Interplay of Corporate Sector, Politics, and Media in Shaping News Contents in Nepal

Lekhanath Pandey
Lecturer, Journalism and Mass Communication, Ratna Rajyalaxmi Campus, Kathmandu.
pandey.lekhanath@gmail.com

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Abstract
This paper examines the intricate implications arising from the symbiotic relationship among the corporate sector, politics, and media in shaping news content in Nepal. This study analyzes the dynamics and interplay between politics, corporate sectors and the influence they can have on the media content largely within the privately run for-profit media outlets in Nepal. The theoretical foundation for this study has been rooted in Habermas’ public sphere model of mass media (1989). The study revealed that vested corporate and political interests are hugely influential both in shaping the opinion and performance of the news media. Besides, the corporate influence, the ideological division of media outlets and journalists not only raises ethical concerns but also the quality of discourse. Taken together, they only undermine the very credibility of the media institutions which does not allow them to become what Habermas calls the public sphere.
Keywords: corporatization, media, public sphere, watchdog

Introduction
The emergence of Nepali journalism can be traced back to Prime Minister Jung Bahadur Rana's visit to Great Britain in 1851, when he brought a printing machine to Nepal (Devkota, 1995). Half a century later, in 1901, Gorkhapatra was established as the first weekly newspaper, marking the beginning of Nepali journalism. The arrival of democracy in 1951 led to the establishment of Nepal's first radio service and steered a significant growth of newspapers. However, this promising media landscape faced setbacks when King Mahendra dissolved the first elected Parliament and established a partyless Panchayat system in 1960. Democracy was restored in 1990, coinciding with a global resurgence of liberal economic order. The new liberal political and economic climate fostered the rise of private media sector. This included not only the establishment of numerous daily and weekly newspapers but also paved the way for accessing radio and television frequencies (Onta, 2006). Over the past three
decades, Nepali journalism has witnessed remarkable growth in the variety of media outlets. However, despite this numerical growth, questions remain regarding the quality of contents, thereby media’s role in shaping the political landscape.

A noteworthy aspect of the media landscape is the dependence of private media outlets on advertising revenue as their primary source of income. When substantial investments flow into the media business, there is a shift in focus, transitioning from its intended role as a neutral watchdog to what can be characterized as "manufacturing consent," aligning with the economic and political interests of powerful entities, as described by Herman and Chomsky (1988). In recent years, the traditional news media such as newspapers, radio and television have faced challenges, particularly due to declining subscription and advertising revenue in the face of the dominance of social media. This trend has become even more pronounced following the outbreak of the Covid-19 pandemic.

In the pursuit of revenue, media outlets are often seen shifting their attention from pressing socio-political issues to profit-making ones. This tendency has undermined the values and principles of the fourth estate. Thus, the central question of this study is how does the nexus between media, politics, and corporate interests collide to shape news media content in Nepal? This inquiry attempts to shed light on the intricate dynamics between corporate, political, and media forces within Nepal and their collective impact on the media's role as a genuine public sphere.

**Research Methodology and Theoretical Framework**

This analysis largely relies on secondary data, including relevant literature, documents and cases of media coverage. Additionally, a few in-person interviews with media practitioners and experts were conducted to get further insights, enrich the analysis, and bolster the argument. The cases of media coverage and interviews were taken based on a purposive sampling method (Saldana, 2011). Media coverage was mostly considered after the latest elections in Nepal, and of mainly a few select private media outlets. In this way, an inductive approach was employed while reasoning arguments and drawing conclusions. The shaping up of news content in the state-run media was purposefully excluded to make the study more specific and focused.

