FOR A POLITICAL ECONOMY OF MASS COMMUNICATIONS

Graham Murdock and Peter Golding

I INTRODUCTION

The mass media impinge upon people's lives in two very important ways. Firstly, in providing the facilities with which people occupy a considerable amount of their non-work time they command an increasing proportion of discretionary spending. Average weekly household expenditure on the media and on leisure activities is higher than on clothing or on household durables, and, in 1971, over £3,000 million was spent on the media and leisure (not even including drink, travel or catering).[1] Secondly, the media are the major source of information about, and explanations of, social and political processes. The mass media therefore play a key role in determining thd forms of consciousness and the modes of expression and action which are made available to people. Consequently, any adequate analysis of the distribution of power and of the process of legitimation must necessarily include an analvsis of the mass media.

In recent discussions of the reproduction and legitimation of class relations, the part played by the mass media is frequently referred to but seldom dealt with in detail. Whereas, the role of other agencies, particularly education systems, has been mapped in some detail, the operation of the mass media has gone largely unexamined. In one recent collection of standard writings on "Power in Britain" for example, the media did not even rate a separate mention in the index.[2] This essay is an exploratory attempt to outline some of the basic features which underpin and shape the economic context and political consequences of mass communications in contemporary Britain. It is part of a work in progress. It is not intended to provide an exhaustive analysis, but simply to suggest some directions in which such an analysis might usefully proceed. Although, for the sake of brevitv and convenience. we concentrate here on the British situation. many of the processes discussed are common to advanced capitalist states per se. The present essay should therefore be regarded as a case study.[3]

The obvious starting point for a political economy of mass communications is the recognition that the mass media are first and foremost industrial and commercial organizations which produce and distribute commodities. Unfortunately however, most analyses of this process have concentrated on the situation in one particular mass media sector and have consequently ignored the emerging linkages between sectors. The 1966 Monopolies Commission report on film exhibition provides a classic instance of this sort of myopia. The report concluded that the domination of the market by two companies, Rank and Associated British Cinemas, was not necessarily against the public interest. Since that time, however, ABC has been acquired by Electrical and Musical Industries Ltd. (EMI) an entertainment corporation with interests in every level of film production, as well as in television and records. As we shall show later, EMI's film interests are substantial, but even so, they only accounted for 15% of the corporation's total turnover in 1972. Ranks similarly have interests in a wide range of enterprises, from the mammoth Xerox information processing complex to bingo, dance halls and holiday camps, and film exhibition within Britain contributes just 13% of Ranks' turnover.

On the rare occasion when these emerging patterns have been examined, however, the result has tended to be a catalogue of linkages with little or no analysis of their relationship to the general economic context.* The media companies are locked into the wider economic situation, firstly through reciprocal investments and shareholdings and interlocking directorships with other large industrial concerns, and secondly through advertising. Advertising is the principal economic base of both the press and commercial television and hence both are directly vulnerable to adverse changes in general economic conditions. During recessions companies are faced with two basic options: either to increase advertising expenditure in an attempt to maintain sales, or to cut back on advertising in order to reduce costs, and as the relationship between advertising and sales is problematic, they are likely to opt for the second alternative. Although publishing, the cinema, and the record industry gain little or no revenue from advertising they are still vulnerable to a generally worsening economic situation, firstly because it increases production costs and therefore sales prices and secondly because spending on luxury items such as records and cinema seats is likely to be reduced. Changes in the mass media cannot therefore be adequately considered apart from more general economic changes. This in turn requires an historical perspective which will locate changes in the mass media within the general context of industrialization.

In addition to producing and distributing commodities, however, the mass media also disseminate ideas about economic and political structures. It is this second and ideological dimension of mass media production which gives it its importance and centrality and which requires an approach in terms not only of economics but also of politics. Again, however, most analyses of the ideological role of the media have tended to be both abstract and schematic. Louis Althusser, for example, simply includes the mass media in his shopping list of "ideological state apparatuses" along with religion, education, political parties, etc., and leaves it at that.[5] It is not sufficient simply to assert that the mass media are part of the ideological apparatus of the state, it is also necessary to demonstrate how ideology is produced in concrete practice.

In the first part of this essay we examine the evolution of the media industries and the changing nature of their economic environment. We go on to discuss the responses within the industries to the pressures recently operating on them, and conclude with some implications of the political economy of the media for the information and leisure facilities they produce.

