Media Monopoly in U.S.

In the latest edition of *Media Monopoly*, the author says that eight media corporations control almost all of U.S. media. Television, film, radio, book publishing, music, and newspaper ownership are more concentrated than ever before and the trend is for increasing concentration of ownership. For example, six corporations control film production; all “Hollywood” based corporations. Five corporations dominate television production, distribution, and exhibition. Radio is dominated by Clear Channel which owns more than twelve hundred stations and by Viacom (one of the corporations that dominate the film and television industry). Book publishing and music are dominated by only a few media corporations. And eighty per cent of newspapers in the United States are owned by corporations (immediately after WWII, 80 per cent of newspapers were privately owned), and only one per cent of news papers have competition.[[1]](#endnote-1)5 Just recently, the Tribune Company, a giant, but second tier, media conglomerate, purchased the Los Angeles Times and now owns the Chicago Tribune, Hartford Courant, and the Orlando Sentinel, along with a dozen smaller newspapers. Cable and satellite delivery systems are dominated by the same media conglomerates who dominate the production and distribution of content in other media, either through ownership or shared ownership.[[2]](#endnote-2)6

Although monopolies have been illegal in the U.S. since the Sherman Antitrust Act of 1890, shared monopolies, four or fewer corporations controlling over half of an economic market, exist in most U.S. media. These shared monopolies are not illegal but function much the way that monopolies do. And the same media conglomerates are most often the same partners in shared monopolies in other areas of media. An example is Time-Turner-Warner-AOL. It is part of both the television and film shared monopolies, part of the music recording and book publishing shared monopolies, and it owns three of the magazines with the largest circulation in the United State. These media conglomerates are integrated both vertically and horizontally. An example is Disney. It is part of the television and film shared monopolies and it owns theme parks, retail stores, and sports franchises. Each of these venues can be a means for expanding marketing strategies and increasing sales for Disney’s television and film content.[[3]](#endnote-3)7

The profit imperative demands expansion so that media content can both reach a wider audience of consumers and also can be distributed throughout the conglomerate’s media outlets (synergy). And the profit imperative demands increasing concentration of ownership; the top three largest media corporations are significantly more profitable than the next three corporations.[[4]](#endnote-4)8 While the profit imperative drives the media conglomerates, the political system in the U.S. has created the legal and regulatory environment that allows them to do so.

The public policies that were most decisive for creating the environment for a media monopoly in the U.S. were enacted during the Reagan Administration. The Reagan administration professed an ideological commitment to the principles of the free market. Its policies, though, were only consistent with its principles in regard to the poor, labor organizations, and to deregulation. One industry that the Reagan administration deregulated was the film industry. The Reagan Justice Department vacated the consent decree gained from the movie industry. The decree was derived from an anti-trust suit brought by the U.S. government against the film industry in the late 1940s (originally brought in the late 1930s). The suit was US v Paramount Pictures, *et al*. In the suit the Truman Justice Department argued that the film industry dominated by five Hollywood film companies (called “the studio system”) was engaging in predatory monopolistic practices with its policies of blind and block booking of films. This was a policy that made movie exhibiters accept movies that they had not viewed, blind booking, and accept a group of films, some of which the exhibiters may have not wanted, block booking. In the consent decree the movie industry agreed to stop the practices and also to give up ownership of its own movie theaters. The result of the suit and the decree was not only to end the practices of blind and block booking but the break up of the vertical integration of the studio system. The result of the Reagan Justice Department’s vacating the consent decree was the reverse; it allowed the movie industry to be integrated again into a shared monopoly of production, distribution, and exhibition.[[5]](#endnote-5)9