This study employs Habermas' model of the public sphere as he articulated in his seminal works: The Structural Transformation of the Public Sphere (1989). According to him, the press is the “preeminent institution of the public sphere” that is a conceptual “space” between private individuals and government authorities in which people can meet and have critical debates about public matters. He suggests that in the public sphere access is free, freedoms of assembly, association and expression are guaranteed, it helps form public opinion and remain above the private sphere or realms. He argues that to the extent the press became commercialized, the clear line separating the public sphere from the private became blurred; and to the extent that legal protection for its independence is ceased; the public sphere ceased altogether to be exclusively a part of the private domain (Habermas, 1989, p. 181). Calhoun (1992, p. 2) observes in his critique of Habermas, a public sphere suitable for a democratic polity hinges not only on the quality of discourse but also on the quantity of participation. Thus, the
framework for interpreting and analyzing the media performance is rooted in the question of whether they function as a genuinely public sphere as per the Habermas’ theoretical prism.

**Literature Review**

Significant literature has come up over the years and extensive research has investigated the collusion of corporate, media, and political interests in countries like the United States (Harman & Chomsky, 1988; Dimaggio, 2011), the United Kingdom (Street, 2011), Germany (Jungherr et al., 2019), and India (Thomas, 2014). Croteau and Hoynes (2006) delineate two fundamental approaches for comprehending the media business: the market model and the public sphere model. The market model evaluates media success primarily through the prism of profitability, treating profit as the universal currency of business achievement. Conversely, the public interest model suggests that the media plays a pivotal role in nurturing a vibrant public sphere. It is crucial to recognize the inherent limitations of the market-oriented media model—judging business solely by profitability fails to account for the dynamic framework of social and political constraints that shape business operations in the name of public interest (Croteau & Hoynes, 2006, p.16).

In their seminal work, "Manufacturing Consent: The Political Economy of the Mass Media," Harman and Chomsky (2008) contend that the media's perceived public interest role has gradually eroded, as it has become increasingly enmeshed within the commercial sector. The mainstream media outlets in the United States manufacture consent in alignment with dominant interests and ideologies, as noted by Harman and Chomsky (2008):

These developments have resulted in more compromises on behalf of advertisers, including more friendly editorial policy, more product placements, more intrusive ads, more cautious news policy, shrinkage in investigative reporting and greater dependence on wire service and public relations offerings, and a reduced willingness to challenge establishment positions and party lines. This has made for a diminished public sphere and facilitated media management by government and powerful corporate and other lobbying entities. (p. 289)

This has, in turn, contributed to the contraction of the public sphere and facilitated media management by government entities and influential corporate and lobbying groups. Many scholars, regardless of their political leanings, have been critical of this thesis, also known as the propaganda model of mass media. For instance, Corner (2003, p.367) expressed doubt about whether a model developed to explain media performance in the United States could be applicable to countries with vastly different media systems and political structures.

Yet, Nepal remains relatively uncharted territory in this regard. Dahal (2002) sheds light on how ownership patterns can influence information flow, arguing that private media often prioritize safeguarding their business interests through misinformation rather than fulfilling the public's right to information. Kharel (2017), on the other hand, provides a more direct link between the media-corporate nexus by characterizing it as "money as the message” (p. 339). He further notes that as advertising and other revenue sources overshadow the fundamental tenets of journalism, the influence amassed and leveraged by those with financial resources...
undermines the professed ideals of professionalism, social service, and public accountability within the media industry (Kharel, 2017 p. 339). Pandey (2019) also touches upon the issue with the view that Nepali press acquired freedom following the restoration of democracy in 1990, but, as big investors entered the media sector, newsrooms have faced pressure from the corporate world on what and how to publish. Though previous studies by Dahal (2002), Kharel (2017), and Pandey (2019) have touched upon the implications of the corporate-media-politics links in the Nepali context, their works have been constrained by limited scope and methodological rigor.

Analysis

On the basis of relevant literature, documents and emerging cases; this section sums up how the Nepali media landscape has been politically manipulated and how the media has been aligned the corporate interests. And, it assesses the overall implications these dynamics in news content and media performance.

Nepal media, over the period, went through different phases which can be marked in three ways: periods of suppression, periods of silence and periods of witnessing relative freedom. The press faced suppression and censorship during the Rana regime (1856-1951) and the partyless Panchayat system (1960-1990); while the media exercised relative freedom during the democratic transitions (Devkota, 1995; Pandey, 2022). The press experienced a relatively liberal ambiance after the advent of democracy in 1951, but suffered setbacks following the royal takeover of the 1960’s (Baral, 1975). The press environment was at ease during the lead-up to the 1980’s referendum (Devkota, 1995; Onta, 2006). Then, the Nepali press—largely political weeklies—was divided along ideological lines during the referendum, a trend popularly marked as 'mission journalism' in Nepal (Pandey, 2022).

