

## MM3 – Media Ownership

### Trends in Media Ownership

Media ownership has undergone significant consolidation over the past few decades, with a few corporations dominating much of the global and national media landscape. Bagdikian (1983) highlighted this trend in the United States, where in 1983, 50 corporations controlled the news media. By 1992, this number had decreased to 22 companies, which owned and operated 90% of the U.S. mass media, including newspapers, magazines, TV, radio stations, books, records, movies, videos, and photo services. Bagdikian pointed out that if the U.S. media were owned by separate individuals, there would have been approximately 25,000 owners at this time. However, by 2017, media ownership had further consolidated to just six major corporations: Comcast, Disney, 21st Century Fox, Time Warner, Viacom, and CBS.

These conglomerates function as umbrella companies, each owning a multitude of subsidiaries that are recognizable as separate entities. For example, Disney owns Marvel, Pixar, and National Geographic, while Time Warner owns Warner Brothers and HBO. This trend illustrates the concentration of media ownership rather than a decline in media companies. Additionally, these corporations have increasingly bought up internet providers, social media networking sites, and digital media content to consolidate their ownership further.

A similar pattern of concentration can be observed in British media, particularly in the newspaper industry. According to Curran (2002), this trend has been ongoing since the early 20th century. In 1937, four press barons—Lord Beaverbrook, Lord Rothermere, Lord Camrose, and Lord Northcliffe—owned one in every two national and local newspapers sold in the UK. By 2015, the number of significant owners had only slightly increased to seven. However, these companies had also diversified their holdings.

For instance, News Corp, owned by Rupert Murdoch, controls The Times, The Sun, The Sun on Sunday, and The Sunday Times. Similarly, DMG, historically linked to Lord Rothermere, now owns the Daily Mail, The Mail on Sunday, the Metro, and 54 regional newspapers. Northern & Shell, owned by Richard Desmond, publishes the Daily Express, Sunday Express, Daily Star, and OK! Magazine, among others. The Telegraph Group, owned by the Barclay brothers, controls The Daily Telegraph and The Sunday Telegraph. Only two national newspaper groups are controlled by companies rather than individuals: Trinity Mirror, which owns the Daily Mirror, Sunday Mirror, Sunday People, the Daily Record, and 150 regional newspapers, and the Guardian Media Group, which is run by the Scott Trust and owns both The Guardian and The Observer. Despite the slight increase in the number of press owners, a small group of people still disseminates a significant amount of information in the UK.

The concentration of ownership extends to British broadcasting as well. Here, we must distinguish between public and private ownership. The BBC, as a Public Broadcasting

Corporation, is run by a board of trustees and funded by the government, so it is not considered a commercial entity and is therefore excluded from discussions of private ownership. In the realm of private, terrestrial commercial TV, the major players are ITV, Channel 4, and Channel 5. The satellite and cable TV market is dominated by Sky, Virgin Media, and BT TV. Each of these companies owns a variety of channels. For example, ITV operates ITVX, ITV2, and ITVBe; Channel 4 runs More4, and Channel 5 has Five USA. Sky owns Sky Movies and Now TV, further illustrating the concentration of media ownership in the UK.

## **Types of Media Ownership**

Understanding the different types of media ownership is essential for grasping how a few companies exert significant control over the media we consume. Several key concepts describe the strategies these companies use to expand their influence and maximize profits. Let's explore these concepts in detail.

### **Horizontal Integration**

Horizontal integration refers to the concentration of media ownership across different types of media outlets. This strategy allows companies to diversify their media assets and control various forms of content distribution. For example, News Corp, owned by Rupert Murdoch, exemplifies horizontal integration. It not only owns newspapers in Britain and Australia, like The Times and The Australian, but also has significant holdings in the United States, including the New York Post. Additionally, News Corp owns HarperCollins, a major publishing group, and 21st Century Fox, which includes Fox TV and film studios.