While the above policy of deregulation affected entertainment media and ultimately its content,[[6]](#endnote-6)10 another Reagan policy had an affect on “news” in the U.S. This was the administration’s elimination of the Fairness Doctrine. The doctrine had been adopted as a formal rule in 1949 by the FCC and then in 1959 Congress made it a law. It reads: “A broadcast licensee shall afford reasonable opportunity for discussion of conflicting views on matters of public importance.” The U.S. Supreme Court upheld the doctrine in 1969 in Red Lion Broadcasting Co. v. FCC, 1960. The Court decision was based on the First Amendment and the fundamental right of the people to have access to an “uninhibited marketplace of ideas.” As Steve Randall at Fairness and Accuracy in Reporting has pointed, the two requirements of the doctrine were that broadcasters devote some air time to discussing controversial matters of public concern and that the broadcaster air contrasting views regarding those controversial matters.[[7]](#endnote-7)11 The elimination of the Fairness Doctrine has had significant negative consequences for democracy in the United States, but it has had significant positive consequences for commercial “news” and broadcast “journalism” in the United States. The emergence and domination of commercial radio frequencies by very profitable right wing talk radio has been one consequence. The other consequence has been the complementary emergence of six twenty-four hour news channels governed by no fairness rules.

The most significant legislation for deregulating media however was passed during the administration of a Democratic president, Bill Clinton. The Telecommunications Act of 1996 was presented to the public as a necessary revision of the 1934 Communications Act. Advocates claimed that it would allow for more competition and create the environment for the development and dissemination of new technologies. In reality the Act restructured the media landscape for the benefit of commercial media interests, broadcasters, cable companies, and telecommunication companies.[[8]](#endnote-8)12

Along with legislative deregulation, there has been the transformation of the Federal Communications Commission’s regulatory function, or at least a reemphasis. The FCC, originally the Federal Radio Commission, was created as part of the Radio Act of 1927. Its mandate was to regulate the airwaves in the public interest and create an environment for commercial interests to be profitable. Michael Powell, the first Chairman appointed by George W. Bush, emphasized the latter function of the agency. An example of the FCC under Powell’s Chairmanship is the FCC ruling in 2003 which, despite overwhelming public protest, further deregulated the industry.[[9]](#endnote-9)13 The new Chairman of the FCC, George W. Bush’s second appointee, Kevin Martin, as mentioned earlier, is pushing the policy of deregulation even further.

U.S. “Journalism/News” and the Social Construction of Unreality

The commercial media is the dominant providers of news in the U.S. And under U.S. law public corporations have an obligation to maximize profit for shareholders. The result of corporations driven by the profit imperative and dominating the news has transformed the news and journalistic practices in the United States. The results of the transformation have been the blurring of the line between entertainment and news as commercial news seeks to attract viewers for their customers, the advertisers. It also involves the presentation of news that targets a “quality audience” (consumers) and creates a congenial environment for that audience’s viewing of the advertisements. And it involves the adoption of cost cutting measures. These measures include firing reporters and support staff, closing news bureaus, and limiting the amount of time that can be spent on stories. Simultaneously, there has been an expansion of television news shows; there are now five 24 hour commercial news channels. Under this structure, commercial “news” in the U.S has become “infotainment”; it has become dependent on access to elite sources and material from both the government and private interests; and it has adopted a journalistic practice of disinformation, called “balance.”

“Infotainment” has been the product of this blurring of the line between news and entertainment and the result are news shows that emphasize violence, natural disasters, and celebrities. Television news directors admit to following an imperative, “If it bleeds it leads.” This leads to an emphasis on the coverage of violent crime, or street crime. These crimes include murder, rape, “home invasions” (formally burglary, the preference is obvious). Excluded from coverage is the violence of war, or the violence of corporate crime. In his book Culture of Fear, Barry Glassner points out that media coverage of violent street crime may increase as crime itself actually declines.[[10]](#endnote-10)18

Studies have shown that this emphasis on violent crime has a negative impact on American society. Heavy television viewers develop a psychology in relation to the media created fear of violence. They tend to be anxious, angry, and afraid. They are more likely to buy a gun, turn their house into a fort, buy an alarm system, and buy a guard dog. This “unreality” of violence also has anti-democratic consequences as fearful and uninformed citizens are more likely to support harsher punishments, fewer constraints on police, and more money for the criminal justice system.[[11]](#endnote-11)19 Because it is not as “entertaining,” and because it would require time (cost), the commercial media excludes from its coverage of crime such important issues as long term trends in crime. It fails to explore correlations between poverty, lack of education, unemployment and street crime. The commercial media also does not cover the increasing cost of the criminal justice system and how it impacts the funding of education. Beyond the boundaries of the commercial media’s coverage of crime, for obvious reasons, is any examination of the systemic nature of corporate crime, and its violence towards individuals and whole communities.