Yet, media played a prominent role in the pro-democracy movements of 1990 and 2006. While political weeklies were instrumental during the first movement, the private broadsheets and radio networks played crucial roles in inciting anti-regime sentiment during the second movement of 2006 (Gaunle, 2006). During the Maoist insurgency (1996-2006), the state media used to dub their activities as “terrorist acts” because the rebel group were declared a ‘terrorist organization’ by the government (Dahal, 2018). Conversely, many private media outlets used to show some sympathy towards their cause (Ghimire, 2020). Following the royal palace massacre in June 2001, Kantipur daily garnered attention for publishing a controversial article by then rebellion Maoist’s leader Baburam Bhattarai (Bhattarai, 2001). This led to the arrest of its editor-in-chief, Yubaraj Ghimire, and publisher Kailash Sirohiya and Binod Raj Gyawali. Ghimire (2020) later acknowledged that Kantipur was unaware that the Maoists had been using the daily as a ‘publicity tool’. The Maoists insurgency followed by a protracted political transition exacted a heavy toll on Nepali journalism. At least 36 journalists lost their lives with four more disappearing between 1996 and 2017 (The Federation of Nepali Journalists, 2018). King Gyanendra seized power in February 2005 and imposed a state-of-emergency, and the internet and telecommunications networks were initially shut down and the independent press
were threatened (Gaunle, 2006; Pandey 2022). While the security personnel were deployed at major private media houses in order to censor critical contents, no such step was taken in the case of state-owned media that supported the King’s coup (Pandey, 2022). The media could report freely and regained its vitality while leading up to and following the success of the second people’s movement in April 2006 that ultimately dethroned the King from power. The movement was led by an opposition alliance of Seven Political Parties (SPA), and during that movement, the King's administration labeled the private media, particularly the country’s largest media conglomerates—Kantipur as the 'eight-party' alongside the SPA (Nepal, 2016). Media’s roles during the country’s political upheavals raise questions about its ethical standards. News media outlets are often seen taking sides as per ideological lines (Kharel, 2017). Many journalists and media trade unions often defend their actions in the name of press freedom and democracy. The Journalist Code of Conduct 2016 also has some questions provisions that explicitly states that journalists have an obligation to "protect and promote democracy, justice, equality, and freedom” (Press Council Nepal, 2016). However, it overlooked the fact that media and journalists’ alignment with political forces has contributed to the politicization of the media sector. Many political weeklies from the 1980s and 1990s were affiliated with political parties and reflected their ideologies (Pathak, 2005). In the ensuing decades, such a tendency has not been limited to weeklies and their online counterparts; it has permeated the entire media ecosystem (Pandey, 2022b). While there is no law prohibiting journalists from joining political parties, the journalists’ trade unions are acting as the sister organizations of mainstream political parties. Majority of the journalists are affiliated with one or another party’s media wing—primarily the Nepali Congress affiliated Nepal Press Union; CPN-UML affiliated Press Chautari, Nepal, and CPN (Maoist-Centre) linked Press Center. Aristotle is known to have said man is by nature a political animal, and it is common for journalists having a political ideology; but, it’s uncommon reflecting a personal ideology or political view in journalistic performance. Journalists’ open affiliation with the political parties raises concerns about the impartiality and balance of political reporting. Over recent years, politicians are openly courting journalists to seek their loyalty. Left-leaning political parties and their leaders are seen at the forefront in such races. One interesting incident was an oath taking ceremony of more than 300 journalists close to the then ruling Communist Party of Nepal (CPN)—from the party Co-chair at the prime minister official residence in December 2019, when media persons were asked to show allegiance towards the government and the party’s policy (Baral, 2019). The more interesting part was that many other journalists didn’t take it by surprise. Prasai (2020) notes left wing parties, including the former Maoists forces invested in the media sector as an attempt to strengthen their grip in open politics and shape up narratives. Non-left parties are not far behind in this respect as they used to operate ‘mouthpieces’ in the pretext of journalism (Pathak, 2005). In such a race, many news outlets and journalists have become not only parties’ mouthpieces, but also confined as a propaganda tool within a small coterie of the political parties or influential leaders, although they still claim themselves as professionals (Prasai, 2020).
The Federation of Nepali Journalists (FNJ) serves as an umbrella trade union for all journalists, but its top office bearers and members are often selected based on political basis. They receive open support or opposition from the media wings of political parties (Pandey, 2019). The Press Council Nepal, as a quasi-judicial body, is tasked with implementing the journalist code of conduct and rectifying misconduct in the media sector. Paradoxically, most of its members are political appointees and often fall short of functioning independently. A more concerning trend that emerged after the democratic change of the 1990s is the appointment of journalists as press advisers and publicity officers of ministers, elected officials, influential politicians etc. Such practice has become more prevalent in recent years, as Kharel (2022) claims that almost 2000 journalists across the country are being appointed in such roles, and some of whom are simultaneously doing journalism as well. News outlets occasionally raise concerns about the growing collusion between media and politics writing editorials (Nagarik, 2022) and opinion pieces (Pandey, 2023; Prasai 2020). However, such a tendency has been abated which has a clear risk of compromising professional journalistic roles and fostering closer relationships with politicians for potential future favors.

