

In the last issue we had an extended coverage of the situation in Sri Lanka of the media, particularly the print media, in relation to the freedom of expression. We also discussed the role of the state as the owner and controller of many media organs, primarily as it impacted on the closure of the media to a plurality of opinions.

But our focus was intensely local. We are however also aware that media is now transnational and that it works across national boundaries, that it is now almost beyond democratic control, or even the control of nation states. To illustrate this point, we reproduce below extracts from an article by Robert W. McChesny that appeared in the *Monthly Review* of July-August 1996.

GLOBAL STRUGGLE FOR DEMOCRATIC COMMUNICATION

Since the first systems of mass media and telecommunications emerged, their control and structure have been political issues. It has been well understood that the control over the means of communication is an integral aspect of political and economic power. Perhaps the most striking feature of our current age is the increase in prominence—for economics, politics, and culture—of technologically advanced systems of communication and information, that are often global in scope. Moreover, the global communication system is in the midst of a dramatic transformation that is reorganizing industries and revamping modes of regulation. Yet precisely at the historic moment that the social implications of communication appear at their greatest, the subject of how communication systems are controlled and organized and for what purposes is effectively being removed from the range of legitimate political debate, as communication is turned over to the market for profitable exploitation.

In my view, it is mandatory for progressives, democrats and socialists across the world to resist this trend and to organize around media and communication issues. If we fail to do so, substantive progressive social change will be vastly more difficult to achieve.....

Communication Revolution

Two trends mark the communication revolution. First, there has been a rapid corporate concentration within media industries, along with a strong drive toward globalization. Although film, books, and recorded music have been global industries dominated by a handful of corporations for much of the century, media markets otherwise have been primarily national in scope. A global oligopolistic market that covers the spectrum of media is now crystallizing with very high barriers to entry. National markets remain and they are indispensable for understanding any particular national situation, but they are becoming secondary in importance.

Today there are five global vertically integrated media companies: News Corp., Disney, Time Warner, Viacom, and TCI..... These firms tend to make films, books, recorded music, and television programs and own newspapers, magazines, radio stations, cable companies and television networks. They often are connected to electronics firms and they may have holdings in sports, amusement parks, retail outlets and leisure enterprises. These firms can take

advantage of the complementary nature of their properties such that the profit whole is greater than the sum of the parts. When Disney produces a film, for example, it can promote the film across its media properties, show it on its television networks, create a spin-off TV program, sell the soundtrack, publish a book or comic based on the film, create a related amusement park ride and/or video game, and sell paraphernalia related to the film in its retail chain stores. It can also negotiate cross promotions with firms like McDonald's. Smaller firms without widespread and increasingly global-holdings are less able to take advantage of these cross-selling possibilities and therefore are put at a severe competitive disadvantage.

Considerable fuel for the growth of global commercial media will be provided by the large increase in global advertising, much of which results from transnational firms' expanding marketing plans..... One industry analyst predicts global advertising will increase from the 1995 total of \$335 billion to 2 trillion in 2020.....

The present and future growth of global media firms is being shaped by the widespread commercialization, deregulation and privatization of domestic television systems. Until the 1980s most nations maintained these as nonprofit, non-advertising supported entities, which limited the capacity for a global media market to emerge. The current explosion in satellite digital television provides the basis for inexpensive global commercial broadcasting, which based upon recent experience will probably become a monopoly or duopoly in most parts of the world. This will not be a global market where everyone in the world will consume identical media products; it will be more sophisticated than that. But if the media products are differentiated by region, they nevertheless will be linked to global media concerns and determined by profitability. In short, the present course is one where much of the world's entertainment and journalism will be provided by a handful of enormous firms, with invariably pro-profit and pro-global market political positions on the central social issues of our times. The implications for political democracy, by any rudimentary standard, are troubling.

The second key trend is the development of digital communication and related technological breakthroughs such as wireless mobile communication that make communication much less expensive and more accessible. On one hand, digitalization encourages global communication as worldwide transmission can be nearly instantaneous and relatively inexpensive. It also encourages conglomerate

tion and vertical integration because as all forms of communication turn to digital format, media products become more easily transferable between genres. On the other hand, digital communication can undermine the ability of communication to be controlled in a traditionally hierarchical manner, as it holds the potential of making it easy to produce and distribute high quality material. The most dramatic development along these lines has been the Internet. When one merely considers the social potential of these new technologies, and not the political economic context in which they are being developed, the prospects are breathtaking.