II THE INDUSTRIALIZATION OF MASS COMMUNICATIONS

(a) FROM DIFFERENTIATION TO CONCENTRATION

The present concentrated structure of the media industries is the latest stage in a sequence of organizational changes reflecting their changing economic base. Schematically all the media have gone through a similar cycle. Firstly, small-scale or personalized production of a cultural product expands. Distribution and selling become separated and commercialized. As new technology enters the medium, production becomes industrialized and consumption becomes large-scale and impersonal. This process of differentiation is succeeded by a period in which the growth of the industry reaches saturation and is hit by a series of pressures due to rising costs, declining revenue, and a changing pattern of demand. This is the process of concentration which we consider below. The final stage in this sequence involves a developing tension between new technological potentialities on the one hand and economic concentration on the other. Some tentative ideas in this direction are suggested at the end of this paper.

Both book and newspaper publishing began as small personalized activities; until the eighteenth century publisher-printers were responsible for both. Newspapers indeed began in the form of personal hand-written news-letter services, while book production preceded printing as a handwritten activity in ecclesiastical education. As authors established greater autonomy from publishers so too the eighteenth century saw the separation of bookseller from printer. Grub Street was born and writing, as Goldsmith complained, "converted to a mechanic trade". After 1750 newspaper publisher-printers were replaced by joint-stock companies.

The cinema split even more distinctly after its early fairground origins in the 1890s. Exhibition, based initially on the stockpiling of films by early showmen, became a differentiated arm of the industry. As film makers competed for the favours of the exhibitors the open sale of films declined, to be replaced by a hiring system, bringing with it the middle-men or renters.

Growing industrialization of the media—the introduction of new technology and mass production—brings with it a demand for greater financial underpinning. Through the nineteenth century the mechanization of paper-production, the steam-printing press, and later linotype greatly advanced the industrialization of the print industries. For books this meant the growth of differentiated distribution through the circulating libraries, and finally the penny book and widespread marketing.

For newspapers rapid industrialization combined with decreasing prices when stamp tax ended facilitated rapidly rising circulations as individual purchases replaced collective subscriptions. Gradually the press became part of that embryonic entertainment industry which included professional sport and the music hall. The "new journalism" as Arnold labelled it drew on American typographical and photographic techniques, headlines, interviews, the factual "reporting" of the news agencies, and sports news to attract a new public. The so-called Northcliffe revolution was the recognition that the members of this public were also the consumers in the retail revolution. The bigger companies produced by the 1873-94 depression recognized the enlarged national press as the ideal advertising medium for the competitive selling of branded goods. The Mail, *Mirror* and ***Express*** all started in the period around 1900 on this new economic base.

Expansion and technological sophistication attracted capital into each medium. As exhibition boomed in the cinema, capital in the industry rose from £110,000 in 1908 to over £3 million in 1910.[6] Between the wars the cinema attracted a vast new audience. High and rising rental prices and a massive growth in the number of cinemas brought, as Lord Burnham observed in 1920, "the high financiers of the world. . . flocking into the cinema industry".' Nearly 1,000 cinemas were built between 1924 and 1932 and capital in the industry rose from £15 million in 1914 to £70 million in 1929. As exhibiton flourished so did the chains controlling it. By 1944 a third of the cinema seats were owned by three chains, ABC (which started as a production company in 1928), Gaumont-British, and Odeon. The latter two companies were taken over by Rank in 1941, and the new chain and ABC (now part of EMI) have dominated post-war film exhibition.

In the same way the expanded press attracted the attention of financiers, and by 1929 four of them, Inveresk, Rothermere, the Berry brothers, and Cowdray controlled roughly half the daily circulation. The ensuing battle for readers in the thirties and the massive marketing operation it generated in effect created the mass popular daily press, doubling the national daily circulation between 1920 and 1939.

Broadcasting necessarily began as an industry requiring expensive technology and financial backing. Arriving after the industrialization of the economy the cycle of industrialization → commercialization → saturation → crisis has been a comparatively contracted one. The six companies which formed the British Broadcasting Company in 1922 appointed Reith as General Manager later in the same year. He spent the next four years demonstrating, as he was later to put it in his autobiography, that "whatever was in the interests of broadcasting must eventually be in the interests of the wireless trade".[8]

Television did not develop substantially until the post-war period, and it did not take long for financial backing to perceive the potential of the new medium. After war-time introduction to lighter styles of broadcasting the not uncommon opposition to the BBC in the Conservative Party, allied with advertising and equipment manufacturing interests produced "perhaps the most remarkable exhibition of political lobbying this country has ever seen".[9]

Commercial television opened in 1954, and licences climbed from 3 million in that year to 8 million in 1958, arriving at virtual saturation in 1968. The resulting massive change in leisure patterns produced a decline in the cinema and popular press from their peak years (in 1946 for the cinema and about 1960 for the popular press), and was a major factor in the resulting stage of consolidation and concentration.

