

# VI.4

## Media Ownership – Does It Matter?

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### INTRODUCTION

Le travail scientifique, ne se fait pas avec les bons sentiments, cela se fait avec des passions. Pour travailler, il faut être en colère. Il faut aussi travailler pour contrôler la colère.  
(Pierre Bourdieu<sup>11</sup>)

According to William Melody, the greatest threat to freedom of expression in the United States or elsewhere is the possibility that private entrepreneurs will always tend to monopolise the marketplace of ideas in the name of economic efficiency and private profit (Melody 1978). As a result of economic conditions or circumstances, access to the marketplace of ideas is restricted to a privileged few. Twenty-five years ago, when Melody made this statement, only 37 cities out of 1,519 in the United States had two or more daily newspapers. By 2000, the number had decreased and the one-newspaper town had become the national norm (Sterling 2000: xvi). In 1996, the number of the cities with two or more dailies declined to 19 or 1.3% of all American cities (Compaine and Gomery 2000: 9). Fewer owners have control over more newspapers and their circulation, and most of the media have been absorbed by large conglomerates, ‘families’ or chains.

In addition to ownership concentration of the mass media industry, content provision, packaging and distribution have also ‘become a standardised production and marketing process in which the messages communicated are constrained and directed in both quantity and quality to meet the economic imperatives of that process’ (Melody 1978: 219). What are the implications of this? The result is that what most people hear and see in the mass media is remarkably uniform in content and world-view (Neuman 1991: 130). Giddens goes even further when he calls for ‘the democratising of the democracy’. He criticises the untamed power of media owners:

The media...have a double relation to democracy. On the one hand ... the emergence of a global information society is a powerful democratising force. Yet, television, and the other media, tend to destroy the very public

space of dialogue they open up, through relentless trivializing, and personalizing of political issues. Moreover, the growth of giant multinational media corporations means that unelected business tycoons can hold enormous power (Giddens 1999: np).

### MISSING EMPIRICAL EVIDENCE

What does it really mean if ‘ten colossal vertically integrated media conglomerates dominate the global media market’ (Herman and McChesney 1997: 52)? What is the real harm of conglomerates, group ownership and the concentration of financial, political and social power in the hands of only a few firms? What standard of ownership concentration is economically and politically appropriate and what is socially acceptable?

The implications of alternative standards are controversial in regulatory circles, in popular public policy debates, as well as in communication and media policy studies. The question for media and communication studies is whether a meaningful contribution to a profound public policy debate can be made on the problem of media ownership and concentration.

The first paradox is that very few scholars do research on this issue in a holistic manner. Few complain about the missing analyses and debates within the scientific community. As Sterling (2000: xvii) observes, ‘Surprisingly little research has been done – only marginally more than we could draw on two decades ago. Too much is assumed or anecdotal, merely suggesting results from ownership changes’. Compaine and Gomery (2000), editors of *Who Owns the Media* do not agree with this observation about neglect. Gomery (2000: 507) argues that ‘no research in mass communication can ignore questions of mass media ownership and the economic implications of that control’. Unfortunately, mainstream communication researchers are not very often able, and not very often willing, to analyse the implications of media ownership and concentration. McQuail (1992: 116) argues ‘despite the amount and ingenuity of research, it is hard to avoid the conclusion that it has failed to establish clear general effects from monopoly conditions on the balance of cost and benefits, in performance term. Where there is evidence, the effects seem to be quite small’. According to Picard (2001: 66), the primary reasons for the absence of research in this area is the lack of adequate data and funding.

The problem of media ownership and concentration is perceived quite differently from a political economy perspective. In this context, the mass media industry is said to play a significant role in legitimating inequalities in wealth, power and privilege. When the control of the flow of information, knowledge, values and

images is concentrated in the hands of those who share the power of the dominant class, the ruling class will establish what is circulated through the mass media in order to reproduce the structure of class inequalities from which they benefit. The mass media industry is crucial for the creation of reliable information, knowledge, ideology and propaganda in contemporary capitalist societies. As Strinati (1995: 137) argues, its structure of ownership and control are equally crucial. Marxist 'critical studies' claim that the mass media 'assume an all-encompassing conspiracy by monopolist' (Gomery 2000: 507). Political economists like Golding and Murdock (1997) see the relationship between ownership and control as an indirect and mediated one. Control is not always exercised in a direct way, nor does the economic structure of media institutions always have an immediate impact on their output. Mainstream communication researchers criticise the conspiracy theories of the media on theoretical as well as on empirical grounds, arguing that political economists' views are supported only by anecdotal evidence.

