

# 2G SPECTRUM SCAM: FOCUS ON MEDIA EXPOSÉ, ECONOMIC REPERCUSSIONS, AND PUBLIC REACTION

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## INTRODUCTION

**1.1 Introduction to the Topic:** India, a land rich in diversity and culture, is also very rich in scams and scandals. Since independence, from Bofors to Railway scam, more than 66 years have been fully utilized by the corrupt people to fill their pockets. But, the head of these scams is **2G Scam**. It is considered to be one of the greatest scams in the history of India. The scam involving top-most politicians, bureaucrats, corporate people, lobbyists and even journalists shook the public in 2010, so-much-so that it bagged number-2 position in the Time Magazine's list of "Top 10 cases of abuses of power." (Tharoor, 2011)

The scam took place in 2008 when the licenses and spectrum allocation was done, to as far as 122 companies having the least experience in the telecom field at the price of 2001. This allocation was done solely on the basis of preference, instead of auction. The scam caused a loss of Rs. 1.76 lakh crore (India, 2010-11) to India. It was exposed by the then Comptroller and Auditor General of India, Mr. Vinod Rai, who was also the reason for giving many shocks to the ruling party. But, the 2G was in itself tangled so much, that even after approximately 4 years of exposure, the case is still undertrial. The Supreme Court of India is doing an independent inquiry of the scam.

The media's role in coverage of 2G is somehow contradictory as it has fed the audience with many versions of the reporting, somehow failing to be objective. The news in the media was mostly ruled by the political economy of the media associations and was partially the consequence of expanding rivalry. The study will highlight the coverage of 2G scam done by the print media. For this purpose, I will analyze the reporting of a leading Indian daily newspaper i.e.; The Hindu and a leading weekly magazine i.e.; Tehelka The time period for the study will be from 2010 to 2014; as in 2010 the 2G scam was exposed and till now culprits are not punished.

**1.2 Research Question:** Through this research, I aim to find answers of some of the following questions:

- 1) Whether the reporting for 2G was objective?
- 2) Does the media molds itself as per the political economy of the organization and
- 3) The Impact that the inclination of media has on its audiences and awareness regarding available solutions?

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**1.3 Review of Literature:** I will refer to few books and researches done by academics related to my topic. Additionally, the Audit report of the Comptroller and Auditor General of India will be examined. The few kinds of literature available regarding my research are expanded below:

*CAG Report:* The Audit report by the Comptroller and Auditor General of India on the Issue of Licenses and Allocation of 2G Spectrum was brought out in 2010. The report highlighted on the misuse of the national asset and allocation of spectrum at a throwaway price. According to the report, out of the 122 licenses issued, 85 organizations did not satisfy the criteria set by DoT (Department of Telecommunications) and numerous stifled truths, unveiled inadequate data and submitted imaginary records. It gave a loss of Rs.1.76 lakh crores to the exchequer when compared to 3G price. The Report also came forward with the fact that the practice of First Come – First Serve (FCFS) policy was not followed in its letter and spirit.

*Media Monitoring Project: 2G scam and Commonwealth Game Scandal:* The examination observed 4 driving dailies including The Hindu, The Indian Express, The Hindustan Times and The Times of India and analyzed their coverage based in view of inclusion of political identities, corruption, lawlessness and public pressure and divided each of them in the positive, negative and nonpartisan. Though the complete research is explained with the help of bardigrams, it still acts as a very helpful tool in analyzing The Hindu's reporting for 2G scam.

*Tehelka as Metaphor, Prism Me A Lie, Tell Me A Truth:* I referred to a chapter from the book namely 'Not so Fine a Balance: Ethics and Journalism' that dealt with media's role as a whistle-blower. Though, the chapter dealt with Tehelka's sting operation, commonly known as Operation West End and provided an in-depth analysis of such an action by a media firm, the contradiction between ethics and the need to bring out information. Madhu Trehan<sup>1</sup> talks to editors of various media firms and journalists regarding Tehelka's sting operation and the question of responsibility while doing such operations is answered.

*The Indian Media: Illusion, Delusion and Reality (Essays in Honor of Prem Bhatia):* For this research, I will be referring to two chapters from the Book. The two chapters are 'Changing Paradise for Media, Coverage of Scams' by A.K. Bhattacharya and 'The Press and Proprietors' by Prem Bhatia. In 'Changing Paradise for Media', Bhattacharya has talked about how print media has become more vigilant and diligent about covering scam. He also has talked about how the involvement of politician or a minister in scams was given importance in the Press. From his study, it is clear that the first 40 years after independence, the scams reported in the Indian Print Media were mainly political in nature. But later, the print media exposed scams which were also financial in nature. Scams which happen because of the misuse of the financial system by errant players are also getting comprehensive coverage in the media. According to him, newspaper organizations and senior editors need to acquire greater understanding and sensitivity to the need for better display of news pertaining to scandals. Coming on to 'The Press and Proprietors', Prem Bhatia has said that there should be a link between the press and its proprietors. According to him, objectivity in reporting and comment is required to be used as a weapon to mold public opinion. A newspaper

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which claims to be independent is not meant to serve any narrow interests, nor is it supposed to promote the proprietor's personal interest. In today's world, the owner wants to be identified as the source of power that the editor or the correspondent wields by his pen.

*The Changing Role of News Media in Contemporary India:* There is a strong sense that the 'news industry is no longer in control of its own future' (Rosenstiel, 2011). As per the report, monopolistic tendencies and aggressive market practices tend to grab a big piece of the market are apparent in the Indian media. Also, there has been an ideological and political divide in the press is considered.

*Media Control:* Noam Chomsky points out as to how media is used for propagandist purposes by the people in power. It points out to theory by Walter Lippman namely, 'Theory of Progressive Democracy', dividing citizens into two classes:

- A Specialized class that includes responsible men carrying out the executive function and
- The Bewildered Herd that are the spectators.

The propaganda should be used to keep Bewildered Herd in order.

*Manufacturing Consent:* The book by Edward S. Herman and Noam Chomsky (Edward S. Herman, 1988) talks about the 'Propaganda Model' to account behavior of the corporate news media in the United States. It is also related to the understanding that indoctrination is the essence of propaganda. It moves on to explain how media functions to serve the requirements of the elite class. According to the writers, credibility, and legitimacy of media is also preserved by the media's lack of complete agreement on all issues. The book, further explains five filters of 'Propaganda Model' which include ownership, advertising, sourcing, development of right-wing corporate 'flak' and ideology of anti-communism. It explains 'Propaganda Model' by taking case studies of coverage's done by the media while reporting Vietnam War, developments in Laos and Cambodia in the 1960's, etc.

*Overview of the Political Economy of Communication:* This book defines the political economy approach, its fundamental characteristics and also, provides versions of various schools of thought. The book identifies main starting points for a political economy of communication namely; Commodification, Spatialization, and Structuration. These processes are explained in the third chapter.

*The Political Economy of Mass Media (Edward S. Herman interviewed by Robert McChesney):* The interview taken by Robert W. McChesney focused on questions related to the book Manufacturing Consent, mentioned above. Before the interview, it explains few things regarding the 'Propaganda Model' as it is responsible for the behavior of the corporate media in the United States. Propaganda is not the only function that media performs, but it is a very important aspect of it. McChesney asks Edward S. Herman various questions regarding his book like he asks about the

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use of 'elite' rather than ruling class. Herman answers that "Ruling class" has become a cliché that pegs a writer on the ideological spectrum, perhaps unfairly, etc.

Also, along with the research material available, I will analyze the in-depth reporting of 2G spectrum scam in both the print mediums by referring to a number of editorial and opinion articles in the newspaper and the magazine, respectively. I have come across a few shocking reports that will play a very important role while studying in-depth about the leading print mediums, I will be referring to the study. One such report was when, the brother of the then editor-in-chief of The Hindu, N. Ram, N. Ravi, had itself alleged that the newspaper has turned into an apology for A. Raja. However, the then editor-in-chief N. Ram denied any such inclination. Also, the expose of Radia tapes by Outlook and Open magazine; raises concerns about the breach of the right to privacy of the corporate people, as said by Ratan Tata and will be studied in the last chapter. The media is also accused of trying to become the judiciary itself and giving straight-away conclusions in the case.

**1.4 Objectivity:**The objective of the research is to give a rich detailed description of how media carried on the reporting in 2G and to find out every possible reason for media's action. Also, through this research, I will try to find out that whether media has justified its responsibility as the fourth pillar of democracy or not.

**1.5 Methodology:**The research will be done using both qualitative and quantitative methods. The data will be collected both by using primary and secondary methods of data collection.

**Primary method:** This will be done using **Case-Study method** (qualitative method) and the 2G spectrum scam case will act as the case-study for determining the role of media in coverage of scams. The fourth chapter will be researched using **Survey method**. A structured questionnaire will be prepared and will be sent to a number of respondents. The responses by the sample will be then analyzed and evaluated. Also, the objectivity of reporting for 2G will be analyzed by using the **Interview method** and a number of journalists and professors associated with 2G will be approached and the NGO Telecom Watchdog will also be considered for the same. Their responses will help in further explanation of the concepts.

**Secondary method:** **Content Analysis method** (quantitative method) will be used and the reports of The Hindu and The Tehelka will be studied in the most systematic and objective way possible. Also, **Narrative Analysis method** will be used to study conversation tapes associated with the scam.

**1.6 Relevance and scope of study:** Media is said to be the most powerful tool for propagandist purposes and has been used since time immemorial for the same. This study is conducted in the scenario when media is also said to be the fourth pillar of democracy. The contrast between the fourth pillar of democracy being used for propagandist purposes made me conduct this study. The study will also research the role of media as a social unit and how it was fulfilled when it reported 2G spectrum scam.

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**1.7 Synopsis of following Chapters:** : The second chapter namely '*Introduction to the 2G scam*' deals with an in-depth explanation of the 2G Spectrum Scam with the help of various terms and policies related to the 2G spectrum. It gives an analysis of the Audit Report of the Comptroller and Auditor General of India. (India, 2010-11). It also analyzes the content of two print mediums, a leading daily newspaper i.e.; 'The Hindu' and a leading weekly magazine i.e.; 'Tehelka'. It details Supreme Court's verdict and the present scenario of the 2G Spectrum Scam.