This type of ownership consolidation allows a company to influence a broad audience by controlling multiple types of media, such as TV, radio, newspapers, and books. However, horizontal integration can also raise concerns about monopolies. For instance, when Murdoch attempted to acquire Sky TV, the deal was blocked due to fears it would create an overly dominant media entity.

### **Vertical Integration**

Vertical integration occurs when media multinational companies control every stage of media production, from creation to distribution. This strategy enables companies to maintain tighter control over their content and maximize economic gains. A prime example is Time Warner, which not only distributes films and TV shows but also produces them. Time Warner owns the production studios, writes the scripts, films the content, and even controls some cinema chains.

Similarly, News Corp and Disney are vertically integrated. News Corp owns television and film studios and satellite TV channels like GB News. Disney not only produces films and TV shows but also controls the theme parks, merchandise, and other related businesses, enabling it to shape its content and messaging comprehensively.

### **Lateral Expansion**

Lateral expansion involves a media company diversifying into other business areas to spread economic risk. Virgin, owned by Richard Branson, is an excellent example of this strategy. While Virgin is a significant player in the media industry with interests in music publishing, film, and TV, it also operates in completely different sectors. Virgin runs an airline, a train service, a holiday business, insurance, and even healthcare services.

By diversifying across various industries, companies like Virgin can cushion themselves against downturns in any single market. This broad business approach ensures that if one sector underperforms, the company can rely on its other ventures to remain profitable.

### **Global Conglomeration**

Global conglomeration refers to the expansion of media ownership beyond national borders, facilitated by globalization. Companies like Sony, Samsung, and Viacom have grown by acquiring media companies outside their countries of origin, establishing headquarters and subsidiaries worldwide. For instance, these companies, which began in the United States, now have offices and holdings in Europe, Asia, and Australia.

Globalization has opened up new markets, especially with the rise of new media like the internet and smartphones. As a result, a small number of media companies have transformed into global conglomerates, monopolizing media ownership across diverse media types and countries. News Corp is a prime example, with its presence in Europe, Asia, North America, and Australia, illustrating how media ownership has become a global phenomenon.

### **Synergy**

Synergy in media ownership refers to the practice of creating and selling multiple products based on a single media property. This approach strengthens marketing efforts and maximizes profits by offering a diverse range of related products. Marvel, owned by Disney, provides a clear example of synergy. A single Marvel film can lead to the sale of soundtracks, video games, comic books, action figures, and clothing.

This strategy is not limited to entertainment. Companies like Samsung and Apple also leverage synergy by collaborating with the film industry to create products that complement their media offerings. Technological convergence has facilitated this process, making it easier for media companies to reach global audiences with a unified marketing approach.

### **Technological Convergence**

Technological convergence refers to the merging of multiple technologies into a single media delivery system, such as a smartphone, tablet, or laptop. Media companies have increasingly focused on this strategy to simplify and enhance how we consume media. For example, modern Samsung TVs come pre-installed with apps like YouTube, BBC iPlayer, Netflix, and Disney+, the result of partnerships between Samsung and these media companies.

Technological convergence allows media companies to streamline content delivery, making it more convenient for consumers while increasing the companies' control over the media landscape. Companies like Apple, Microsoft, and Facebook are also heavily involved in this convergence, creating integrated systems that combine various media forms into one easily accessible platform.

## **Theories of Media ownership**

### **The Pluralist View of Media Ownership**

Pluralists argue that consumer choice is the primary driver of media content. According to this view, the popularity of shows, music, and articles is dictated by audience preferences rather than the personal biases of media owners. Pluralists believe that media content is shaped by what the public wants, not by what the owners dictate. This consumer-driven model extends across all media types, including television, music, blogs, podcasts, and YouTube channels. For example, media trends often emerge in response to popular demand, such as the rise of dance music in the 1990s or the proliferation of zombie-themed TV shows. Pluralists contend that media companies, driven by profit motives, will produce what sells, making consumer demand the key factor in media production.

