *theSun*, 16 August 2011, at <http://www.thesundaily.my/news/112643> (accessed 16 August 2012).

343. *Selangor Times*, “Undiliah video censorship ‘anti-democracy,’” 16 August 2012, at <http://www.selangortimes.com/index.php?section=news&permalink=Undiliah%20video%20censorship%20anti%20democracy> (accessed 16 August 2012).

MCMC has also reminded providers that MCMC is consistently monitoring their content. MCMC has reminded content providers to adhere to their licensing conditions, the Communications and Multimedia Act, and content code and that failure to do so could attract a fine of up to MR 100,000 (US\$ 33,300), a jail term of up to two years, and suspension or revocation of their licenses.

MCMC maintains that it is just doing its job and acting within the confines of the Communications and Multimedia Act. Mr Sharil, then acting chairperson of MCMC, said in 2009 that MCMC acts on the basis of public complaints. If a complaint is made, MCMC investigates, gathers evidence, and submits it to the attorney-general. He said that MCMC was never meant to police the internet and the “whole act is based on the principle of industry and self-regulation.”³⁴⁴

The print media are still controlled by licensing requirements under publication laws, but their online publications are not subject to them. It is conceivable that newspapers could continue publishing online should their print business be threatened. However, that would only happen if their online business model was financially sustainable and independent. For the moment, many newspapers are still dependent on their print versions for advertising revenue. Most print media companies’ editorial stance on their online versions are therefore similar to what is published in print, as to be too daring in their online versions might invite censure of their print versions.

Foreign publications are also not spared. In July 2011, the UK-based *The Economist* was censored by the Home Ministry over its report on Bersih 2.0, the protest for clean and fair elections on 9 July 2011.³⁴⁵

In many ways, investigations by the police or other government authorities have become part and parcel of publishing. Malaysiakini.com’s chief executive officer and editor-in-chief remarked how they are more used to being investigated now and are on cordial terms with investigating officers from the police and MCMC.³⁴⁶

7.3.3 Other Forms of Interference

7.3.3.1 Print

Print media editors and journalists openly talk about getting “the call” when they publish content deemed offensive by the Home Ministry. Because the print media require a license from the Home Ministry to publish, they are subject to Home Ministry queries. A “show-cause” letter from the ministry requires newspapers to justify the content the ministry is unhappy with or face possible suspension or cancellation of their licenses. “The call” is thus a powerful extra-legal tool in pressuring the print media to accede to government demands.

344. J. Ding, “MCMC: ‘We’re just doing our job’,” *Thenutgraph.com*, 20 October 2009, at <http://www.thenutgraph.com/mcmc-were-just-doing-our-job> (accessed 16 August 2012).

345. T. SukuMarchan, “Censored: Magazine’s story on July 9 rally,” *Freemalaysiatoday.com*, 19 July 2011, at <http://www.freemalaysiatoday.com/category/nation/2011/07/19/censored-the-economist%E2%80%99s-story-on-july-9-rally> (accessed 20 August 2012).

346. Interview with Malaysiakini.com’s chief executive officer and editor in chief, Premesh Chandran and Steven Gan, Kuala Lumpur, 12 and 18 July 2012.

Editors of various media have been suspended or resigned shortly after content in the newspaper attracted a “show-cause” letter from the Home Ministry. The Home Ministry has claimed that it does not direct these actions and that any such disciplinary action was an internal decision of each newspaper.³⁴⁷

7.3.3.2 Broadcast

The broadcast media have also been reportedly subject to state interference, especially over news reporting on politics. In April 2010, Joshua Wong, the producer of an NTV7 talk show “*Editor’s Time*,” resigned after complaints were made. Mr Wong said he was informed by his superior that the complaints came from the Prime Minister’s Department and the prime minister’s wife, regarding two episodes, which were aired close to the time of state elections in Sarawak. The Sarawak elections were pivotal as they were the first state-wide elections to be held after the BN’s worst-ever performance in the 2008 general election. Political commentators were speculating that the Sarawak election results could possibly trigger the BN government to call for an early general election, if its component parties performed strongly.³⁴⁸

Mr Wong said his company then set “unreasonable restrictions” on his talk show: he was not allowed to discuss political issues, nor invite opposition leaders such as the MP Tony Pua, who was scheduled to participate in a discussion on the country’s affirmative-action policies. His episode discussing an earlier by-election in Hulu Selangor, which had been scheduled, was also banned.³⁴⁹