The third chapter, '*Ethics of Journalism vs. Political Economy of Media Organizations*' considers the contradiction between the ethics and political economy. It deals with whether the social responsibility is put at stake by the top management of media organizations to survive in the long run and for the political and economic motives. Also, in this chapter the situation of media is studied, when two of the prominent journalists, Barkha Dutt (Group Editor, NDTV) and Vir Sanghvi (Advisory Editorial Director, The Hindustan Times), were accused of lobbying. Connected to this, Niira Radia tapes are studied briefly.

In the fourth chapter, the impact of 2G Scam on audiences is considered. It is done using the questionnaire method and a sample size of 50 respondents is measured. An in-depth analysis is done of the answers provided, to understand the thinking of people and to reach a conclusion.

The last chapter i.e.; 'Conclusion' deals with the overview of research conducted and it provides suggestions as to what can be done to control these scams from occurring again.

## **INTRODUCTION TO 2G SCAM**

### **2.1 What is Spectrum?**

Radio Frequency Spectrum is the entire range of wavelengths of electromagnetic radiations, which is used as a carrier of wireless transmission and thus, a basic requirement for providing wireless services. It is a finite but non-consumable global natural resource and commands high economic value in the telecommunication sector. (India, 2010-11)

Every administrator is allotted an arrangement of frequencies by the Government which is assigned in Megahertz (MHz). It is not used upon its usage and should be optimally and efficiently utilized to provide services to the people of the nation.

### **2.2 What is 2G Spectrum?**

2G is an abbreviation for the second generation of mobile phone services. It is a form of wireless-based transmission of information signals in the form of a radio wave at a particular frequency of speed of about 100 kbps. These signals are available across the global system of mobile communication (GSM) operated mobile phones.

### **2.3 Policies related to allocation of 2G Spectrum:**

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**National Telecom Policy 1999 (NTP-99):** NTP-99 was implemented w.e.f. 1<sup>st</sup> April 1999 which re-defined the scenario of the telecom industry in India. It was affirmed by the Union Cabinet and was approved by the Parliament. NTP-99 was the consequence of the change in NTP-94, which gave the all universal accessibility of fundamental telecom administrations to all towns at reasonable costs. The NTP-99 Policy removed restrictions on the number of service providers thereby providing a platform for private players to participate through the bidding process. The Government of India perceived that telecommunication infrastructure and data is the way to quick financial and social improvement of the nation. In the recent past, there has been a blast in the telecom business. The new telecom arrangement structure is required to encourage India's vision of turning into a world class telecommunication industry in the nation (Telecom Regulatory Authority of India).

Keeping in view the growing social and economic goals of our country, the Government of India introduced NTP-99, which provided for telecom subscribers base to enable the people to make wireless communication facility affordable and effective for the citizens of India. There has been a quick rollout of cellular mobile networks in the metros and states.

According to the NTP-99 Policy the fundamental administration suppliers (BSPs) and in addition the Cellular Mobile Service Providers (CMSP) might be allowed to give versatile communication administrations without looking for an extra permit. Direct interconnectivity between authorized CMSPs and BSPs should be allowed. It will be assessed frequently. The CMSP should be allowed to give, in its administration region of operation, a wide range of portable administrations including voice and non-voice messages, information administrations and PCOs using any sort of system hardware, including circuit and/or parcel switches, that meet the significant International Telecommunication Union (ITU)/Telecommunication Engineering Center (TEC) norms.

CMSP would be allowed separate permit, for every administration zone. The entire country is divided into 22 telecom circles, including metros. For each circle or a metro, a separate telecom license issued. CMSP would be eligible to obtain licenses for any number of service areas.

It is proposed to audit the spectrum utilization occasionally keeping in perspective the rising situation of spectrum availability, ideal utilization of spectrum, necessities of the business sector, rivalry and other interest of public.

CMSP administrators were required to pay the one-time entry fee. Aside from the one-time entry fee, CMSP administrators were required to pay permit charge based on a revenue share. The rate of income offer relied on upon the administration region where they offered their administrations.

### ***Unified Access Service License (UASL), 2003:-***

It allowed administration suppliers to offer both fixed and mobile services under one permit. Under a Unified License regime, GSM administrators were to invest more in updating their systems for

better data access services, while CDMA administrators were to invest in technologies enabling them to offer SIM based telephones and prepaid cards. (Capital Market)

A unified license provided operators with the facility to offer any service by means of any technology. The UASL Policy is implemented in a **two-stage** process:

- (i) Movement of effectively existing basic service operators (BSOs) and Cellular mobile service operators (CMSOs) to the new administration and;
- (ii) It was started after the primary stage in which the nominal entry fee for the permit with the spectrum was charged separately.

An objective of this policy is to de-link the costs of the spectrum from the issue of the permit and to devise a productive allocation equation for spectrum with an appropriate price (India, 2010-11).

### **Regulatory Body:**

#### ***Telecom Regulatory Authority of India (TRAI):-***

TRAI was set up in March 1997 to make suggestions on need and timing for the presentation of new administration suppliers; terms and conditions of the licenses to be given to the new service providers and effective administration of the available spectrum.

Before taking a choice on new licenses, the Government of India needed to consider TRAI's suggestions on the number and timings of new licenses to be allocated. TRAI has an advisory part in the policy matters as a controller.

#### **2.4 Audit Report of Comptroller & Auditor General of India (CAG):**

The Audit Report of the CAG on the issue of licenses and allocation and allocation of 2G spectrum by DoT came out with 2G spectrum scam in 2010-11. Former Chief of CAG, Mr. Vinod Rai revealed that there was a loss of approximately Rs.1.76 lakh crores to the exchequer in the 2G spectrum allocation. According to the Report, the licenses for 2G spectrum were allocated to new players at throwaway prices and that the licenses were allotted to a *few favorable companies*. DoT did not follow the practice of 'First Come First Serve' basis in true spirit and the whole procedure needed transparency. Out of the 122 licenses distributed, 85 organizations did not satisfy the criteria of DoT as the greater part of them suppressed facts, unveiled inadequate data and submitted imaginary records. Detailed analysis of 2G spectrum scam and CAG Audit Report is given below:

The licenses were issued to 122 companies in January 2008 at the price discovered in 2001. The last date of acceptance of the application under UAS was settled as 1st October 2007 in a Press Release issued on 24th September 2007. On 2nd November 2007 the Department of 18 Telecommunications decided that the applications received up to 25th September 2007 shall be processed which were 232 in number. The decision regarding cut-off date was passed on through a Press Release toward the evening of 10th January 2008. The companies which had submitted their

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applications on or before cut-off date were advised at 2.45 P.M. to assemble at DoT HQs at 3.30 P.M. (just 45 minutes) on 10<sup>th</sup> January 2008 to collect responses. Only 121 License of Intents (LoIs) were issued to the companies found eligible. All licenses issued were to be effective from 25<sup>th</sup> January 2008.

### **Parameters for determining Rs.1.76 lakh crores as the loss figure**

In its report, TRAI has pointed out that it was fair to contrast 2G and 3G and it recommended 3G costs to be adopted as the current cost of 2G spectrums in 1800 MHzs in bandwidth. If these recommendations which have not so far been acknowledged by the Government, are considered, then the estimation of 2G spectrum allocated would be much higher at about Rs.1,52,038 crores as against the sum actually received (India, 2010-11). Also, when DoT issued All India Licenses at Rs.1,658 crores, the price was same as in 2001. The CAG considered that in November 2010, S Tel had written first to the Prime Minister and later to A. Raja offering to pay Rs.13,752 crores over 10 years for allotment of 6.2 MHzs of GSM spectrum, CAG took this figure as benchmark and concluded that the Government would have generated revenue of Rs.67,364 crores by selling 122 licenses. However, the Central Bureau of Investigation (CBI) opines that the loss was pegged at Rs.3,09,845 crores. CBI was criticized for not carrying out investigations properly and was called "The Congress Bureau of Investigation".

### **How FCFS Policy failed**

FirstComeFirstServe (FCFS) was the approach internally adopted by Department of Telecommunication for allocation of spectrum. Under the FCFS framework, all applications are initially received in the Central Registry (CR) Section of DoT, where the date of receipt and serial numbers are posted on it. Priority is determined based on this date of received in the CR Section (India, 2010-11). On 10<sup>th</sup> January 2008, DoT did multiple activities. It first informed through the Press that UAS Licenses up to 25<sup>th</sup> September 2007 would be considered for LoIs. Likewise, it said that it is following the strategy of FCFS for the grant of UAS licenses, which is that the application received first will be prepared first and if found qualified, it will be granted the UAS permit. The DoT disregarded the sanctity and transparency of the FCFS Policy as DoT diverted from the criteria of FCFS Policy to the date of compliance of LoIs. The candidates were not even given an hour to gather at the DoT HQs to collect LoIs and agree to the conditions. It is to be noticed that the DoT took 100-550 days to process applications as against endorsed 30 days under FCFS Policy furthermore to conform to the LoIs condition, it gave a period of 45 minutes rather than 15 days. But the reality remains that 13 candidates were ready with their Demand Drafts drawn on dates before the notification of cut-off date. It is to be noticed that the information about the date of issue of LoIs was leaked and these candidates were already aware of the notification thus they made a proper move to draw the Demand Drafts and prepare other important reports ahead of time. Also, the FCFS Policy was violated in spirit when the Hon'ble Minister of Communications and Information Technology (MoC&IT) chose to issue LoIs to candidates who had presented their applications between March 2006 and 25<sup>th</sup> September 2007, which denied other candidates who



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had presented their applications before and resultant case to get LoIs first. It is to be noted that a couple of firms were profited over others, e.g. for Delhi circle, Swan Telecom submitted its application on 2<sup>nd</sup> March 2007 and it was allotted spectrum on 28<sup>th</sup> August 2008 as against Spice Communications Limited which submitted its application in August 2006 and is not yet allocated spectrum. Similarly, Idea Cellular Limited presented its application on 26<sup>th</sup> June 2006 and got spectrum in May 2009, while Unitech which presented its application on 24<sup>th</sup> September 2007 got spectrum in September 2008.

Even after so many violations, the DoT maintained that it had not deviated from the FCFS Policy. The DoT expressed (July 2010) that because of deficiency of spectrum, the requirement for constraining the number of licenses is to be considered and the cut-off date was altered to identify them. On explaining the reason about fixing 25<sup>th</sup> September 2007 as the cut-off date, DoT replied that it classified applicants into 2 homogenous groups based on the date of request, i.e. applications received prior to date of publications of Press Release and new applications received thereafter for the grant of LoIs in the primary stage would have been arbitrary. According to DoT, neither the cut-off date was progressed and nor the applications for grant of UAS licenses had been rejected. It said that the policy was followed without interruption and no prejudice took place. The licenses were allotted to the eligible applicants only. On the other hand, it is to be noticed that if the spectrum was allotted on the basis of availability, then fixing a cut-off date for issue of LoIs had no pertinence (India, 2010-11).