(b) CONSOLIDATION

Concentration has taken different forms in each of the media industries, but the pattern of their increasing involvement with each other and with broader industrial enterprises is a universal response to the general problems outlined above. This latest stage is worth examining in closer detail.

(i) *Publishing*

Most books read today are borrowed from libraries or from other people. The growth of public libraries since 1919 has been a major source of income for publishers. While 312 million library issues were registered in 1948/9, twenty years later the figure was over 600 million.[10] But as book prices have risen rapidly library budgets have failed to keep up and only account for about 10 to 15% of book sales; thus libraries are contributing proportionately more to book reading and less to sales.

Rising costs have terrorized the industry. Between 1966 and 1972 paper, printing, and binding costs rose by between 73 and 80%.[11] Hardback prices consequently doubled in price between 1963 and 1970, and the overall price of books rose 112% between 1965 and 1971.[12] The proportion of hardback sales has not surprisingly fallen before the advance of the "paperback revolution". In the decade from 1960 to 1970 the number of paperback titles in print rose from under 6,000 to over 37,000. For a large part of the publishing industry paperback and other rights (book clubs, films, serialization) have become the main hope for profitability. Paperback publishing provides the financial cornerstone of the whole industry, and by 1972 accounted for 45% of sales revenue.[13] Yet, because paperback publishing, relying on large print runs and extensive promotion and distribution, requires large-scale finance, small traditional craft-like publishers have been coalesced into groups (like Associated Book Publishers comprising Methuen, Tavistock, Eyre and Spottiswoode, Chapman and Hall, *inter* alia), and into the multi-media combines who control paperback publishing (Granada, Thomson, Pearson Longman, etc.).

The other growth field in publishing is in educational textbooks, whose sales jumped by 65% in the period 1969 to 1972 alone. Yet here again, this is precisely a field requiring large financial backing and, increasingly, export organization. Thus publishing has quite clearly responded to pressures with massive consolidation and industrialization. The proliferation of titles in the desperate search for large-scale successes have sucked the industry into a financial expansion that has totally changed its character.

(ii) ***The** Press*

The period since 1945 has been one of perpetual crisis for the press, littered with commissions, enquiries, and obituaries for dead newspapers. For a few years after the war, newsprint rationing kept costs low and advertising was a seller's market. But costs rose by between 70 and 140% from 1957 to 1965, especially newsprint and labour. This rise in fixed costs led to a rise in the break-even point (the recovery of "first-copy" costs) putting a premium on high circulation to spread costs.[14]

Inevitably prices reflected this cost inflation, and many national dailies doubled, or even trebled their cover price between 1959 and 1971. The resulting decline in circulations reflects both a decreasing willingness to buy two newspapers, and a growing use of television as a primary source of information and entertainment.

However, the overall circulation decline (of 11% between 1961 and 1971) disguises variation within the press. While "popular" dailies have lost most sales the "qualities" have in fact steadily risen in circulation, though remaining a small absolute part of the market. The problem for the populars is their high survival threshhold, given that roughly two-thirds of their income is sales revenue, while the qualities get nearly three-quarters of their income from advertising. Thus a newspaper like the *News Chronicle* can disappear with a circulation of well over a million.

These problems are reinforced by the problematic nature of advertising. The advertising industry grew comparatively slowly through the sixties and its proportional contribution to newspaper revenue in fact declined. In addition, commercial television, though largely creating its own new advertising revenue, reduced the share of advertising going to the national press from 34% in 1956 to 18 per cent in 1971, (though newspapers more of less held their own through the sixties by keeping rates very low).[15] The variations within advertising reinforced the revenue pattern. While the advertisers of consumer goods, food, and drink switched from the national populars to television, classified advertising of jobs, property and services expanded and contributed to the comparative vigour of the quality and provincial press.