Also in 2010, RTM’s television producer Chou Z. Lam claimed his nine-part documentary on a controversial dam in Sarawak was cut short due to political considerations. Mr Chou wrote in a blog post that he had been informed that the documentary was taken off the air because it had sensitive elements and could be detrimental to an upcoming by-election in Sarawak as well as the Sarawak state elections.³⁵⁰

Ownership of broadcasters by political parties also plays a part in the running of the media. A radio DJ and a radio station’s chief executive officer were sacked from MCA-owned station 988 after the DJ interviewed a gay pastor on race relations and a senior opposition politician from the DAP. MCA is part of the ruling BN coalition, while DAP is part of the federal opposition, PR.

7.3.3.3 Online

Online media editors have given accounts of receiving informal calls from MCMC over content on their websites.³⁵¹ Such calls do not have the same force as Home Ministry calls to the press, as there is no licensing system that would allow the state to shut down an online website by withdrawing its license.

347. C. Chooi, “Hishammuddin denies demanding China Press editor’s resignation,” *Themalaysianinsider.com*, 16 March 2010, at <http://www.themalaysianinsider.com/malaysia/article/Hishammuddin-denies-demanding-China-Press-editors-resignation> (accessed 17 August 2012).

348. Reuters, “Why the election in Sarawak matters,” *Themalaysianinsider.com*, 19 March 2011, at <http://www.themalaysianinsider.com/malaysia/article/why-the-election-in-sarawak-matters> (accessed 20 August 2012).

349. J. Wong, “I quit after complaints from Rosmah, PM’s Dept,” *Malaysiakini.com*, 22 April 2010, at <http://www.malaysiakini.com/news/129934> (accessed 17 August 2012).

350. *Malaysiakini.com*, “Another TV producer claims political meddling,” 28 April 2010, at <http://www.malaysiakini.com/letters/130435> (accessed 17 August 2012).

351. Interview with Jahabar Sadiq.

7.4 Assessments

The national policy objectives for the communications and multimedia industry are an excellent framework for the development of the industry, including digitization. There are, however, insufficient criteria to ensure a transparent licensing process, leaving the final decision on approval of licenses to a government minister, who is also able to directly intervene in MCMC's management, making the body not entirely independent of the government.

While there is relative freedom on the internet compared with the print media, there are still laws that restrict freedom of expression which have been used to stifle independent news production and dissemination. One of those laws is the Communications and Multimedia Act itself, which makes it an offence to provide or produce offensive content that may annoy, abuse, threaten, or harass another person. The government has generally been paternalistic in its attitude to the media and has continued to monitor the media carefully in the last five years, whether it is broadcast, print, or online media; local or international.

With the speed at which news becomes available online, there has been more awareness of any proposed changes affecting the media. The government has therefore been pressured to engage the public more before changes are made. It has also become easier for the public to raise objections to any proposed new laws. The proposed online sedition guidelines and plans to make the online media subject to the Printing Presses and Publications Act, for example, attracted widespread criticism online, leading to both plans being shelved indefinitely. The amendment to the Evidence Act sparked an online campaign, with websites and individuals protesting against the amendment, for example, by publishing pop-up blackouts on their pages or banners on their Facebook profiles. The proposed Computing Professionals Bill was also heavily criticized and the science, technology, and innovation ministry was taken to task by the computing industry for not conducting proper consultations.

The policy of no censorship of the internet has led to more open and diverse content online. The internet is increasingly being used to publish audio and video content as well.

Where there are tighter government controls, such as licensing controls on radio and television broadcast and publishing licenses, the impact of digitization is limited. There may be a proliferation of channels with increasing digitization, but with even foreign news programs such as BBC and Al-Jazeera experiencing censorship, there is a limit to how open the media can be.

8. Conclusions

8.1 Media Today

8.1.1 Positive Aspects

The biggest factor to affect the media landscape in the last five years has been the widespread growth in the use of the internet, whether through desktops or mobile devices such as smartphones and tablets. Through online and social media, Malaysians have increasing access to news and information that would not be published in the heavily regulated traditional print and broadcast media. Federal opposition members who rarely receive fair or regular coverage in the traditional press feature prominently in the online media. Politicians on both sides of the divide have also immersed themselves in social media, since both Prime Minister Najib Razak and opposition leader Anwar Ibrahim have active Facebook and Twitter accounts.