Digital communication also provides the basis for an eventual convergence of the media, telecommunication (meaning telephony primarily), and computer industries..... At some point televisions can become personal computers and vice versa. Computer firms will provide the software necessary to make digital communication accessible and profitable.....

This has two very important consequences. First, combining the media, telecommunications, and computer industries makes the resultant sector the largest and fastest growing component of the global economy. Based on market capitalization, three of the four largest firms and thirteen of the largest fifty firms in the world fall in this sector.1 In the 1970s most of the world's telecommunication systems were nonprofit and state-owned monopolies. Today they are being privatized in perhaps the largest liquidation of public property in the history of capitalism. Most of the new for-profit telecommunication companies will be partially owned or formally affiliated with one of the three or four emerging global telecommunication networks..... In other words, communication is at the heart of global capitalism.....

The second consequence of convergence is a new air of uncertainty about the future of the media, telecommunication, and computer industries.... Some technological determinists have taken the Internet to mean the end of corporate for-profit communication, because people will be able to bypass the corporate sector and communicate globally with each other directly. Although the Internet clearly has opened up important space for progressive and democratic communication, the notion that the Internet will permit humanity to leapfrog over capitalism and corporate communication seems dubious unless public policy forcefully restricts the present capitalist colonization of cyberspace.....

Lack of Public Debate

Given the magnitude of the communication revolution and all the hype about its importance as the marker of our new age, it is remarkable how little it figures in public debate. Fundamental decisions are being made, but even when they involve governments they tend to be made in semi-secrecy by private interests.

Historically the rise of crucial new communication technologies like broadcasting has generated national public debates over how best to deploy these resources. It was as a result of these debates that public systems of broadcasting were established to serve publicly

determined goals, not to generate profit. These debates often took place among society's elites, but there has been periodic popular intervention. The extent to which there is non-elite participation in communication policymaking may be a barometer for the level of democracy in a society. As a rule of thumb, if certain forces thoroughly dominate a society's political economy they will thoroughly dominate its communication system, and the fundamental questions of how the communication system should be organized and for what purposes are not even subject to debate. So it is and so it has been with the Communist Party in various "people's republics", and, for the most part, with big business interests in the United States. By this yardstick, the decline of debate and of public broadcasting and telecommunication systems across the world reflects the increase in the power of capital and a withering of the political culture. Labor and left forces that have traditionally led or at least supported the struggles for public service broadcasting and publicly owned telecommunication systems are far weaker today. There are still national policy debates, and in some nations considerable concern over protecting domestic cultural products from imports, but the balance of power has shifted to the global market.

Moreover, with the rise of global media systems and a global media and communication market, one might logically expect that communication policymaking would enter global policymaking deliberations. In fact, the trend has been in the opposite direction. In the 1970s Third World nations used UNESCO as a forum to champion a drive for a New World Information and Communication Order (NWICO), that would attempt to address the global commercialization of communication as well as the extraordinary and growing imbalance in communication resources between the rich and poor nations. The United States, urged on by powerful media interests, attacked UNESCO for even broaching the NWICO and withdrew from the organization. Since then UNESCO has formally backed down and made clear its desire not to tamper with the global media market in any substantive manner. Most poor countries have been pressured by the IMF and global capital markets to reject state or public involvement with media and communication, and to privatize their media and telecommunication systems. This is seen as indispensable to the integration of nations into the global market political economy.... With the increasing significance of the global communication market for capital accumulation, the main global arena for the consideration of communication issues is now the World Trade Organization. The WTO battles to protect corporate intellectual property copyright in emerging economies and it has established the complete privatization and liberalization of global telecommunication as among its foremost goals for the 1990s.

The impetus for the global commercial media and communication market comes primarily, though by no means exclusively, from the United States. A majority of the global media giants are U.S. based firms, and the remainder all do significant business in the United States. U.S. communication laws and regulations go a long way toward setting standards for the global market. The U.S. market-driven media system is presented to the world as the truly democratic regulatory mechanism because it "gives the people what they want", whereas any other approach requires bureaucrats to interfere with people's genuine market expressed desires.