Thus only three or four of the national dailies are profitable and the spectre of closure haunts Fleet Street despite occasional bouts of optimism and the recent surge of the *Sun*. The response has been twofold. Firstly, newspapers have merged into groups, with each other, with provincial chains, or with other publishing interests. Secondly, in order to stay alive, they have joined diversified industrial groups able and willing for whatever reason to support loss-making newspapers.

(iii) *Broadcasting*

Despite the golden age when commercial television, in Lord Thomson's immortal phrase, was 'a licence to print money', broadcasting has more recently foundered in the same sea of pressures as the other media. Advertising revenue has been uneven and unpredictable, rising only slowly through the 'sixties and hardly at all in 1969–71. Depressed profits in some of those industries providing the bulk of television advertising in the late 'sixties (like food manufacturing, hit by the power of the chain supermarkets) lay behind this uncertainty.

At the same time the levy on television advertising revenue was beginning to bite. Introduced in 1965 the levy immediately represented over 25% of the costs of network companies. By 1969 the levy was extracting over £25 million and represented nearly 40% of costs for the big five network companies.[16] The levy was reduced by the Conservative government in 1971 by £10 million.

The problem of revenue was exacerbated by the spread of television ownership. By 1968 virtual saturation point had been reached with over 15 million licences in operation. If there is no increase in the audience there can be no increase in advertising revenue, especially in view of the growing power of agencies to keep rates down and enforce discounts. The option is to increase broadcasting time, as duly occurred in 1972 after a resurgence in the advertising industry, increasing the demand for an extra commercial channel.

The ITV audience has not just remained static, however, it has actually declined since the arrival of BBC2 in 1964 enabled BBC1 to compete aggressively for ratings.. Where ITV had something over two-thirds of the audience in the early 'sixties this figure gradually dropped to 54% by 1972.[17]

The final factor in this catalogue of pressures was the rapid rise in costs created by the introduction of colour, and the increased production of expensive programmes for the American market. Total costs rose by about 50% between 1965 and 1970.

The BBC has been far from immune from pressures. Increased costs with the expansion of the second service, and the spread of colour have created a situation which the annual report coyly described as 'financial inhibition'.[18] Despite licence fee increases in 1965, 1969 and 1971, by 1971 the BBC's accumulated deficit was over £6 million, and despite the recent drop in this figure as more colour licences are bought, the bailing out of the BBC is now a permanent feature of its political environment.

(iv) *Cinema*

The cinema has been a major victim of changing leisure patterns. Since the peak of admissions in 1946 of 1,635 millions they have shrunk steadily and dramatically to 182 million in 1972. In the same period the number of cinemas has contracted from 4,703 to 1,510. The major villain, of course, is television, particularly after the rapid expansion of set ownership in the late 1950s. The result has been government assistance, contraction, and a reliance on American finance, as well as the concentration which we consider later.

Government aid has been by legislation in the form of quotas against foreign films, by a statutory levy on seat prices, redistributed among British film producers according to box-office success, and through the National Film Finance Corporation which provided funds for domestic production, particularly by support of *British Lion*. However, the failure of the latter had, by 1971, prompted the Corporation to withdraw from independent support of films and instead to concentrate on financing strictly commercial films in conjunction with a private consortium.[19]

The other response to contraction was the acceptance of massive American backing as the domestic market in the USA sank in the wake of television. The proportion of feature films on the two dominant circuits which were American-financed doubled from 43% in 1962 to 88% in 1968. However, problems in the American film industry have depeleted much of this support and the proportion has fallen steadily over the last five years.

(v) *Records*

Unlike the cinema, the record industry has been a beneficiary rather than a victim of changing leisure patterns. Whereas the profitability of almost all the other media sectors declined between 1967 and 1971, the record market expanded at an annual rate of 11%.[20] This growth is due largely to the increasing importance of the youth market for pop music. In fact, the various sorts of pop account for just over 90% of the total record market.[21] Undoubtedly, the most significant recent trend in the record industry has been the rise of the long-playing record. LP's, which now account for over 60% of record production and sales, have become the industry's principal financial prop. The period since 1967 has seen some reduction in the dominance of the two "major" companies—EM1 and Decca. Whereas in 1967 their joint share of the LP market was 58%, by 1970 the figure had dropped to 32% and by the end of 1972 to 27%.[22] However, this vacuum has been filled not by the independents but by other major companies.

(c) THE DIMENSIONS OF CONCENTRATION

The increasing concentration of control and influence in the hands of a few large companies is the outcome of three interlinked but analytically distinct processes: integration; diversification; and internationalization.