Social media have been instrumental in assisting civil society and generating support for various causes. They have also allowed grassroots voices to be heard, such as after the Bersih rallies in 2011 and 2012 when protestors' tweets and blog accounts of their experiences spilled over into the mainstream media. The internet has been an avenue for highlighting minority issues such as those concerning the LGBT community or indigenous peoples. It has also become a place for discussion of sensitive issues in Malaysia such as political Islam, freedom of religion, affirmative action for Malay Malaysians, and the role of the monarchy.

Online and social media also increasingly influence the kind of stories that are told in the traditional and institutional media. Where once upon a time most newsrooms would ignore what was being said online, today the traditional media watch and pick up stories or ideas for follow-up stories from the online and social media.

Other factors that have improved the diversity and pluralism of voices across the news media are the wider range of channels available via satellite television and IPTV. This has provided a wider selection of local and international news channels. More channels will be available once digital terrestrial transmission begins, which should take place in 2014 at the earliest.

8.1.2 Negative Aspects

But challenges remain. Internet access is still not universal, especially in the east Malaysian states of Sabah and Sarawak. Online media outfits have faced disruptive anonymous DDoS attacks, threatening access at crucial

times such as before state elections or massive street rallies in which the federal opposition is either seen to have an advantage, however slim, or in which a rally has the support of federal opposition politicians. And laws that curb the freedom of expression, such as the Sedition Act and the Communications and Multimedia Act, have been applied against bloggers, commentators, and online media outfits.

The online media's independence is also a cause for concern, as most are substantially funded by, and are at the mercy of, anonymous backers. The quality of debate online sometimes leaves much to be desired, when anonymous commentators make rude and unsubstantiated remarks. The speed at which news is made available online means that accuracy is often sacrificed.

Factors that have curbed the independence of the media for years remain in place. The Printing Presses and Publications Act, which requires newspapers to obtain a publishing permit from the Home Ministry, is still in force. A 2012 amendment abolished the need to apply annually, but leaves in place the home minister's power to suspend or revoke permits without cause. Most major newspapers are majority-owned by component parties of the BN government or business persons with close government links. Other fields, such as radio, satellite television, and terrestrial television, are monopolized by several large companies, many of which also have business links with the ruling government. RTM behaves very much as a mouthpiece of the ruling government and is not independent, being a government department placed under the Ministry of Information, Communications, and Culture and dependent on state funds. Bernama also suffers from the perception of being partial toward the ruling government.

The MCMC, which oversees broadcasting and spectrum licenses as well as the internet, is not entirely independent. Its chairperson and board members are appointed by the information, communications, and culture minister. The statute establishing the commission explicitly states that it is responsible to the minister and the minister may give general directions to the commission.

8.2 Media Tomorrow

It is imperative that the Malaysian online media are able to survive and thrive in the coming years, in order to ensure a continuing source of alternative news and to keep putting pressure on traditional media outfits that suppress news because of political considerations. It is also important that online media businesses are able to be profitable without the need for deep-pocket funders, which threaten their independence and sustainability. This will depend in part on whether the advertising market evolves and transfers more expenditure to the online media. The race to attract more readers also contributes to more resources being utilized to obtain breaking news and less to investigative journalism and long-form stories.

In the meantime, it is expected that more content will be available online, whether through podcasts, news videos, online radio, live streaming, links with social media, and other creative methods. The internet will continue to be used by civil society to disseminate information and mobilize people. The government has demonstrated that it is listening to internet chatter. Many politicians have embraced the internet,

communicating directly with citizens through social media such as Facebook and Twitter. All this is expected to continue in the next five years.

Digital terrestrial transmission is expected to commence within the next five years. The first stage will only involve existing terrestrial media—RTM, Bernama, Media Prima, and Al-Hijrah—along with WBC. Although the number of channels will increase, it is not expected that the diversity and plurality of voices will change drastically, at least not to begin with.

As for changes to the independence and diversity of the print and broadcast media, it will probably take a change of government for there to be a significant shift in these areas. Major developments are needed to ensure greater independence, such as the dismantling of monopolies, rules on cross-ownership, rules on political parties' ownership of media companies, and the repeal of the Printing Presses and Publications Act.