Pluralists also emphasize the importance of professional ethics and checks and balances within the media industry. These unwritten codes guide media companies to present factual information, avoid misinformation, and respect diverse perspectives. The competition for viewership encourages media companies to maintain a level of responsibility and trustworthiness. For instance, the initial success and subsequent decline of GB News, a right-leaning UK news channel, demonstrates how media that fails to cater to diverse viewpoints can lose its audience. This ethical framework, while unofficial, helps build a media environment that consumers can trust and return to.

According to pluralists, the media plays a crucial role in the democratic process by providing a platform for diverse opinions and fostering open debate. The wide range of available media products ensures that all viewpoints are represented, reflecting societal interests rather than shaping them. For instance, the widespread media concern over Jeremy Corbyn's stance on nuclear weapons was seen by pluralists as mirroring public concerns rather than manipulating

public opinion. In this way, pluralists argue that the media acts as a mirror to society, rather than a tool for shaping it.

Pluralists argue that the concentration of media ownership is a result of economic rationality. Running a media company is expensive, and consolidating ownership through vertical and horizontal integration helps keep costs low. Large media conglomerates can control both production and distribution, making operations more efficient and financially viable. This concentration allows companies to expand into multiple media areas while maintaining a strong foundation, which, in turn, benefits consumers through lower costs.

Pluralists highlight the role of public service broadcasting, such as the BBC, as a counterbalance to concentrated media ownership. The BBC, funded by the public through licensing fees, is legally obligated to provide impartial and diverse content. With its Royal Charter established in 1926, the BBC must inform, educate, and entertain a broad audience, catering to all segments of society. The BBC's impartiality and objectivity serve as a counterweight to any potential biases in privately owned media outlets, ensuring that diverse viewpoints are available to the public.

Pluralists also emphasize the role of government and state controls in maintaining media diversity, impartiality, and fairness. Laws prevent misinformation and promote transparency, creating a media landscape where different outlets can operate fairly. For example, libel laws prevent media companies from publishing false information that could damage someone's reputation, ensuring that media owners cannot easily manipulate content. These state controls, according to pluralists, prevent media owners from exerting too much influence over the content they produce.

## **Evaluation**

While pluralists argue that concentrated media ownership is not problematic, several criticisms challenge this view. Curran suggests that media professionalism can be undermined by media owners, as journalists may self-censor to avoid jeopardizing their jobs. Gurevitch and Lammers further argue that the supposed impartiality of journalists is overstated, as many are overly reliant on official sources, leading to biased reporting. For example, Trowler observed that journalists embedded with troops during the Iraq invasion often produced one-sided coverage due to personal attachments formed with soldiers.

Feminists also critique the pluralist perspective, arguing that the media is male-dominated, with limited representation of female voices. The ownership of media companies is predominantly male, which can result in media content that is biased toward male perspectives. Sonam argues that feminist perspectives are often dismissed by journalists, who may view them as extreme or threatening, further limiting the diversity of viewpoints in the media.

Finally, critics argue that the media marketplace is not as open as pluralists suggest. The concentration of media ownership limits the range of perspectives available, creating a false sense of choice for consumers. While there may be many media channels and outlets, they are often controlled by a few large companies, leading to a homogenization of content. As a result, the diversity of viewpoints in the media may be more limited than it appears, challenging the pluralist claim that media ownership concentration does not matter.

### **Marxist Theory of Media Ownership**

Marxist theorists are critical of media ownership, viewing it as a tool for ideological control in capitalist societies. Ralph Miliband, a key Marxist thinker, argues that the media operates as an ideological state apparatus, disseminating norms and values that reinforce social class divisions and capitalist ideology. For example, during the Cold War, the media's negative portrayal of communism directed public opinion in ways that aligned with the interests of media owners.