(a) *Integration*

There are two main types of integration: horizontal integration, where firms acquire additional units at the same level of production, and vertical integration where they acquire units at different levels. Both types of integration are accomplished by the familiar mechanisms of mergers and take-overs. The period 1967–70 saw a boom in both mergers and take-overs. In those four years, commercial and industrial companies spent almost £5,000m on acquisitions—considerably more than the total for the whole of the preceding sixteen years.[23] Media companies were part of this general trend. Horizontal integration enables companies to consolidate and extend their control within a particular sector of media production and to maximize the economies of scale and shared resources. The most notable example within publishing was the acquisition by reverse take-over of Penguin Books, the world's largest paperback house, by Pearson Longmans, one of

Britain's largest publishing corporations. An important instance within the newspaper industry was the acquisition of two leading "qualities", the Times and the Sunday Times, by the Thomson Organization, which at that time was already the world's leading newspaper corporation with almost ninety newspapers in the USA and Canada, and over fifty provincial and local papers in the United Kingdom.

Vertical integration occurs when a company with interests in one stage of the production process extends its operations to other stages such as the supply of raw materials, the provision of capital equipment, and the organization of distribution and retailing. This considerably reduces the company's vulnerability to fluctuations in the supply and cost of essential materials and services and enables it to regulate and rationalize production more precisely and to increase its control over the market. The most significant instance of vertical integration occurred in 1970 when the leading British newspaper and magazine publishers IPC merged with the Reed Group Limited, an international corporation with interests in wood, pulp, papers and newsprint. The resulting company, Reed International Limited, has interests in most stages of newspaper publishing, from raw materials to retailing. Another notable example of vertical integration cocurred in the film industry when Electrical and Musical Industries Ltd. (EMI) acquired the Associated British Picture Corporation in 1969. This gave the corporation a substantial interest in both film production and exhibition. Then, in 1970, EMI acquired Anglo Amalgamated Film Distributors Ltd., which gave the group an interest in every stage of film production, from finance through production to distribution and exhibition. These, and other less spectacular moves towards vertical integration, have considerably accelerated the shift from differentiation to concentration.

The overall result of these twin integrative processes has been to consolidate the control of the four or five leading companies within each media sector. The following table summarizes the current situation in selected sectors.

Proportion of the Total Market Accounted for by the Five Leading Companies in Selected Mass Media Sectors.[34]

(Percentages are rounded off to the nearest whole number)

National Morning Newspapers: % of circulation	*86%*
National Sunday Newspapers: % of circulation	88%
Network Television: % of television homes served	**73%**
Paperbacks: % of domestic production (1971)	86%†
Mid-price long playing records:* % of market	69%
Cinema Exhibition: % of admissions:	78%

† denotes estimate * Mid-price = 99p to £1.98p ‡ Top Four Companies

Although incomplete, the above table clearly indicates that the ownership and control of the British mass media tends to be highly concentrated, with the five leading companies in each sector accounting for 69% or more of the market.

Concentration of ownership is most marked in the national press, with the "Big Five" accounting for well over 80% of the circulation of both the national dailies and the Sundays. A more detailed account of the breakdown of market shares is given below.

Proportion of National Newspaper Circulation Accounted for by the Leading Five Companies (June 1972)[25]

	Morning Daily	Sunday	All Newspapers*
Reed International	30.0	40.5	30.3
Sews International	18·0	24·6	17.6
Beaverbrook	23.3	16.1	16.5
Associated Newspapers	11.9	—	7·3
Thomson Organization ..	2·4	6·8	7.3
Total Market Share	85.6	88.0	79.0

* Includes provincial press.

The national "daily" market is dominated by the four leading "populars". Heading the list and still well out in front is Reed International's *Daily Mirror*, followed by Beaverbrook's *Daily Express,* News International's *Sun*, and Associated's *Daily Mail*. The "quality" end of the spectrum is dominated by the *Telegraph* with 10% of the total "daily" circulation. *The Times* and *Guardian* come a poor second and third with just over 2% of the circulation each. Pearson's *Financial Times* accounts for just over 1%. The national Sunday market is even more concentrated, with the leading three companies taking just over 80% of the circulation. Half of this is accounted for by the two Reed papers, the *Sunday People* and *Sunday Mirror*, followed by News International's *News of the World* and Beaverbrook's *Sunday Express*. The "quality" sector is convincingly headed by Thomson's *Sunday Times* with just under 7% of the total circulation, the remainder being split almost equally between the *Observer* and the *Sunday Telegraph.*