After his negative feedback on sidelining the FCFS Policy, in an interview to 'The Hindu', A. Raja, Hon'ble Minister of Communications and Information Technology (MoC&IT) "In 1999, the Cabinet decided not to auction spectrum bandwidth and preferred revenue sharing method. Since then this policy has continued". He opined that instead of the target of 600 million endusers in the Eleventh Plan, as a result of remarkable development in the telecom sector, it reached to 723 million connections well before the target.

When in February 2007, 67% equity of Hutch was purchased by Vodafone at Rs.75,000 crores, it signaled an increase in the spectrum value. Even if we consider 15% of it to be the spectrum value, then it comes out to be Rs.11,250 crores per pan-India license<sup>ii</sup> as against Rs.1,659 crores which were the price set in 2001. Numerous organizations acquired licenses at modest rates and sold their values to outside telecom organizations at a high cost, e.g. Shyam Telecom sold 74% of its equity to Sistema of Russia (MTS), Tata Teleservices sold 26% to NTT of Japan (Docomo), 67% of equity of Unitech was purchased by Telenor of Norway (Uninor), Swan Telecom Pvt. Ltd (which is believed to be the benefiter of FCFS policy – with 13 licenses) sold about 45% of DB Group to Etisalat of UAE and 5% to Genex of Chennai, etc.

On being asked about the ignorance of advice of Law Ministry on the spectrum allocation issue, A. Raja said that "the Law Ministry's advice was not *suo moto*". He said that the reference was made by DoT to Law Ministry on the issue of how to manage the immense number of users when the spectrum was exceptionally constrained. In the note itself, DoT pointed out few suggestions. The

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Law Ministry opined that in the view of the significance of the case, it was necessary that the entire issue is considered by the Empowered Group of Ministers (EGoM) and in the process, the legitimate supposition of the Attorney General can be obtained. Surprisingly, DoT felt it was 'out of context' and hence discussion in EGoM was foregone.

Prime Minister recommended DoT to consider auction route and to adopt transparent technique on an inadequate spectrum and an extraordinary number of applications. Subsequently, A. Raja sent 3 letters to Prime Minister explaining in detail how he wants to deal with the applications and insisted on following FCFS Policy. Though the Prime Minister knew about the under-pricing of licenses at Rs.1,658 crores, he kept quiet on this issue. Thus, the suggestion by the Prime Minister was somehow ignored by MoC&IT.

The advice of Finance Ministry was not followed. Ministry of Finance in November 2007 scrutinized the sanctity of proceeding with the cost determined wayback in 2001 without any present valuation. This advice was ignored and DoT maintained that 'spectrum evaluation was within the normal work carried out by them.

Even proposals of TRAI were not followed after as it recommended bidding by the current and new prospective administrators. It said "taking cognizance of spectrum availability, TRAI is in favor of introducing more competition. However, we feel that in lieu of more cellular operators, it would be more appropriate to have competition in the Unified Licensing Framework". But it was not followed in spirit and DoT opted for FCFS policy.

Telecom Commission was not consulted for the distribution of spectrum licenses in 2008. Organizations which suppressed facts, disclosed inadequate data, submitted imaginary records and utilized false intends to get licenses were granted range. Out of 122 organizations issued a permit in 2008, 85 were observed to be ineligible for the permit according to the DoT criteria. There were 3 types of companies that were benefited from this allocation. First, the organizations that have obtained licenses at low cost, sold stakes to the outside organizations at a higher premium within a short period of time. Second, companies that have brought spectrum for themselves and third, companies that have brought spectrum for themselves but have not utilized it fully.

## **2.5 Expose of scam by media:**

As the CAG Report broke out in 2010 indicating a scam in 2G spectrum allotment, media began highlighting this issue regularly. The scam grabbed eye-balls of the general public as there was a loss of Rs.1.76 lakh crores in the Telecom Sector and also it involved top-most bureaucrats, politicians, lobbyists, private houses and even journalists. The news spread like fire in the jungle and DoT started giving explanations regarding this. The question of objectivity in reporting arose as two prominent Journalists, including Vir Sanghvi (Advisory Editorial Director) of The Hindustan Times and Barkha Dutt (Group Editor) of NDTV were found to be involved in the scam.

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My study about the objectivity in reporting refers to a leading daily newspaper, i.e. 'The Hindu' and a leading weekly magazine, i.e. 'Teelka'. 'The Hindu' published interviews of Andimuthu Raja (A. Raja), the then Minister of Communication & Information Technology, on 22<sup>nd</sup> May 2010 and 13<sup>th</sup> November 2010. The two interviews conducted were seen as the newspaper turning a mouthpiece for A. Raja and were deeply criticized on the internet.

N. Murali, Malini Parthasarathy and N. Ravi wrote a letter titled 'Shameful cover-up of the 2G scam' on 18<sup>th</sup> May 2011 that 'The Hindu' is collaborating in the publicity of A. Raja in the 2G scam. According to the letter, the coverage by 'The Hindu' was designed to protect A. Raja from blame and charges of corruption. Until he resigned, there was no attempt to get information from the investigative agencies that were looking into the scam. Even on the day of A. Raja's resignation, i.e. 4<sup>th</sup> November 2010, 'The Hindu' published his interview with on the front page, with the transcript published inside. 'The Hindu' overlooked the real issue of new telecom companies having nothing but the license of spectrum, selling equities at prices that were many times higher than the price set by Ministry. All the editorial outrage was reserved for the period after Raja's resignation (2G Scam Coverage: Letter from N. Ravi, N. Murali and Malini Parthasarathy, 2011). It was observed that a full page colored advertisement for A. Raja was published on the same day as his interview on 22<sup>nd</sup> May 2010. Though the advertisement was paid, but the publication of a friendly interview with advertisement raises questions. The letter also pointed out how reporting was shaped by 'The Hindu' as R.K. Radhakrishnan who looked into the matters of DMK (Dravida Munnetra Kazhagam), was sent to take interviews of A. Raja, instead of Correspondent covering telecom issues by N. Ram.

N. Ravi has also accused N. Ram of molding 'The Hindu' as per the needs of A. Raja in the sense that The Hindu did not even whisper about A. Raja's resignations when other newspapers and magazines were urging him to resign from his post. In response, N. Ram has denied this allegation and said that The Hindu did demand Raja's resignation post the CAG Report "when enough evidence was in hand".

### ***Highlights from the interview published:***

On being asked about losses occurred because of 2G spectrum scam, in an interview to 'The Hindu', A. Raja answered that "Policy-wise, 2G is connected to the common man because it is a basic service meant for public health purposes, education and a valuable tool for improvement of the rural economy." Also with respect to the transfer of shares by new firms that got the allotment,

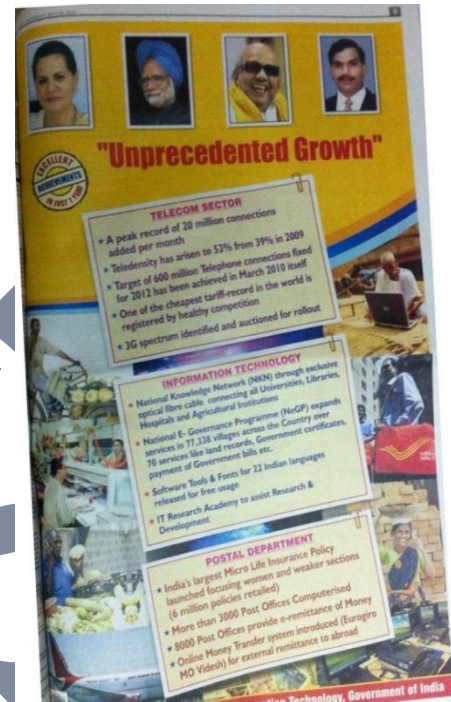


Figure 1: Advertisement that was published on 22<sup>nd</sup> Mav2010 in

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he said “Normally the Finance Ministry monitors such matters and takes an effort to establish whether it is right or wrong. After scrutiny of both Swan and Unitech at the hands of Finance Ministry, the Cabinet Committee has approved its finding that these firms have not sold their shares but only diluted the shares to get Foreign Director Investments (FDI) to raise towers and other infrastructure, well within the legal framework for promoting their business”. Justifying further, he said “Neither my Department nor I have any role in it. When this issue was raised for the first time, I discussed this with the Prime Minister and the then Finance Minister, P. Chidambaram. The Finance Ministry is also of the firm view that the shares have not been sold” (Hindu, 2010).

A. Raja is of the firm view that he has not digressed from any laid down policy in the allotment of 2G spectrum. As indicated by him, there is a difference of opinion between one constitutional functionary, the CAG, and the other constitutional functionaries, the Union Cabinet and the Parliament, as CAG Report said we should have embraced the auction route but we took followed the National Telecom Policy 1999, which was affirmed by the Union Cabinet and the Parliament.

Though, ‘The Hindu’ might have tried to be objective by reporting both sides of the story, i.e. on one hand reporting the 2G spectrum scam, while on the other, interviewing A. Raja, who is known to be the centerpiece of the scam, but how is that the family feud has deepened at the time of reporting 2G scam. It is well known that N. Ram was to retire in May 2010 and N. Ravi was to take the position of Editor-in-Chief of ‘The Hindu’ but it did not happen at that time<sup>iii</sup>. Siddharth Varadarajan was appointed in N. Ravi’s place that was till now the Strategic Affairs Editor of the newspaper. Also, if the newspaper was trying to be objective, then why people working at prominent positions in ‘The Hindu’, had no information about A. Raja’s interviews being taken and they got to know about it on the on the day of publication.

‘The Hindu’ was back, in the sense that an opinion piece titled ‘The spotlight is on media now’ (The spotlight is on media now, 2010) pointed out that as a result of the substantial number of columnists involved in the controversy, most Indian daily papers, and TV channels have not secured Radia Tapes but all. The article came after Nirra Radia Tapes were uncovered by Outlook and Open Magazines which was submitted to Supreme Court by Advocate Prashant Bhushan as a piece of PIL on 2G spectrum scam. As indicated by the report, numerous writers concede that there have been developing hazy areas in the morals of news coverage. Additionally, a publication to be specific, ‘Lessons from a flop show’, concluded how is India at present is at the crossroads where it can either admit to past transgressions and pursue a course correction or sink further into the quicksand of denial (The Hindu, 2012).