**Collusion of Politics, Corporate and Media**

Many scholars hold that private news media tend to pursue profit goals at the expense of a public good (Hamilton, 2004; Dunaway, 2008; Humprecht, 2019). Advertisement is the main source of revenue for the news media to meet that goal. There is no clear data of advertisement market in Nepal, although it was speculated about Rs. 12 billion’s figure, including mass media, digital and signage advertisement prior to the Covid-19 pandemic (Dhakal, 2020). Advertising professionals estimate that the advertisement revenue has sharply depleted owing to the global public health emergency and now it has more than 50-55% less than the pre-Covid period (Acharya, 2023b).

Media organizations, in their pursuit of financial sustenance, find themselves competing for a share of this limited advertising market predominantly controlled by corporate entities dealing in imported goods such as cell phones, liquors, automobiles, and cosmetics (Kharel, 2017). These importers are primarily represented by a small cadre of corporate houses and business firms. Fearing the loss of valuable advertising revenue, media outlets at times shy away from covering critical issues. A prime example of this tendency can be observed in the case of the VAT defaulters in 2011-2012, when the Inland Revenue Department blacklisted approximately 300 industries and businesses that had utilized forged documents to evade taxes. All major mainstream media refrained from naming these entities (Pandey, 2019). Such a trend can be observed more frequently in recent years. A recent case in point is the purported skip of a news by all major private media of Kathmandu regarding the passengers trapped in the Chandragiri cable car, a hospitality company owned by the chair of the Federation of Nepali Chambers of Commerce and Industries (FNCCI). While promotional news about the Cable Car was massively covered by almost all media outlets, the state-owned Gorkhapatra was the only national-level media to cover that news (Bhandari, 2023).
Advertising has become indispensable for the sustenance of media operations, raising the ongoing debate of whether media's primary objective should be profit or service. Nayapatrika daily once introduced a paywall system to read their contents online. They dropped the idea and resumed the previous free-of-charge online contents after realizing that audiences were not ready to pay for online contents. Even within the market model (Croteau & Hoynes, 2006), where media aim to provide free, fair, and impartial content to attract advertisers; media organizations are not averse to employing unscrupulous tactics when pursuing advertisements. A case in point occurred in January 2018 when four private media entities—Annapurna Post, Nepal Samacharpatra and Rajdhani dailies, along with a television channel, News/24—published stories about tax evasion by Ford Motor's local dealer. While the news may have been factual, the timing and synchronized coverage raised questions. Notably, just days before the news was made public, the auto dealer had extended advertising contracts to numerous outlets, leaving these four media organizations excluded. Sandage, et al. (2002) argues that business firms often allocate a substantial portion of their advertising budget not to promote products and services but to discourage negative coverage. This tendency is not unique to Nepal. It’s common for newspapers to simultaneously publish news articles and advertorials or advertisements about consumer goods or services at same page on the same day. News media are supposed to generate revenue by producing quality content and expanding their audience base. However, they have increasingly been focusing on revenue by publishing pull outs and special pages targeting potential consumers of advertised goods and services. For instance, The Himalayan Times, an English-language daily, before the pandemic used to publish daily special editions such as Auto Times, School Times, Campus Plus, Health Plus, Appointments, Green Plus, Gadget Plus, and TGIF—aiming to attract commercials. Collusion is not limited to partnerships between media and corporate entities; politics and politicians are