Concentration in the provincial daily press is less marked. Nevertheless, the five leading companies in this sector still account for 60.7% of the evenings' circulation and 39.9% of the mornings'. Of the major national groups only two have a substantial share: Thomsons with a fifth of both the mornings and evenings, and the Daily Mail group with

13.9% of the evenings and 3.3% of the mornings. The other leading provincial daily groups are United Newspapers, and the family concerns controlled by the Iliffes and the Cowdrays (Viscount Cowdray is also chairman of S. Pearson whose publishing subsidiaries include the Financial Times and Pearson-Longmans.)

The initial allocation of commercial television contracts concentrated control in the hands of the four companies serving the major population centres. Associated-Rediffusion provided weekday programming in the London area, ATV served London at weekends and the Midlands during weekdays, Granada provided weekday television in the North, while ABC filled the weekend slots in the North and Midlands. The remainder of the country was divided into ten regions each served by its own company. The primary task of these smaller regional companies was to produce local news bulletins and other programmes of local interest. The rest of their air-time was filled by programmes produced by the four network companies. When the commercial television franchises were re-allocated in 1967, the number of network companies was increased from four to five. Weekday London programming was awarded to Thames and the weekend slot to London Weekend; ATV served the Midlands, while the North was split between Granada and Yorkshire Television. These five network companies together serve 73.2% of the television homes in Britain and receive around two thirds of ITV's gross revenue. In theory the pattern of contractors was originally "designed to spread responsibility for making programmes over as many companies as the expected advertising revenues would support and to provide (very roughly) equal revenue potential for each company".[26] In practice, however, network programme planning provides a functional equivalent to integration, and the five network companies produce all but a tiny handful of prime-time output. The recurrent problems of the ITA with regard to franchise allocation and the like reflect the permanent contradiction of a state regulatory agency attempting to control a commercial system.

Integration in publishing has gradually split the industry into two groups. Old independent publishing houses like Faber and Faber, or Routledge and Kegan Paul, maintain their independence and survive on small steady returns on capital. Meanwhile many firms have been forced along the several dimensions of concentration to cope with the mass marketing and export methods now the lifeblood of British publishing.

Associated Book Publishers are a major example of a group of medium-sized publishers taking advantage of joint operations, though, like many general publishers they are glad to get a return on sales of 4 or 5%.[27] The group includes Methuen, Eyre and Spottiswoode, Sweet and Maxwell, and Chapman and Hall. The major university presses remain secluded havens of indeterminate profitability. Concentration in publishing is generally difficult to calibrate, especially in the hardback market where it is not yet particularly important anyway. But as early as 1949 Sir Stanley Unwin estimated that "about 85% of the total book turnover is represented by the sales of at most fifty firms".[28] *The Economist* in 1958 estimated that the ten largest publishers issued 23% of all new titles that year. Luckham in 1969 modified this to the six largest producing nearly 30%.[29] These six were Hamlyn (purchased by IPC, itself now part of Reed International), Collins, Penguin (part of the Pearson Longman empire), A. B. P., Hutchinson, and Routledge and Kegan Paul. At the same time bookselling had also become highly concentrated; by 1965 80% of the trade was going to 10% of the booksellers.[30]

The paperback publishers are integrated into groups with parent diversified companies. Pearson Longman control Longman hardbacks as well as Penguin, and Ladybird books. Granada Publishing comprises Adlard Coles, Crosby Lockwood Staples, and Hart-Davis MacGibbon, as well as Mayflower, Panther, Paladin and a substantial holding in Chatto and Windus, and Cape. Lord Thomson controls, among others, Thomas Nelson, Michael Joseph, Hamish Hamilton, Rainbird, and Sphere. Of the other major paperback imprints Pan is jointly controlled by Macmillan and Heinemann, Corgi by the American publishers Bantam (themselves part of the National General Film Corporation), and Fontana by the giant Collins publishing house.

In 1968 British film production was dominated by American companies. Then in 1969 Hollywood experienced a crisis as five of the seven major companies lost a total of 180 million dollars, and as part of the resulting rationalization, investment in the British film industry was cut back by 40%. Because of the sums required, only the large companies such as EMI and Rank were in a position to step into this vacuum. The American film industry has recently undergone something of a resurgence, but in 1972 EMI continued to lead British production with nine films, followed by the Rank Organization and the Laurie Marsh group with six each. The other notable feature of the present situation is the rapid growth of independent producers, a point we shall return to later. The main trends in British film production are summarized in the table below.