Overall, ‘The Hindu’ came back to objective reporting and critical analysis of the issue, after the resignation of the then Minister of Communications and Information Technology, Mr. A. Raja. Before that, there were politics governing reporting in the Hindu.

‘**Tehelka**’, a weekly magazine and another print medium for the study of reporting is studied here. ‘Tehelka’ opted to take an interview of Rajeev Chandrasekhar, the Rajya Sabha MP and former

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FICCI president. According to him, the Indian Legal System needs to be overhauled to tackle corporate crime (Tehelka, 2010). On the other hand, it also published an opinion piece, titled 'The trouble with math' to tell the audiences how the CAG reached the conclusion of calculating 1.76 lakh crores as the figure of loss in the 2G Scam (Jha, 2011). It raised questions on the benchmark set by CAG for calculating losses. Another opinion piece titled, 'The Madness in the CBI's Method' (Khetan, 2011) gave an in-depth analysis of selected investigations and charge-sheets issued by the CBI. It said how CBI affirmed criminal conspiracy against the Ruias of the Essar Group and Khaitans of Loop Telecom, which contrasted from the conclusions of Ministry of Law and Justice and Ministry of Corporate Affairs. Tehelka in its report, namely, 'The Fall Guy? The merits of A Raja's defense' (Khetan, Tehelka, 2011), considers how the Prime Minister and Finance Minister were acutely conscious of the wider financial implications involved in the matter and could have taken serious action instead of having faith in 'Raja's good conscience'.

## 2.6 Supreme Court's decision on 2G spectrum scam:-

The Supreme Court came into the scene after the Centre for Public Litigation challenged Department of Telecommunications (DoT) The Supreme Court of India declared the allotment as "unconstitutional and arbitrary" and came out with a landmark judgment by **canceling 122 licenses** allotted for the 2G spectrum giving a shock to private companies. It will be a lesson for an unethical nexus of the Government officials and corporate world and it will not be allowed to flourish in India.

With the canceling of licenses, Uninor was the worst sufferer as 22 of its licenses were canceled, Loop, MTS and Videocon having 21 canceled licenses each and so on. Other companies also suffered losses. The Court imposed a fine of Rs.5 crore each on Unitech Wireless, Swan telecom and Tata Teleservices and Rs.50 lakh fine on Loop Telecom, S Tel, Allianz Infratech and Sistema Shyam TeleServices Ltd.

The Apex Court said that the activities of Department Telecom and the Telecom Minister were entirely subjective, whimsical and contrary to the public interest (Dr. Siddhartha S. Bhardwaj, 2012). A. Raja gifted away vital national resource. According to the Court, the spectrum was a natural resource and it was the obligation of Government to utilize it for the advancement of the nation rather than in the private interest.

As per a report, A. Raja is believed to have taken Rs.3000 crores as a bribe for shifting the cut-off date to 25<sup>th</sup> September 2007, from the initial 1<sup>st</sup> October 2007 (India Today, 2012). He was arrested for the charges on 2<sup>nd</sup> February 2011 with his former secretary, Mr. R. K. Chandolia and the former telecom secretary, Mr. Siddhartha Bhehura, but was released on bail on 15<sup>th</sup> May 2012. He was the last of the 12 accused, which were granted bail.

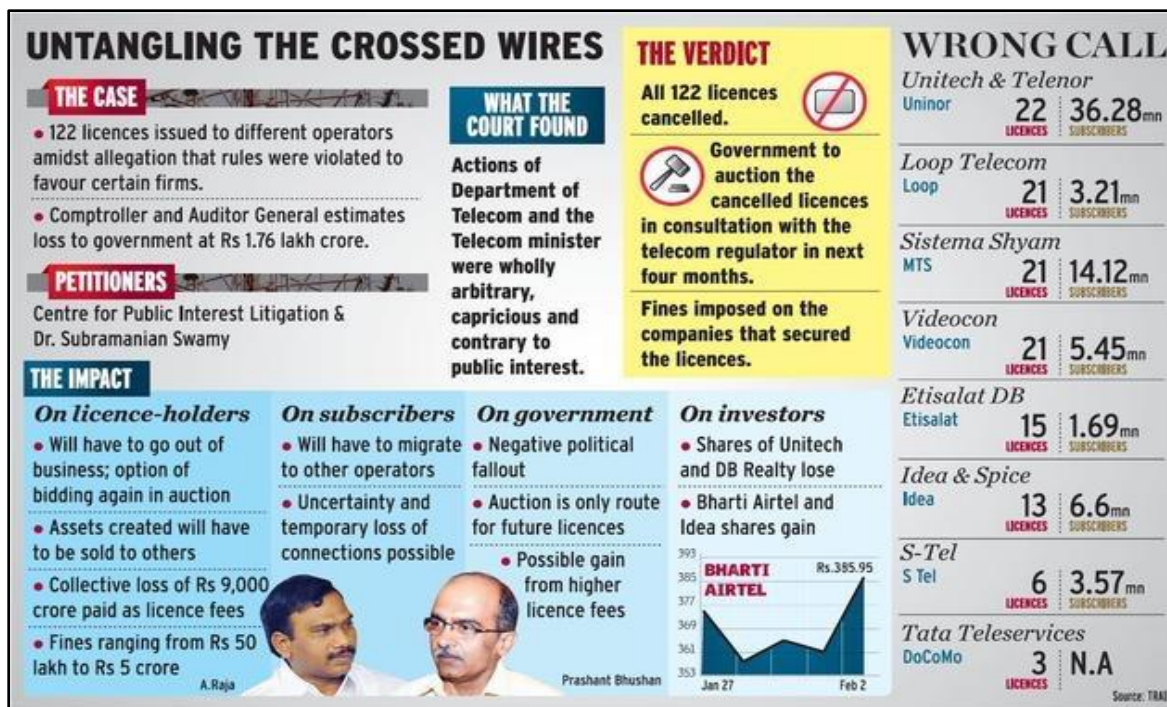


Figure 2: The 2G Scam and Supreme Court's Verdict (Venkatesan, 2012)<sup>iv</sup>

## 2.7 Present Status of the 2G Scam

As per the order of the Supreme Court, the government had to re-allocate 2G spectrum licenses to the companies after few months of cancellation of licenses. It was considered that the auction route should be taken instead of first-come-first-serve policy as the FCFS policy had fundamental 'flaws' in it. The licenses were auctioned in February 2014. The auction included a license for 22 circles across India including metros. The government expected to earn Rs. 40,874.50 crores from the allocation, including the auction amount, one-time spectrum charge, and regular annual license fee.

The auction lasted for 11 days and in 68 rounds of bidding, Indian government managed to raise Rs. 61,162.22 crores from the sale of 399.2 MHz of the spectrum.

## ETHICS OF JOURNALISM VS. POLITICAL ECONOMY

**3.1 Introduction:** 'The fundamental objective of journalism is to serve individuals with the news, perspectives, remarks and data on the matters of public interest in a fair, exact, unprejudiced and decent manner, and language' (Norms of Journalistic Conduct, 2010)

The Press Council of India had highlighted in its report that the media should follow specific morals of news coverage. Since media is considered to be the Fourth Pillar of Democracy, it is expected that it should be objective in its reporting and the sources used should be authentic for a

fair practice of journalism. However, there is a drastic difference between Press Council's report and the ground reality.

The media today is governed by the market forces. The value of journalism is depreciating slowly. Often, journalistic norms like pre-publication verification, fairness, and accuracy, caution against defamatory writings, etc. are ignored by the journalists for the sake of competition. When reports are published including the names of sexual-assault victims or such description is given that they can be easily identified or when the accused is called guilty even before it is proven, these all have an adverse effect on the lives of people involved and also the society. The journalists are expected to be responsible while covering any issue and this responsibility should not be driven by the forces of cut-throat competition.

When Barkha Dutt (Group Editor, NDTV) and Vir Sanghvi (Advisory Editorial Director, The Hindustan Times) were blamed of being involved in the 2G Scam, the principal question raised was with respect to the morals. Were the journalists being lobbyists for A. Raja? The question was asked constantly and the answer was the defensive statements given by both Barkha Dutt and Vir Sanghvi. Both of them were becoming the mediator between The DMK Party and the Congress Party and were approached continuously by Niira Radia to pass messages to Congress representing DMK's interests. This incident highlighted serious need for the moral code of conduct for journalists. Though there were defenses on the part of both Barkha Dutt and Vir Sanghvi, the harm was done. Narayan Rao, the then Chief Executive Officer of NDTV, came in defense of Barkha Dutt and said, "to caricature the professional sourcing of information as 'lobbying', is not just baseless, but preposterous." The point is that if supposedly, Barkha Dutt was not lobbying for A. Raja, why did she keep quiet till then? Why did she not air any story regarding 'fixing' of positions in the cabinet?

Also, Open Magazine, which revealed the transcripts of telephonic conversations between Niira Radia, Vir Sanghvi, and Barkha Dutt, published the transcript with the disclaimer that, "We are in no position to endorse the content of these recordings", which raises concerns regarding the authenticity of conversations. But the magazine also claimed that the tapes were recorded by the Income Tax Department in 2008-09.

The media, nowadays, is not only governed by the principle of ethics, Political Economy of Communication has a huge role to play in determining media's actions.

### **3.2 Political Economy theory:**

There are two two simple ways to define the political economy. One, the narrow sense and other, the general sense. According to the narrow sense, political economy is the investigation of social relations, especially the power relations that commonly constitute the generation, distribution, and consumption of resources, including communication resources. (Mosco, 2009). In the general sense, political economy is the investigation of control and survival in the social life, wherein Control implies how society arranges itself and manages its affairs and adapts, or neglects to adjust,

to the unavoidable changes that all societies face. Survival implies how people produce what they need to reproduce themselves and to keep the society going. (Mosco, 2009)

Political economy is the major viewpoint in the communication research. (Mosco, 2009) This perspective implies that the truth is built up by numerous sources and that either money drives the media or individuals' values do that. The three procedures that make up political economy of communication include:

1. **Commodification:** Procedure of changing goods or services into attractive items, which are valued for their use.
2. **Spatialization:** A procedure of conquering the requirements of geographical space. Communication is fundamental to spatialization because it promotes flexibility and control.
3. **Structuration:** It is a procedure of making social relations (for the most part around social class, sex, and race).