Miliband's perspective is supported by examples like Silvio Berlusconi in Italy, who used his media empire to influence public discourse in favour of his political policies. Even though Berlusconi technically stepped away from his media holdings while in office, his media outlets continued to promote content that supported his viewpoints. Similarly, Rupert Murdoch's media empire, including Fox News, has often been criticized for promoting partisan narratives. For instance, in the 1997 UK election, The Sun newspaper, owned by Murdoch, claimed to have influenced public opinion in favour of Tony Blair, despite The Sun's traditionally conservative readership.

Castles and Kosack expand on this view, suggesting that the media is used to divide and rule the working class, ensuring that the elite maintain their power. This control is possible because of the concentration of media ownership in the hands of a few powerful individuals. Marcuse introduces the concept of "bread and circuses," where media serves as a distraction from inequality and exploitation, preventing social unrest and revolution. This idea can be compared to the gladiatorial games of ancient Rome, where entertainment was used to pacify the masses and distract them from their oppression.

Tom Stoneman and Palmer argue that the government is often reluctant to control media owners because these owners frequently fund political campaigns, thereby buying influence. This financial relationship allows media owners to shape narratives in ways that benefit their interests, whether ideological or economic. The symbiotic relationship between media owners and political leaders thus perpetuates a cycle where media continues to support the status quo.

## **Evaluation**

Despite these arguments, the Marxist view faces significant criticisms. One major critique is that the evidence for media control by owners is often anecdotal, as highlighted by Curran. This means that many claims are based on individual stories rather than systematic, scientific research, making it difficult to conclusively prove that media owners exert such control.

Gramsci challenges the idea of false consciousness, suggesting instead that audiences have a "dual consciousness" — they recognize their exploitation but may accept it for various reasons. This duality implies that while people are aware of their societal conditions, they may still choose to engage with media that distracts them from their reality, undermining the notion that media solely manipulates public consciousness.

Another criticism comes from the impact of new media. The rise of user-generated content on platforms like social media has diminished the power of traditional media owners. This shift suggests that media consumers now have more influence over the content they engage with, challenging the Marxist notion that media owners control the narrative. Instead, audiences can create and share their own media, thereby influencing public discourse in ways that were not possible before the digital age.

## **The Glasgow Media Group's Perspective on Media Ownership**

The Glasgow Media Group offers a nuanced view of media ownership, arguing that media content often supports the interests of those who run the capitalist system, but this is largely an unintended byproduct of the social backgrounds of journalists and broadcasters. According to this perspective, many media professionals come from similar socio-economic backgrounds as media owners, which inadvertently influences the content they produce. This is not a deliberate effort to maintain the status quo, but rather a reflection of their personal beliefs and values, which are shaped by their upbringing and social environment. For instance, many journalists, actors, and broadcasters tend to be from middle-class or above backgrounds, leading to a media landscape that often mirrors the interests and viewpoints of these social classes.

The Glasgow Media Group also argues that the content produced by media outlets is influenced more by economic pressures than by the personal ideologies of media owners. Media companies operate in a competitive market where they must attract audiences to generate revenue. As a result, the content they produce is often designed to appeal to what the public wants, rather than purely reflecting the preferences of the media owners. This focus on profitability links to the concepts of agenda setting and cultural hegemony.

Agenda setting refers to the media's role in determining what issues are considered important and worthy of public discussion. The media doesn't just report events; it plays a crucial role in

shaping social discourse by deciding which topics are newsworthy. For example, when a popular show like "Love Island" is airing, it dominates media coverage and public conversation, driven by audience demand. Cultural hegemony, on the other hand, involves the media subtly reinforcing the worldview of the dominant class by continuously promoting certain narratives and perspectives, thereby weaving them into the cultural fabric.

James Curran introduces the idea of the "establishment," a network of powerful institutions and individuals who steer economic and political narratives. Through this lens, the media is seen as closely tied to these power structures, often broadcasting content that aligns with the interests of those in positions of power, such as politicians, government officials, and corporate leaders. This connection suggests that media content often reflects the interests of the establishment, even if it is tempered by some degree of objectivity.