The commercial media further “infotains” it viewers with coverage of natural disasters, tornadoes, earthquakes, and floods. However, the natural disaster which lends itself to infotainment coverage the best is the hurricane. This is because an entire televised drama can be built around the hurricane. The commercial media can use its increasingly sophisticated technology to identify a “developing” storm somewhere in an ocean. As the storm becomes more intense and its course can be identified, “journalists” are sent to targeted areas to assess the pre-disaster situation. When the hurricane approaches, the “journalists” stay long enough to “infotain” the American viewers with such “newsworthy” insights as how windy a hurricane is. After the hurricane passes, the “journalists” return to the devastated area seeking personal interest stories.

Just how dangerous infotainment coverage can be was revealed in the commercial media’s coverage of Hurricane Katrina and the subsequent humanitarian disaster. The commercial media covered the catastrophic event as if the most important news was the “wide-spread collective violence.” In order to cover the disaster in this way, the media accepted totally unverified claims and ignored eyewitness accounts by their own “on the spot journalists.” But the media did not just repeat unsupported claims; it used its outlets as an echo chamber. An example was Matt Lauer persisting in the questioning of the commander of the National Guard about “rules of engagement.” The fact is that none of the claims about violence were true, but this is only one part of the problem of infotainment, the other part, pointed out previously, is that the infotainment has consequences. With Hurricane Katrina, the social construction of unreality, was one of the factors that kept help from reaching stranded victims of the disaster.[[12]](#endnote-12)20

News as infotainment reaches its nadir, though, with the coverage of celebrities.

One study claimed that after the death of Anna Nicole Smith over one half of live television news coverage was focused on the “event.”[[13]](#endnote-13)21 The fickleness of this practice of celebrity as “news” was revealed when the “story” of Anna Nicole was bumped unceremoniously by the important story of Paris Hilton’s arrest, conviction, and sentencing for a reckless driving. Hiltons re-arrest and re-incarceration for violating her probation was covered extensively, as was the day of her release, including what she had for dinner. Hilton was subsequently banished from the headlines by Lindsey Lohan, but only temporarily. “Journalists” had discovered that Hilton had been wearing a fashionable item from the new Paris Hilton collection when she “walked” from jail, so the commercial news media repeatedly played the “walk”. Some might say that Americans are getting what they want, but that assumes a concept of freedom that is so diminished that it is without meaning. The question might be, how can those living in a media saturated environment dominated by large commercial media corporations which themselves are dominated by even larger advertisers be said to be choosing anything?

Another consequence of the news being dominated by the commercial media is the dependent relationship the commercial has with those persons in power. That which becomes essential for commercial news within this structure of dependency is access to those persons, but also the commercial news media has become dependent on press releases, news conferences, and public relations material (VNRs). Those in power have been aware of this dependency since the Reagan administration and take advantage of it in a variety of ways, ways the shape the delivery of what is called “hard” or “political” news in the United States.

Broadcast journalists do not report; they interview or moderate. To do either, they need what is called access to those in power. A certain set of rules follows, do not be hostile to the guest, or even too aggressive, do not be prepared, and do not ask the “wrong” questions. If a journalist violates any of these rules, further access to the person and others may be denied. This system of reciprocity, access and dependency, makes commercial news a congenial environment for those in power to present their agenda.

A perfect example of this was Dick Cheney’s frequent visits to Tim Russert’s Meet the Press, NBC News flagship “hard” news show. During the trial of Scooter Libby, former Cheney Chief of Staff, for obstruction of justice a memo was released. It revealed that Cheney liked to be a guest on Russert’s show because as the memo put it, Cheney usually got his point across.