A form of Political Economy; i.e., Institutional Political Economy underlines on how the establishments' mold business sector to the benefit of those organizations and governments, huge and sufficiently effective to control them (Galbraith, 1985, 2004; Lawson, 2005; Veblen, 1932, 1934). These foundations limit the differing qualities of substance by the vast media organizations that control the generation and distribution of media items.

The political economy of communication is a social exchange of significance whose result is the measure or characteristic of a social relationship (Mosco, 2009). From this viewpoint, communication is much more than transmitting data. As indicated by Armand Mattelart, a range of customs, including dependency theory, western Marxism and the worldwide experience of national liberation movements is important to understand communication as an essential source of resistance to power. Bernard Miegue (1989, 2003), from a class power viewpoint, offers an evaluation of various work forms that have a tendency to cling with various types of media production within the overall logic of capitalist social relations. As indicated by him there is an association between the sort media item, the structure of corporate control and the way of work procedure. Waterman (2001) documented that labor and trade union utilized mass media and new communication technologies to promote democracy and common interest of workers worldwide. The media development was seen as an indication of advancement because the media were assets that would commonly stimulate economic, social and cultural development. Five Major Trends in the Political Economy of Communication are:

1. **Globalization of research:** The Political Economy is not restricted to particular areas and is carried out by researchers from all over the world.
2. **Communication history:** Political Economy has concentrated on overwhelming forces and procedures of exploitation to address standpoints of resistance.



3. **Transition:** Political Economy has made the transition in inspecting how power operates in media to a variety of new methodologies, particularly new media.
4. **Connections:** Political Economists have linked efforts a technological utopia.
5. **Political Activism:** This incorporates the accomplishment of new national (free press) and international (the world summit on data society) movements.

Oliver Boyd-Barrett pointed out that political economy in media research is broadly critical signification, associated with questions of media ownership and control, interlocking dictatorship and other factors that bring together media industries with other industries and political, social, economic elites. Political Economy's major contribution to communication studies has been the analysis of media institutions and their context.

In his book *Media Control*, Noam Chomsky points out as to how media is used for propagandist purposes by the people in power. He points out that according to Walter Lippman, the dean of American Journalists, said that propaganda techniques are the 'revolution in the art of democracy' as it could be used to 'manufacture consent' and bring agreement on the part of public for things that they don't want.

### 3.3 Political Economy in India

The developing corporatization in the Indian media is manifest in the manner in which large industrial conglomerates are acquiring the direct and indirect interest in media groups.

India is still a developing country and unlike developed countries and the media market is still a fragmented industry with this huge diversity. In India's unique "mediascape", it is often contended that the proliferation of publications, radio stations, TV slots, and websites is a sure-fire guarantor for plurality, diversity, and consumer choice. There were more than 82,000 publications enrolled with the Registrar of Newspapers as on 31 March 2011. There are more than 250 FM (frequency modulation) radio stations in the nation (and the number is likely to cross 1,200 in five years) – curiously, India is the only democracy on the planet where news on the radio is still an imposing business model of the legislature. The Ministry of Information and Broadcasting has permitted about 800 TV slots to uplink or downlink from the nation, including more than 300 which case to be TV stations broadcasting "news and current affairs". There is an unspecified number of sites aimed for Indians. Even after such huge numbers of media in India, only a few houses dominate the Indian media market.

Because of this cross-media ownership, market dominance is one of the huge. Cross-media proprietorships refer to horizontal (specifically geographical regions) and vertical (across various media, for example, print, radio, TV and the web) incorporation by few media houses. It argued for limitations on the vertical combination, that is to say on media organizations owning stakes in both broadcast and distribution organizations within the same media. The thinking behind this confinement is that vertical mix can result in anti-competitive behavior, whereby a merchant can

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support his/her own particular broadcasters' contents over the content of a competitive broadcaster. In this situation, large conglomerates would have the chance to impose their preferred content, a clearly dangerous situation.

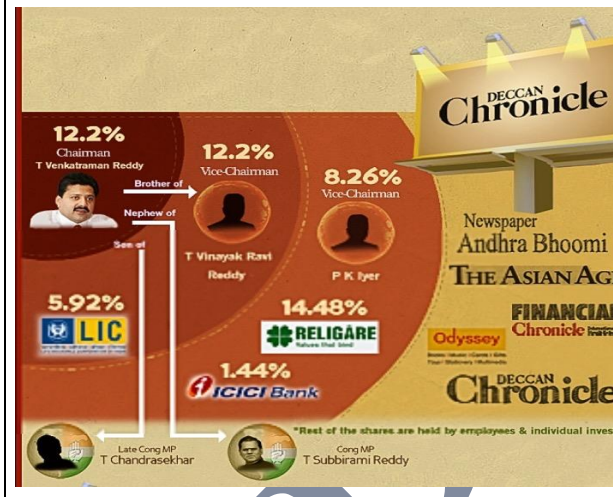
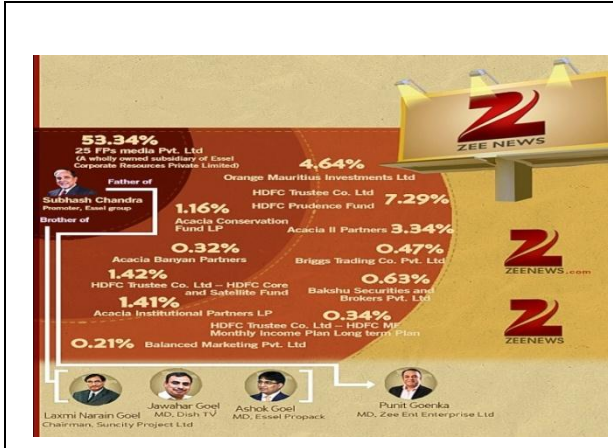
The conglomerates of media are those that own different companies. These conglomerates try to prioritize news as per their own concern and therefore, evils like paid news are born. The news is valued on the monetary basis. Instead of relying only on advertisers for their funding, they are coming up with new ideas to fund their media houses. In 2003, Bennett Coleman Company Limited (publishers of the Times of India and the Economic Times, among other publications) began a "paid content" service, which empowered them to charge sponsors for coverage of product launches or celebrity-related events. Media houses legitimize this activity as it takes into consideration economies of scale and empowers media organizations to absorb the expenses of content and circulation over an expansive volume of income. Likewise, it permits them to invest into better technical equipment.

On January 3, 2012, the Mukesh Ambani-drove Reliance Industries Limited (RIL) – India's biggest privately-owned corporate entity with a turnover of Rs. 2,58,651 crore in the accounting year that finished on March 31, 2011 – declared that it was going into a complex, multi-layered financial arrangement that included selling off its interests in the Andhra Pradesh-based Eenadu bunch established by Ramoji Rao to the Network 18 bunch headed by Raghav Bahl furthermore financing the last through a rights issue of shares. The deal will make the combined conglomerate India's greatest media group, as per Bahl - bigger than media groups such as STAR controlled by Rupert Murdoch, and BCCL controlled by the Jain family.

On May 19, 2012, the Aditya Birla bunch declared that it had procured a 27.5% stake in Living Media India Limited, an organization headed by Aroon Purie. Living Media acts as a holding organization and also claims 57.46% in TV Today Network, the recorded organization that controls the gathering's TV stations (Aaj Tak and Headlines Today) and a large number of publications(including India Today).

On December 21, 2012, Oswal Green Tech, formerly Oswal Chemicals and Fertilizers, procured a 14.17% shareholding in New Delhi Television in two separate block deals from the investment arms of Merrill Lynch and Nomura Capital.

Political Economy in India raises major concerns regarding ethics and are often conflicting with the ethics of journalism.



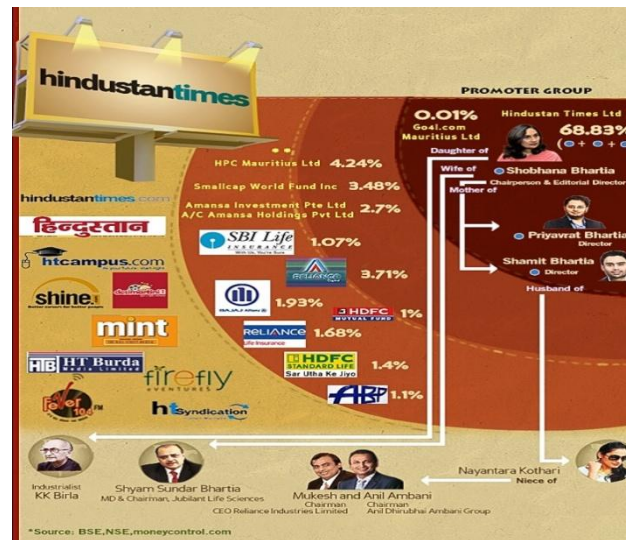


Figure 3: Ownership patterns of media in India (Newslandry)

## AUDIENCE ANALYSIS

**4.1 Introduction:** The survey titled *Indian Media and 2G Scam* was conducted as a part of my research study (Annexure I), wherein my aim was to study about audience's perception regarding media's role in society and their awareness regarding 2G scam. It was done so as to understand that how objectively media bombards its audiences with an issue like 2G Scam, in which a huge group of prominent people was involved.

The study was conducted in the time-span of a week, in which 50 people (respondents) participated and answered the questionnaire on 2G Scam. The respondents were included from different age groups, different occupations, including students, businessmen, serviceclass, etc. and different strata's of society. The samplesize was 50, in the age group of 20-65 years. This sample size was taken so as to get the viewpoints of both the youth and middle-aged people, who are considered to be more aware of the recent issues. The data is collected from both the genders and by using both the electronic media and door-to-door methods.

The analysis of data was done using simple percentage method to reach conclusions.