Between the film producer and the public stand the intermediary stages of distribution and exhibition. At the level of distribution the influence of the reciprocal arrangements and combines of the dominant groups is decisive. In 1972 for example, sixteen of the top twenty box office films in Britain were distributed by the three major coalitions; seven by the Columbia–Warner group, six by the EMI–MGM combine, and three by the Fox–Rank group.[32] At the exhibition level, only the large companies have the capital required to undertake the extensive alterations to cinemas necessary to attract the declining audiences. This had the effect firstly of consolidating the duopolistic domination of the EMI and Rank chains, and secondly of driving the smaller chains into the hands of large companies such as Granada and the Laurie Marsh group, who have interests in a wide range of leisure facilities. The only other significant cinema chain is the Star group.*

British Film Production in Selected Years.[31]

Number of films produced by:	1968	1972
LEADING AMERICAN COMPANIES	54%	23%
LEADING BRITISH COMPANIES	14%	31%
INDEPENDENTS	13%	30%
Total Number of films produced	81	84

Since 1968, when they accounted for half the records produced, Long Playing records have rapidly increased in importance until they now constitute over 60% of total record production and contribute the bulk of the record industry's profits. LP's can be divided into three main types on the basis of selling price; budget record (selling for under £1) mid-price (£1–2) and full price (£2+). The budget market is dominated by two companies—the Minnesota-based Pickwick International and EMI'S Music for Pleasure. Pickwick currently claim to be running just ahead of MFP with 40% of the market. The mid-price market is dominated by the two leading British "majors", EMI and Decca, whose joint market share stood at 50.6% in the last quarter of 1972.[33] At the full price range, however, their joint share drops to just over a quarter (25.6%). However, this gap is filled not by the independents but by the other leading companies, most notably CBS and RCA, the two giant American corporations, and Polydor, the record subsidiary of Siemens, the German electronics combine. Recently the American marketing firms of K-Tel and Ronco have been making a significant impact, re-releasing material leased from the majors on records backed by extensive TV promotion. At the end of 1972, K-Tel's share of the full price market stood at 10.3%. Despite this increasing complexity, however, taken overall, the record market continues to be dominated by EMI.

* In 1972 Rank accounted for 27% of cinema admissions, EMI for 25%. The Marsh Group for 14%, Star for 12% (*Retail Business* No. 177).

(b) *Diversification*

In addition to consolidating their position within a particular medium through mergers and take-overs, the larger companies have increasingly diversified their interests and acquired holdings in a range of leisure and information-providing facilities. Diversification enables companies to hedge their bets and to cushion the effects of recession in a particular sector. The Associated Television Corporation Limited (ATC) provides a good illustration of how this works in practice.

ATC's operations are split into two main divisions; network television represented by ATV which serves the Midlands, and the "diversified interests". These include a film-making subsidiary ITC, Pye records, Northern Songs (which holds the rights to 200 of the Beatles' most popular songs), the Stoll Theatre group which includes the London Palladium and ten other West End theatres, Planned Music Limited, and a merchandising company, Century 21 Enterprises. In July 1969, the levy on the turnover of the commercial television companies was increased, and in the words of ATC's Chairman, Lord Renwick, "This . . . immediately produced a crisis which changed the whole financial structure of Independent Television and endangered the very existence of some companies not protected by diversified operations."[34] The post tax profits of Westward TV which serves the south-west of England, for example, dropped from 139 thousand pounds in 1969 to 64 thousand in 1970.[35] ATC however, was "protected by diversified operations" most notably its film and music interests, as the table below clearly shows, and these cushioned the effects of the Levy on the company's profitability.

Proportion of ATC's Pre-tax Profits Accounted for by Selected Activities: 1969–1972[36]

	1969	1970	1971	1972
Network TV (ATV)	**49%**	11%	**17.5%**	51·5%
Film Production and Distribution	**22%**	41%	32%	21%
Records and Music	**12%**	**32%**	**38%**	24%
Pre-tax profits (£ mill)	**5.6**	**5.3**	**4.9**	6·2

During the period of financial stringency in the television industry, the share of profits attributable to ATV dropped from around a half to under a fifth, and the gap was filled by the expansion of the record and film interests. During the summer of 1969 for example, more ATC productions were screened in "prime time" on American networks than any other single producing company with the exception of MCA-Universal. The success of the diversified activities was not entirely sufficient to maintain profits but it certainly cusioned the effects of the levy. Then, as the domestic television situation improved, the balance of profits attributable to network operations and to the diversified activities evened out again to around fifty-fifty and overall profitability increased substantially.