## **Evaluation**

Despite its insights, the Glasgow Media Group's perspective has faced several criticisms. One major critique is that their approach is somewhat vague, particularly in how it defines ideology and the effects of this ideology on media content. Critics argue that the group's analysis often describes rather than explains the relationship between media content and ideology.

Another criticism is the group's focus on media professionals, which tends to overlook the influence of media owners and consumers. In the age of new media, where audiences have more control over what they consume and can even produce their own content, the role of the consumer in shaping media narratives has become increasingly significant.

Feminist theorists add that the media's agenda-setting function can be a form of patriarchal control. Since those in power—often men—are largely responsible for deciding what issues receive attention, the media can reinforce patriarchal structures by prioritizing male-dominated perspectives.

Finally, the rise of new media and citizen journalism presents a challenge to the traditional establishment. Citizen journalists and social media platforms enable ordinary people to scrutinize and challenge the narratives promoted by traditional media outlets, reducing the influence of what Curran refers to as the "establishment." This development suggests that the media landscape is becoming more diverse and less controlled by a small elite, as audiences now have more power to influence the content they consume and to hold powerful media figures accountable.

## **Postmodernist view of media ownership**

The postmodernist perspective on media ownership argues that in a postmodern society, the power of media ownership is significantly diminished. In a world saturated with media, where it influences nearly every aspect of our lives—from food and fashion to entertainment—media owners cannot control the perspectives of everyone. If media owners had such influence, our lives would be remarkably uniform, yet the diversity of experiences and lifestyles suggests otherwise.

Globalization and the vast expansion of consumer choice have further eroded the power of media owners. The global media landscape offers consumers a nearly limitless selection of content, creating intense competition among media producers. This competition forces media owners to cater to diverse tastes rather than dictating a single narrative or perspective.

In the context of postmodernism, the breakdown of meta-narratives—the large, overarching stories that once shaped society—is significant. Media owners can no longer present a single version of the truth that everyone accepts. With access to a wide array of information and perspectives, individuals can question, reject, or reinterpret the narratives offered by traditional media. This shift has democratized information, allowing people to seek out alternative viewpoints that align more closely with their personal experiences and beliefs.

Jean Baudrillard's concept of hyperreality is central to this discussion, highlighting how the media blends reality and fiction. In today's media environment, especially with shows like "The Kardashians" or "Love Island," it becomes increasingly difficult to distinguish between what is real and what is manufactured for entertainment. This blurring of reality challenges the ability of media owners to control public perception.

Crowler's idea of polysemic media messages further complicates the notion of media control. Media content can be interpreted in multiple ways depending on the viewer's background, experiences, and perspectives. For instance, the "Barbie" movie might be seen as light entertainment by some, while others might view it as a critique of patriarchy or a statement on modern womanhood. Because interpretations vary so widely, media owners cannot impose a single, uniform message.

The blurring of roles between producers and consumers also plays a crucial role in diminishing the power of media owners. Levine discusses how consumers, empowered by new technologies, can reject traditional media messages and create their own content. This shift means that if consumers disagree with the narratives presented by mainstream media, they can easily seek out alternatives or even produce their own, further reducing the influence of media ownership.

## **Evaluation**

However, the postmodernist view is not without its criticisms. Some argue that the perspective is vague and lacks empirical evidence, relying more on anecdotal observations than on systematic research. Others question the so-called information explosion, suggesting that much of the new content available is merely recycled rather than truly innovative.

Additionally, critics point out that postmodernism often overlooks persistent inequalities in media access. While consumers theoretically have the freedom to choose or create their own media, not everyone has equal access to the necessary resources. This suggests that despite the apparent decline in media ownership power, traditional power dynamics still play a significant role, particularly for marginalized groups who may struggle to influence media narratives in meaningful ways.