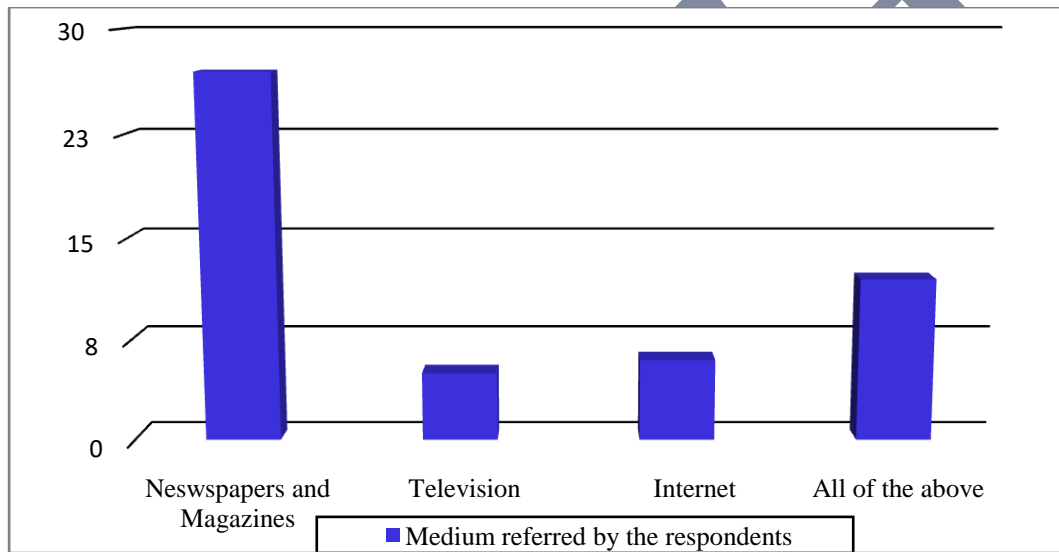
A sample of a questionnaire is attached in Annexure I

**4.2 Data Collection and Analysis**

**Survey Questions and Results:**

- Which media do you refer to for authentic information?**

No. of Respondents	Newspaper & Magazine	Television	Internet	All of the above
50	27	5	6	12



**Figure 4: Showing media referred by the number of respondents**

According to my survey, 54% of respondents trust newspapers and magazines for authentic information, 10% relied on information provided by Television, 12% believed the internet as the authentic source of information, while only 24% relied on all of them. This question revealed that newspapers and magazines are considered more reliable by a large number of respondents as compared to other mediums. But a few numbers of respondents think that all of the mediums provide authentic information.

- Do you refer to the above medium on regular basis?**

No. of Respondents	Yes	No	Sometimes
50	31	3	16

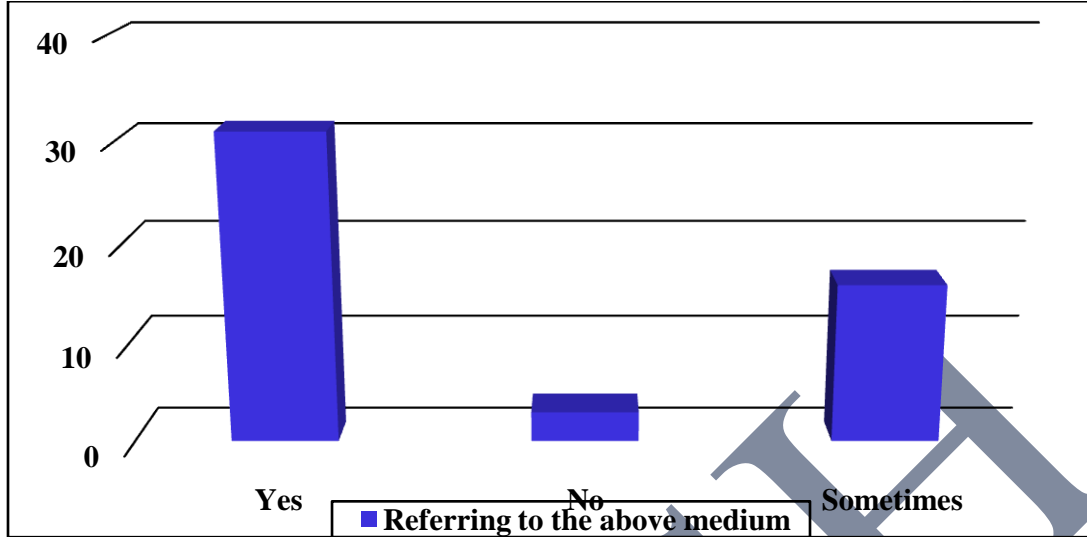


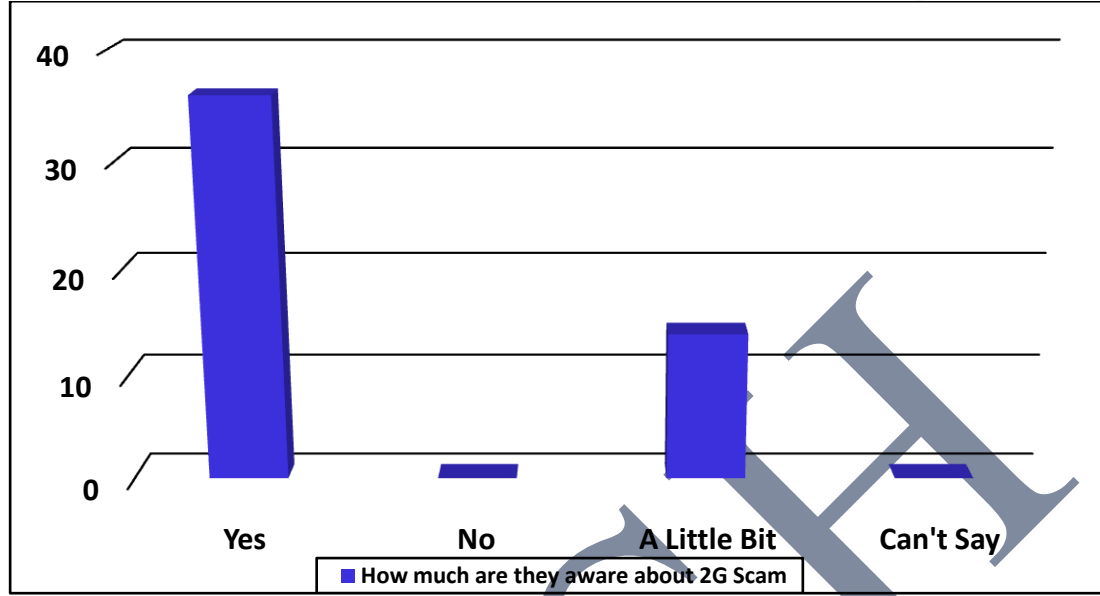
Figure 5: Frequency of referring to the media

The question answers that half of the percentage of respondents is regular readers or viewers of their respective mediums as 62% respondents refer to their medium on a regular basis, while 32% of people refer to it at intervals. Only 6% could not refer to their medium regularly, due to personal reasons. Therefore, half of the respondents are expected to be fully aware of the day-to-day news.

□ Are you aware of the 2G Spectrum Scam?

No. of Respondents	Yes	No	A little bit	Can't say
50	36	0	14	0

□



**Figure 6: How many respondents know about 2G Scam?**

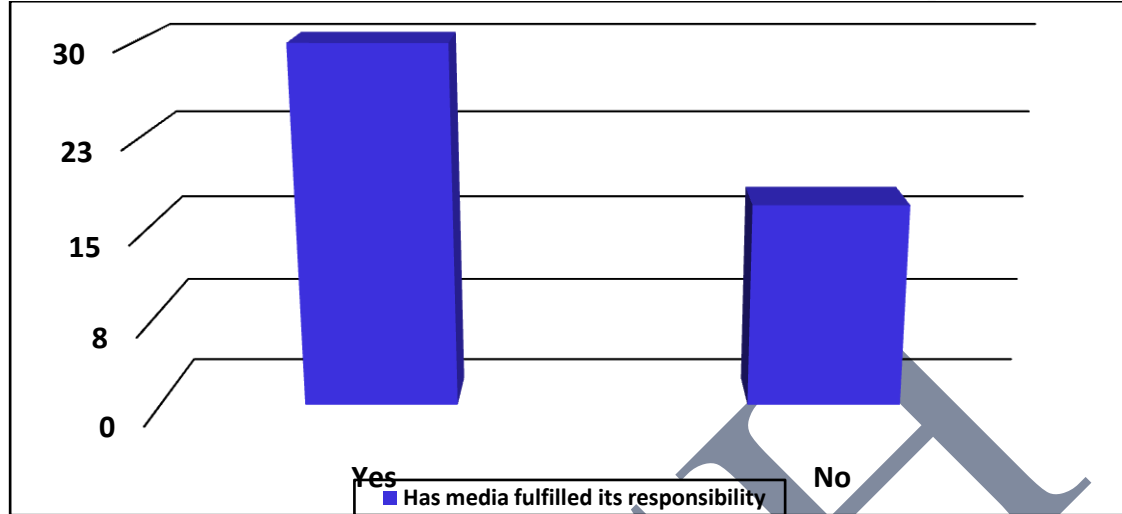
72% respondents were fully aware of the 2G spectrum scam and 22% were a bit aware of it. It revealed that the respondents were keeping themselves up to date on the national issues and were concerned about the happenings in the country regarding 2G scam.

The scam was exposed in 2010 and is still in news because of not reaching any conclusion.

- As per you, has the media objectively reported the scam? Please Explain.**

No. of Respondents	Yes	No
50	30	17

3 people were not able to comment on this question.



**Figure 7: Reporting of scam by the media as per the respondents**

Out of the 50 respondents surveyed, 60% are of the view that the media has objectively reported the scam. It has fulfilled its responsibility to inform people with enough information and without the help of media, the scam would not have been gained so much public attention as it did. For four years, continuously, media has well-attempted to follow this news as well as Supreme Court’s verdict.