also frequently embroiled. Media houses can be seen taking sides in corruption or tax evasion cases that are subject to legal proceedings. As a bit earlier instance, in 2017, two prominent media houses—Nepal Republic Media and 3NI (Annapurna Media Network)—were notably divided in their coverage of a multi-billion-rupee land purchase scandal involving the state-owned petroleum monopoly, Nepal Oil Corporation (NOC). The Commission for Investigation of Abuse of Authority (CIAA) filed a case against then NOC chief Gopal Khadka, accusing him of embezzling Rs. 700 million in the deal, which was under investigation. Major media houses also diverged in their coverage of a US$ 500 million tax evasion scandal involving Ncell, the country's largest private sector telecommunications company, in the year 2017. A section of the Nepali media skipped covering the tax evasion news with the fear of losing possible advertisements from that company. While the case was still sub-judice in the court, the government chose Ncell as a major sponsor for publicizing the country's social security scheme launched in 2018. On 27 November 2018, all major broadsheet newspapers carried a full-page cover advertisement (referred to as jacket ads) of the government's new scheme, sponsored by various private corporate entities, including Ncell. The supreme court of
Nepal and the International Centre for Settlement of Investment Disputes (ICSID)—an international investment dispute settlement body established by the World Bank—have already ruled in favour of the Nepal government in this case (Acharya, 2023c)—there is no dearth of news in various media outlets in defense of Ncell for not paying due taxation to the government.

The most significant casualty of the complicity between media and vested political and business interests is the truth. Ghimire (2020) notes that Nepali media often overlook their role as the watchdog and the fourth estate, deviating from defending public interests to safeguarding economic interests. As another instance, in October 2003, Ghimire resigned from his position as Editor of Kantipur and The Kathmandu Post dailies after both the dailies dramatically featured a profile story of a controversial businessman Rasendra Bhattarai—despite his reservation. In both news reports published on 19 October 2019, Bhattarai was portrayed as a super-rich Nepali-Spanish business tycoon with significant financial interests around the world (Neupane 2003; Pradhan, 2003). The fabricated news was also disseminated through Kantipur Television, where Kantipur's publishers sought to involve Bhattarai as a promoter (Ghimire, 2020). Fifteen years later in 2018, Sudheer Sharma, then Editor of Kantipur, expressed regret for running that story (Sharma, 2018).

While broadsheet dailies and television stations may not be directly affiliated with political parties, political parallelism is undeniably evident. These media outlets reflect competing political ideologies and opinions, even if they do not have direct structural or ownership ties to political entities (Acharya, 2018). As media increasingly come under the sway of politicians-cum-businessmen, there is a growing risk of media misuse for political gain, including vilifying opponents, especially during elections. Furthermore, during the past two elections in 2017 and 2022, Nepal’s political party’s paid news outlets for campaign advertisements. This has a potential risk of bypassing critical contents in the media outlets that garnered such commercials.

**Voice of the Voiceless Overlooked**

McQuail (2005) emphasizes the pivotal roles of news media, including becoming a ‘voice of the voiceless’ and safeguarding the broader public interests. Corporate media, however, tend to follow market principles that treat media like all other goods and services and do not necessarily meet social needs and serve public good (Croteau & Hoynes, 2006 p. 23-24). Since such media are primarily motivated by market-interests, tending to allocate less coverage to issues affecting common people and marginalized segments of society; this can be addressed through promoting alternative news sources such as local newspapers and community FM radios (McQuail, 2005).