The most common assumption is that the owners of the media influence the content and form of media content through their decisions to employ certain personnel, by funding special projects, and by providing a media platform for ideological interest groups. In the United Kingdom, Curran and Seaton (1997) conclude that the national press generally endorses the basic tenets of the capitalist system – private enterprise, profit, the free market and the rights of property ownership. In the United States, according to some media observers and scholars, a small group of powerful owners of six to ten media conglomerates, control what is read by the population, what people see and hear – or do not read, see and hear. Concerns are expressed about increasing corporate control of mass mediated information flows and about how democracy can function if the information that citizens rely on is tainted by the influence of mega-media (Bagdikian 2000; McChesney 2000; Herman 1998).

Overall, the implications of media ownership and concentration on a global scale are as follows. The global interlocking of the media industry and traditional corporate power creates a powerful cartel, which in turn encourages the spread of certain values (for example, consumerism, shareholder value, individualism, egoism, etc.). There are strong incentives for the displacement of the public sphere with commercial infotainment, reality shows and trivialised news programmes. This strengthens a conservative 'common sense' view of the world, eroding local cultures and communities.

### MEDIA POWER'S EXPANSION TO POLITICAL POWER

The economic strength of media conglomerates increases their position in society so that they become powerful institutions with substantial political power.

According to Bagdikian (2000: viii) the largest media giants have achieved alarming success in writing the media laws and regulations to favour the interests of their corporations rather than the interests of the general public. In Europe and the United States, many cross-media ownership rules have been relaxed or have disappeared with the rise of a *laissez-faire* ideology within parliaments, governments and regulatory bodies. In the United States, '[w]here the FCC once had stringent ownership controls concerning radio and television stations most are gone and the rest have been liberalized' (Sterling 2000: xvi). The Federal Communications Commission once believed that programming diversification was necessary to maximise public service. It was argued that the greater the number of independent broadcasters, the greater the chances for achieving the desired diversity. Rules restricting common ownership of broadcast stations, and of broadcast stations in combination with other media forms, were adopted (Tillinghast 2000: 77). But media regulators have actually stimulated the ownership concentration process. In the United Kingdom, for example, a law, intended to restrain concentration, was manipulated into a Newspaper Preservation Policy under which in practice preservation meant, not less, but more, concentration of ownership (Tunstall 1996: 378).

As a consequence of the increasing influence of the media conglomerates on public opinion, there is little substantive coverage of the spectacular media deals in terms of the perceived effects of these deals. In most cases, journalists are directly affected but they do not report their own concerns (probably because of internal pressure). Media owners are keen to advertise the advantages of horizontal, vertical, diagonal and international concentration. State agencies play down the potential risks and threats of media conglomeration for the public sphere, in particular, and for democracy, in general.

### CONCLUSION

Communication researchers should ask some basic questions. Why is it important to analyse the complex media ownership pattern in the United States, Europe and elsewhere? Why consider only who owns the media – should the role of managers and journalists also be examined? What does the assembling of available ownership data tell us? Should we examine media concentration from market and public sphere perspectives? What can we learn from the application of both political economy and institutional economic perspectives, and from corporate media and media power approaches? What are the relevant data and how can we access these

data? We need to analyse and evaluate the implications of changing patterns of ownership for media content, the economy and audiences.

The giant media owners are an important subject for research in order to assess what they do with their acquired financial power via their media outlets and content platforms (Cranberg et al. 2001). Since the government role as regulator has declined substantially over the years in Europe and in the United States, we need to analyse the changing power relation between government, regulatory bodies and a converging and booming media industry. An overview of a converging field is essential to assess how interlocking contracts and ownership agreements influence the content of the media.

Research is needed to assess political outcomes and alternative ways in which the media can be made more accountable to all the mediating institutions of civil society. This is a project that would seek to transform the corporate media industry into an independent media trust that would strengthen the public media system to secure both the public interest and democracy. To cite John Dewey: 'Talk of democracy has little content when big business rules the life of the country through its control of the means of production, exchange, the press and other means of publicity, propaganda and communication'.