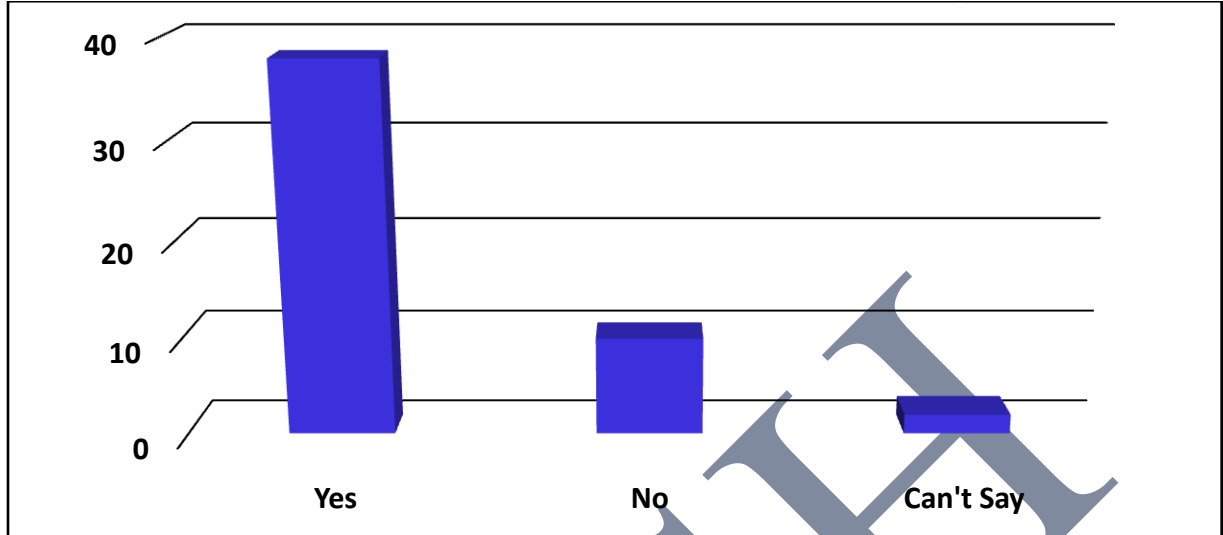
On the other hand, 34% believed that media could have done much more research regarding the scam and should not have been influenced by the political forces. It has not fulfilled its duties sincerely; since various big names were involved in the scam and only a few were repeatedly highlighted, ignoring the others. Also, some believed, media was biased in its reporting and objectivity was somehow missing when this fourth pillar of democracy reported the scam.

6% people, who participated in the survey, could not comment much on media being objective or not.

**Do you know about Supreme Court's verdict on 2G Spectrum Scam?**

No. of Respondents	Yes	No	Can’t say
50	38	10	2





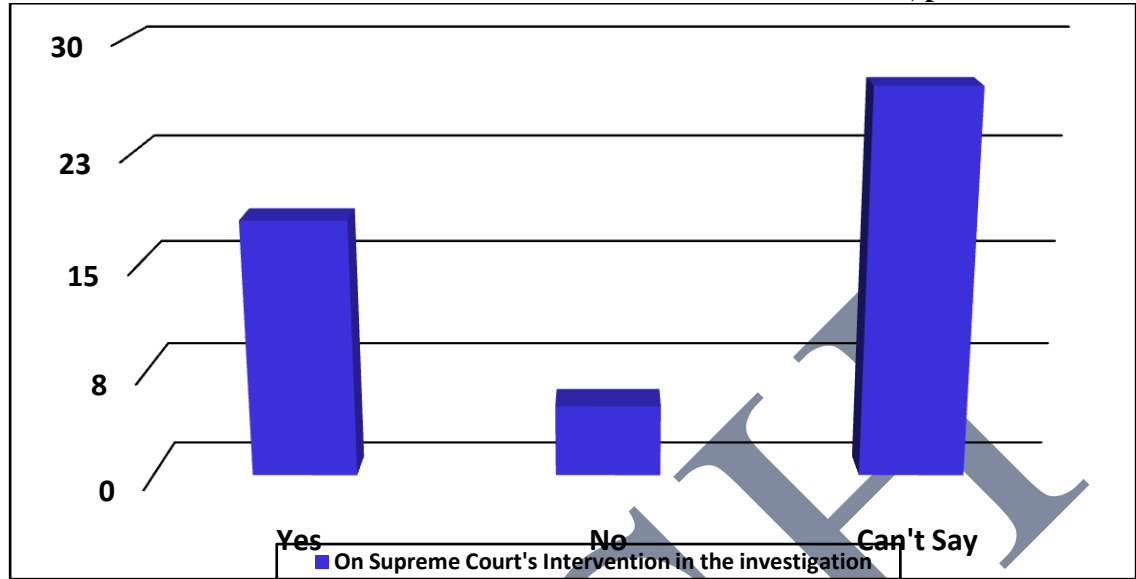
**Figure 8: Knowing Supreme Court's verdict**

76% individuals knew about Supreme Court's decision in regards to 2G spectrum scam, 20% did not have full data on it and 4% were not certain about it.

The Supreme Court's decision came recently when 122 of the designated licenses were canceled. After the lack of quality evidence in CBI's first charge sheet, Supreme Court decided to intervene in the investigation and is now supervising it.

**• Has Supreme Court's intervention been useful so far?**

No. of Respondents	Yes	No	Can't say
50	18	5	27



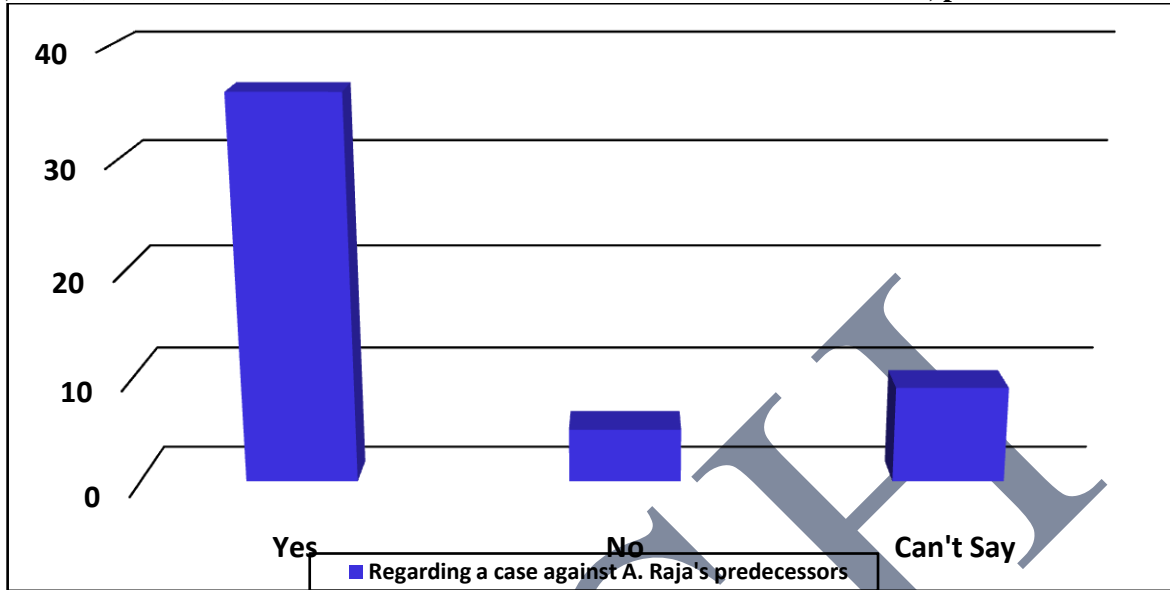
**Figure 9: Respondents replies regarding Supreme Court’s intervention in the investigation of the scam**

Out of the 50 respondents considered for the survey, 54% respondents were not sure whether the intervention of Supreme Court in the case was useful or not, while 36% agreed that it was useful and 10% were of the view that it was not as useful as expected.

According to the survey, many respondents thought they could not conclude whether it was useful or not as charges were put on the selected number of people, but without Court’s intervention, even those numbers of people could not be punished. Also, some respondents had less information regarding Supreme Court’s involvement and so they were unable to conclude anything. But some respondents thought its interference was necessary and useful as it was important to teach corrupt bureaucrats and private houses that public properties cannot be used for private purposes and Supreme Court taught them by canceling all the allotted licenses. While a few were against it and thought its intervention is not useful as all the accused are not punished till date. Also, the required action was not taken by the Supreme Court against prominent politicians involved in the scam.

- **According to A. Raja, he followed the policy of his predecessors. Don't you think a case should be registered against his predecessors?**

No. of Respondents	Yes	No	Can't say
50	35	5	9



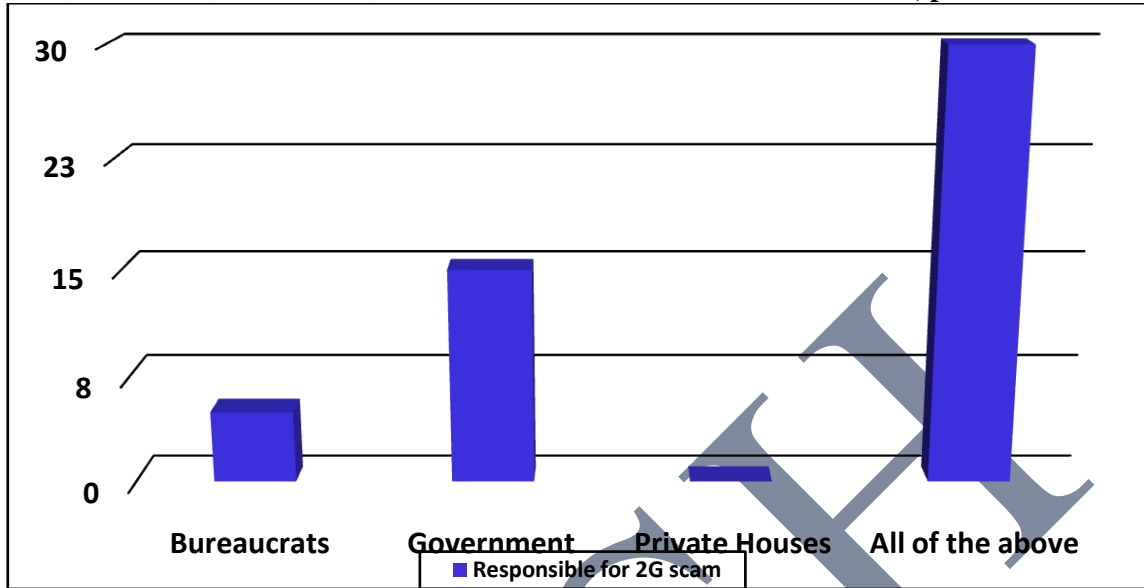
**Figure 10: Registering a case against A. Raja's predecessors**

72% of the respondents were of the view that A. Raja's predecessors should be punished if found guilty, 10% said that his predecessors should not be punished and 18% were not sure about it.

This question was asked because according to A. Raja, he did nothing wrong, but 'inherited' the policy of his predecessors including Arun Shourie and Dayanidhi Maran (The Economic Times, 2011). As per the majority of respondents, A. Raja's predecessors should be punished as, since 2002 spectrums are not sold at market prices resulting in huge losses for the country. There should be some action against them if it resulted in losses. Some of the respondents could not say anything about punishing his predecessors and some of the respondents were of the view that no case should be registered against them.