Historically, Nepalese press has accorded substantial priority to political content, especially during democratic movements, acting as a champion for mass appeal and a reflection of public sentiment (Kharel, 2010). There are hundreds of local news outlets, including online portals, local FM radios across the country that can serve as an effective alternative for public information. There are more than 1000 local FM radios, including almost more than 300
community FMs. Some community radios have provided a platform for voices of ordinary citizens and marginalized sections of society (Timalsina & Pradhan, 2019). The social issues that media, especially local ones have highlighted includes Chhaupadi, girl education, female feticide, domestic violence, witch-hunting, child labor, access to hygienic food, and clean drinking water and among others. Concerns about the rising cost of living, public transportation difficulties, mass exodus for job migration, exorbitant fees for child education, air pollution etc. are also finding space in print and airtime. However, such issues often become seasonal and cease to appear in media outlets once commercial advertisements take over. As the advertising revenues are, news organizations seldom encourage reporters to venture into remote regions to develop fresh and in-depth stories.

Majority of local media, including the community FMs are influenced by the various interests, including “political leanings and factionalism” (Neupane & Khanal, 2023). The majority of local and regional radio stations are directly invested in, controlled by, or managed by politicians (Kharel, 2010; Pandey 2019). The political parties' control over local and regional FM networks has further intensified in recent years (Mainali, 2020). Despite being a local media, similar or same headlines and issues covered by mainstream national level news outlets can be observed in most of the local and community media. Many community FMs air the same contents—produced by a handful of donor-funded broadcasting networks based in the capital city Kathmandu. Local FM radio stations receive both free content and financial incentives for airing such contents, which are mostly neither local nor contextualized as per the need of the local audience. News portals and social media have scope for coping with such a trend, as Castells (2009) highlights the potential of ‘self-mass communication’ through these media. Yet, many online portals are either an extension of corporate media, party-affiliated writers or of other interest groups.

Conclusion

The Habermas’ public sphere model (1989) posits that mass media offer an autonomous and open forum for public discourse, help form and transmit public opinion, and influence decisions. According to this model, the Nepali press struggled to perform as a public sphere during the course of autocratic regimes, when open and free discourse were unthinkable. It was only the democratic transition of 1990, when the press gained newfound freedom and recognition as a pillar of democracy. However, when substantial investments poured into the media sector, there was a visible shift in media's focus, moving away from its intended role as an impartial watchdog. Newsrooms began grappling with external pressures from the corporate sector, dictating both the content and manner of news publication. Furthermore, the press’ participation in the political movements, and journalists’ engagements in politics as well as division along ideological lines as the guise of trade unionism—have not only raised serious ethical concerns but also questioned the quality of discourse in the media. Aligning with political groups—whether due to political/commercial interests or—has become a potential risk of neglecting the pressing and vital contents from public discourse. This has
contributed to the politicization of the entire media and information ecosystem in the country. Regulatory bodies like Press Council Nepal have failed to address these issues, becoming hostages to politicization themselves. Although the media occasionally highlight the pressing socio-economic issues, they often divert attention to commercially profitable topics. Despite having a number of local news outlets, including community FM's, grassroots voices and apolitical issues are often overlooked.

Habermas (1989) argues that the public sphere is a conceptual space bridging the public and private realms. When the press becomes commercialized and its independence is compromised for profits; it fails to function as a public sphere. As the news media becomes increasingly commercialized and its autonomy is compromised in pursuit of profit, the distinction between the public sphere and private realms is vague due to the collusion of corporate, political, and media interests. The casualties of this collusion are truth and the voiceless. These trends in media practices have undermined the credibility of the media and diminished their role as the fourth estate and a public watchdog.

**Author’s Declaration**
I solemnly declare that the article has not been previously submitted to or published in any journals and other platforms. This work is original and has not been disseminated in any form prior to its submission.

**References**