As mentioned earlier, administrations and powerful interest groups have been aware of this dependent relationship since the Reagan administration and have learned to take advantage of it in other ways than controlling access. One way is the careful framing of “talking points” and then the transmission of those talking points via news conferences and press releases. The “talking points” then become the news as they are reproduced as headlines and leads. Subsequently, they determine the interviews and panel discussions that make up the majority of non-advertising time on the twenty-four hour news channels. Studies by Fairness and Accuracy in Reporting have shown that guests/experts on television news, panels, including public broadcasting, are predominately from administrations, corporations, and the military.[[14]](#endnote-14)22

Private corporations also understand this dependency relationship, and hire public relations firms to create what are called video news releases, or VNRs. Then the public relations firms submit these “fake” news stories to commercial news outlets who then use them as if they were real news. In Corporate Media and the Threat to Democracy, Robert McChesney says that 40% to 70% of news is from press releases and public relations material.[[15]](#endnote-15)23

There are occasions when the commercial news cannot avoid examining an important and controversial issue. For these occasions it has developed a new journalistic practice called “balance.” The proponents of balance, including many broadcast “journalists,” claim that it is the best way to be objective. This so called objectivity involves the journalist assuming the role of moderator and inviting guests from both sides of an issue to be on the news show in order to present their positions. The function of the journalist/moderator within this practice is to follow the above rules so that each side gets to speak. A critique of this practice was depicted on the Peabody Award winning Daily Show, a comedy show that is a satire of commercial television news shows. John Stewart, the fake anchor, asks his fake reporter, Rob Corddry, why there is a debate in the media over John Kerry’s war record. Stewart says that it is in the official documents and it is based on incontrovertible facts. Corddry replies that those incontrovertible facts are one side of the debate. Stewart replies that those are the facts, that’s the end of the debate, what do you think? Corddry replies that as a journalist he is not supposed to think, or in this case, it is not his role to determine what is creditable and what is not. As he says, “It is not in my place to get in the way of the people talking and the people listening.”[[16]](#endnote-16)24

The practice of balance conforms to a narrow concept of objectivity, does not lead to any illumination about the truth, and gives credibility to positions which may not deserve them. An example of this is the coverage by the commercial media in the United States of the serious problems that humanity faces as a result of global warming. The commercial media does not deal with either the problems or possible solutions but treats the reality of global warming as if it were questionable, a subject for debate. Individuals and groups with serious conflicts of interest and no scientific standing are invited to present their side (usually Exxon Mobil’s) on both commercial and public broadcast news shows. In fact, in peer reviewed scientific studies there is no debate about the reality or causes of global warming.[[17]](#endnote-17)25 And beyond the bounds of corporate news is the connection between consumerism and global warming, or the connection of consumerism to other environmental problems.

The “success” of these techniques and structural determinates can be seen in the coverage of the United States war against Iraq. The commercial media’s dependence on access, its dependence on press releases and news conferences for “war news,” and its presentation of war as infotainment have been successful in creating an unreality for the American public.[[18]](#endnote-18)26 Knowledge based surveys showed that by as late as December 2006 almost half of the public that was surveyed believed that Saddam Hussein was directly responsible for the September 11, 2001 attack on the World Trade Centers in New York, and an almost equal per cent believed that weapons of mass destruction had been found in Iraq by the U. S. military. Neither claim is true.

1. [↑](#endnote-ref-1)
2. [↑](#endnote-ref-2)
3. 7 [↑](#endnote-ref-3)
4. [↑](#endnote-ref-4)
5. [↑](#endnote-ref-5)
6. 10 Quart, Leonard and Albert Auster. American Film and Society Since 1945. Praeger: Westport, Ct., 1991 [↑](#endnote-ref-6)
7. 11 Randall, Steve “The Fairness Doctrine” fair.org Feb 12, 2005 [↑](#endnote-ref-7)
8. 12 Telecommunications Act of 1996 [↑](#endnote-ref-8)
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