**According to you, who is responsible for this scam?**

No.ofRespondents	Bureaucrats	Government	Private Houses	All of the above
50	6	15	0	30



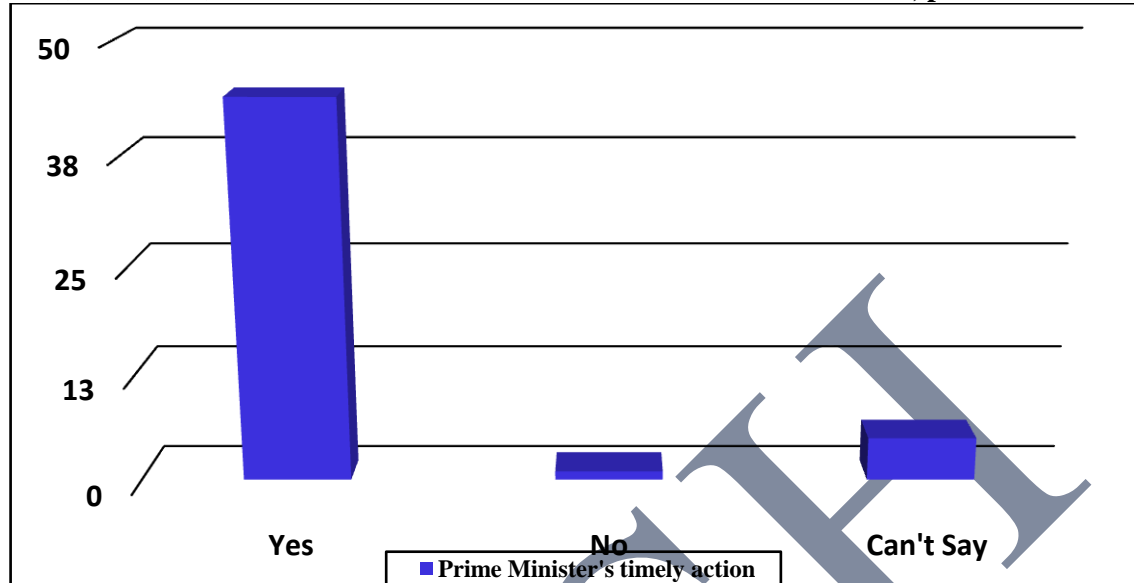
**Figure 11: Responsible for 2G Scam**

According to 60% of the sample-size, bureaucrats, Government and private houses were responsible for such a big loss, 30% believed that Government was responsible for it, 10% believed that only top most Bureaucrats were responsible for the scam, but no one was of the view that private houses were solely accountable for it.

Many people were of the view that collectively all of them are responsible for such a nuisance. Respondents thought the people responsible in the scam were not socially responsible and were interested in filling their pockets. All of them knew that spectrums were allocated below market prices, but none of them objected. The government was considered more responsible for the scam than bureaucrats. It was only the audit report of the CAG that bought out the scam.

- **Do you think the Prime Minister's timely action, could have saved the spectrum from going in wrong hands?**

No. of Respondents	Yes	No	Can't say
50	44	1	5



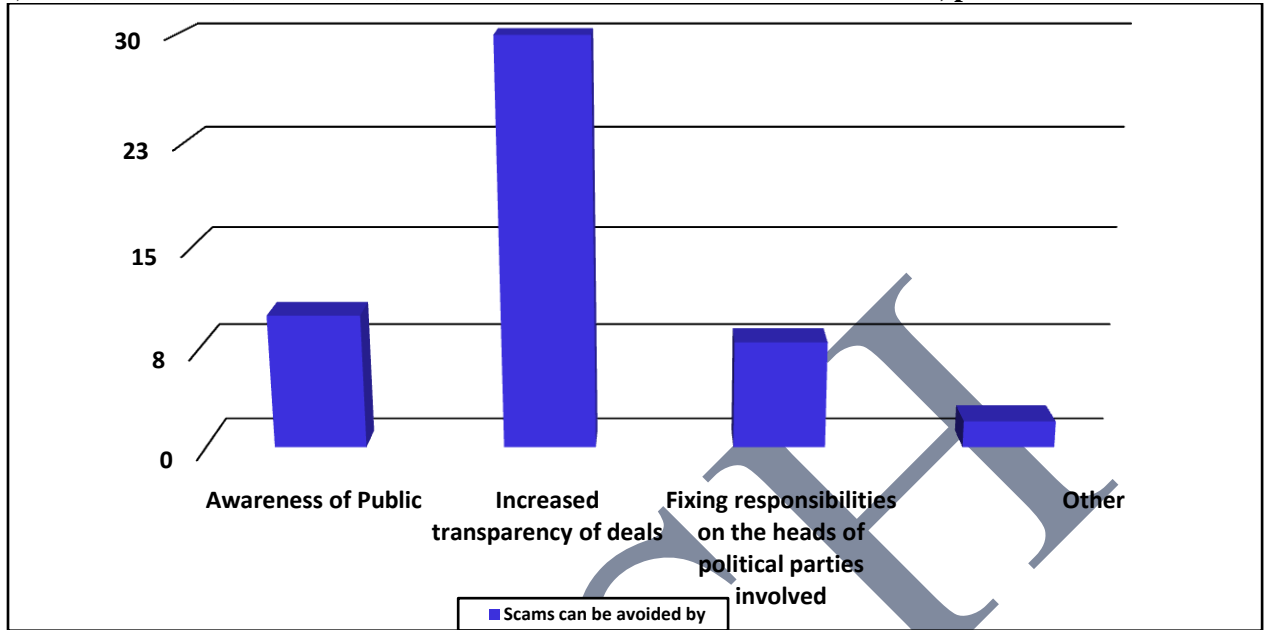
**Figure 12: Could Prime Minister’s timely action have saved the spectrum**

88% believed that if Prime Minister could have acted sincerely, he could have avoided the scam to happen, as the respondents said that the Prime Minister had an idea of what was happening; still, he kept quiet. Though earlier he recommended A.Raja to have an auction for fair and transparent allotment of the spectrum, but A.Raja sent Prime Minister various letters justifying his actions. The Prime Minister eventually acknowledged his letter dated 26/12/2007 (India, 2010-11). Had the Prime Minister taken strict action against A. Raja, he could have saved the national asset.

10% people could not say anything about it, while 2% were of the view that even Prime Minister’s timely action could not have saved the spectrum since the cob-web of corrupts was so strong.

**Can such scams be avoided by?**

No. of Respondents	Awareness of people	Increase transparency in deals	Fixing responsibility on the Head of Political parties involved	Other
50	10	30	8	2



**Figure 13: Public Opinion on how scams can be avoided**

As per the survey, 60% respondents said that scams could be avoided by increased transparency in deals. According to the people, transparency in public-private deals would reduce the problem of corruption. 20% said that awareness in people can reduce the number of scams, as the more the people are aware, the better would be public participation and when public scrutinizes upon, the scams would reduce.

Fixing responsibility on the Head of political parties involved is the idea of 16% of the respondents and would be the best solution to avoid scams, as when the people at top positions would realize that they are public representatives and cannot just eat away national assets, they would be more accountable and 4% said that there can be other solutions to shun scams.

## CONCLUSION

### **The research started with a question, has media objectively reported the scam?**

In my study, I understood that media tried its best to report the scam. Mr. Rajeev Chandrasekhar<sup>v</sup> in an interview to Tehelka gave various solutions on how to ensure that such scams do not recur. He said that corporations should be under the ambit of Right to Information (RTI). He said that in RTI people ask a question to get the answer regarding various issues, but the corporations should disclose information without being asked. According to him, there should be a better legal framework for prosecuting this crime and heavy penalties should be imposed.

In my opinion, there should be awareness in public regarding whatever deals are made between the corporate houses and the Government, so that this nexus is not able to misuse taxpayers' money.

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Though the globalization has enabled the private houses to come and invest through FDI policy in India, it should be ensured that they are morally and socially responsible and should be punished heavily if found guilty in any manner. There should be increased transparency in their working since the policies that are made for the welfare of the public, do not reach the public and remain only in their records. Though this is not the case with all MNCs and private houses, but still a large amount of money is looted by the public-private partnership.

As we have seen in the 2G scam, various politicians and bureaucrats were involved, in my opinion, they should be penalized in a way that no one else tries to imitate or repeat such an act. The culprit politician should be debarred from contesting elections and bureaucrats should be terminated.

The Supreme Court's judgment on 10 February 2011 urged CBI to go after the illegal beneficiaries of 2G spectrum allocation even if they were from billionaires' club. Such a verdict should be strictly followed without the Supreme Court reminding CBI of its duties every time it conducts an investigation.

In the end, I would like to say that such scams hamper the image of our country which has further implications on the trade and development and relations with the foreign countries. A serious view is required to be taken in this regard. Therefore, it should be kept in mind that the culprits should be punished in the most sincere manner so that people fear from repeating such acts by looting the taxpayers' hard earned money.

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## ANNEXURE 1

### Indian Media and 2G Scam

This questionnaire is solely for the research purposes. The information given by you will be kept secret. Thank you for your participation.

**\* Required**

Name\*

Age\*

Occupation\*

Contact Number/ E-mail Id\*

Which media do you refer to for authentic information? \*

- Newspapers and Magazines
- Television
- Internet
- All of the above

Do you refer to the above medium on regular basis? \*

- Yes
- No
- Sometimes

Are you aware of the 2G Spectrum Scam? \*

- Yes
- No
- A little bit
- Can't Say

Do you know about Supreme Court's verdict on 2G Spectrum Scam? \*

- Yes
- No
- Can't Say

As per you, has the media objectively reported the scam? Please explain\*

Has Supreme Court's intervention been useful so far? \*

- Yes
- No
- Can't Say

According to A. Raja, he followed the policy of his predecessors. Don't you think a case should be registered against his predecessors? \*

- Yes
- No
- Can't Say

According to you, who is responsible for this scam? \*

- Bureaucrats
- Government
- Private Houses
- All of the above

Do you think the Prime Minister's timely action, could have saved the spectrum from going in wrong hands? \*

- Yes
- No
- Can't Say

Can such scams be avoided by? \*

- Awareness of People
- Increased transparency in deals
- Fixing responsibility on the Head of the Political Parties involved
- Other:

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