List of Abbreviations, Figures, Tables, and Companies

Acronyms and Abbreviations

ABN	Asian Broadcasting Network
BN	Barisan Nasional
CIIP	Common Integrated Infrastructure Provider
CIJ	Center for Independent Journalism
DAP	Democratic Action Party
DDoS	distributed denial of service
DTT	digital terrestrial television
DVB-T2	Digital Video Broadcasting—Second Generation Terrestrial
EC	Election Commission
GDP	gross domestic product
GTP	Government Transformation Program
IPTV	internet protocol television
KPI	key performance indicator
LGBT	lesbian, gay, bisexual, and transgender
LTE	long-term evolution
MCA	Malaysian Chinese Association
MCMC	Malaysian Communications and Multimedia Commission
MIC	Malaysian Indian Congress
MMS	Multimedia Messaging Service
MSC	Multimedia Super Corridor
NGO	non-governmental organization
NKRA	National Key Result Areas
NSTP	New Straits Times Press
PR	Pakatan Rakyat
PSA	public service announcement
RTM	Radio Televisyen Malaysia

SMS	Short Message Service
STB	set-top box
UMNO	United Malays National Organization

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Companies

Altima
Asian Broadcasting Network (ABN)
Astro
Astro Malaysia Holdings
Berjaya Group
Celcom Axiata
DiGi
Employees Provident Fund
Gabungan Kesturi
Gerbang Perdana
Huaren Holdings
Khazanah Nasional
KTS Group
Lynas
Maxis
Media Chinese International
Media Prima Group
MiTV (now known as U Television)
New Straits Times Press (NSTP)
Nielsen
Puncak Semangat
REDtone International
Rimbunan Hijau Group
Samling
Sapura Holdings
Sarawak Press
Telekom Malaysia
Tenaga Nasional
TTDotCom
Universal McCann
Utusan Melayu Group
Worldview Broadcasting Channel
YTL Corporation

Mapping Digital Media: Country Reports (published in English)

1. Romania
2. Thailand
3. Mexico
4. Morocco
5. United Kingdom
6. Sweden
7. Russia
8. Lithuania
9. Italy
10. Germany
11. United States
12. Latvia
13. Serbia
14. Netherlands
15. Albania
16. Hungary
17. Moldova
18. Japan
19. Argentina
20. South Africa
21. Turkey
22. Lebanon
23. Macedonia
24. Bosnia and Herzegovina
25. Poland
26. Montenegro
27. Georgia
28. Nigeria
29. Colombia
30. Croatia
31. Slovenia
32. China
33. Peru
34. Chile
35. Spain
36. Kenya
37. Bulgaria
38. India
39. France
40. Estonia
41. Kazakhstan

Mapping Digital Media is a project of the **Open Society Media Program** and the **Open Society Information Program**.

Open Society Media Program

The Media Program works globally to support independent and professional media as crucial players for informing citizens and allowing for their democratic participation in debate. The program provides operational and developmental support to independent media outlets and networks around the world, proposes engaging media policies, and engages in efforts towards improving media laws and creating an enabling legal environment for good, brave and enterprising journalism to flourish. In order to promote transparency and accountability, and tackle issues of organized crime and corruption the Program also fosters quality investigative journalism.

Open Society Information Program

The Open Society Information Program works to increase public access to knowledge, facilitate civil society communication, and protect civil liberties and the freedom to communicate in the digital environment. The Program pays particular attention to the information needs of disadvantaged groups and people in less developed parts of the world. The Program also uses new tools and techniques to empower civil society groups in their various international, national, and local efforts to promote open society.

Open Society Foundations

The Open Society Foundations work to build vibrant and tolerant democracies whose governments are accountable to their citizens. Working with local communities in more than 70 countries, the Open Society Foundations support justice and human rights, freedom of expression, and access to public health and education.

For more information:

Open Society Media Program

Open Society Foundations

7th Floor Millbank Tower, 21–24 Millbank
London SW1P 4QP, United Kingdom

mappingdigitalmedia@osf-eu.org

www.mappingdigitalmedia.org

www.soros.org/initiatives/media

Cover Design: Ahlgrim Design Group

Design and Layout: Judit Kovács | Createch Ltd.