As well as providing a cushion against recession in a particular sector, diversification (whether through direct acquisition, investment or reciprocal arrangements) enables a company to capitalize on a conimodity's success in one sector by marketing spin-offs in a number of other sectors. Here, for example, is ATC's write-up of the success of "The Persuaders".

> "'The Persuaders', featuring Tony Curtis and Roger Moore, has been sold to more than 62 countries. American Broadcasting has scheduled the re-run of 13 episodes. . . . the theme, composed and recorded by John Barry, has sold more than 116,000 records in the U.K. Pan Books have sold 180,000 paper-backs based on the series."[37]

Diversified activities are becoming increasingly important, and in several leading media companies they already account for more than half the annual turnover.[38] For example, although IPC is the country's leading newspaper publisher with 30.3% of the total circulation, IPC only accounted for 30% of Reed International's 1972 turnover. Similarly, in 1972 over half the turnover of the Thomson Organization was attributable to activities other than newspaper publishing. They included book and magazine publishing and trade exhibitions (24.6%) and package holidays (27.6%).

Granada and Rank provide other prominent examples of media companies with diversified leisure interests. In 1972 for example, 40% of Granada's turnover came from TV set rental, 36·2% from network TV operations, 7·9% from motorway services, 6·2% from cinemas and Bingo, and 5·6% from publishing. Similarly, 28·4% of Rank's 1972 turnover came from TV and radio-set manufacture, 19.9% from film exhibition, 15% from audio-visual equipment manufacture (notably Leak Wharfdale hifi sets), 7·7% from hotels, restaurants and motorports, and 7·2% from Dancing and Bingo. Rank also hold 37.6% of the ordinary shares of Southern TV, one of the main regional TV companies. However, undoubtedly the most spectacular example of diversification is provided by EMI, which in addition to heading the record industry and having a substantial stake in all levels of the cinema industry, holds just over 50% of the voting shares in Thames TV, the most successful network company. In 1972, records and tapes accounted for 55% of EMI's turnover, film interests for 15%, TV interests for 7%, and electronics and TV manufacture for 23%. Recently EMI have extended their diversification policy even further with the acquisition of the "Golden Egg' restaurant chain, and investments in the Swindon Cable TV station and in the Brighton Marina complex.

In addition to consolidating and extending their control within and across the various media sectors, the big companies are also becoming increasingly intermeshed through joint investments, reciprocal shareholdings and interlocking directorships. The pattern is immensely complex, but the following instance provide a simple illustration of the emerging network. Among the EMI directors is Lord Shawcross, who is a director of Times Newspapers in the Thomson Organization, and Chairman of Thames TV. Similarly, the ATC board includes representatives of the two leading newspaper groups, Sir Hugh Cudlipp, Deputy Chairman of Reed International, and Sir Max Aitken, Chairman of Beaverbrook. In addition EMI and ATC are linked through the Grade family. After the Second World War, the two Grade brothers, Lew and Leslie, established an actors' and artists agency, while their half-brother, Bernard Delfont, built up his own agency business. The two companies later merged to form the Grade Organization under the direction of Leslie Grade and Bernard Delfont. In 1967 the Grade Organization was acquired by EMI, but Delfont continued as chairman and the Grade family retained its interests. Currently, Bernard Delfont is Chairman of the EMI Film and Theatre Corporation Ltd. and Lew Grade is Deputy Chairman and Chief Executive of ATC.

(c) *Internationalization*

The third aspect of concentration is the internationalization of the media, embracing export and foreign investment as well as foreign ownership of British media companies. Exports play an increasingly important role for all media industries and most of all in publishing. Book exports rose from 29% of total sales in 1949 to 47% in 1969. Educational tests flow in growing profusion to the Third World and in 1972 made up over 20% of British book exports (a proportion nearly doubling in four years).[39] The old slogan that "trade follows the book" has been outmoded by the book becoming the trade.

Similarly the export of TV programmes is an ever-more important source of income for both the BBC and the larger independent companies. ATC derived 31% of its sales revenue from overseas in 1971–2 and has been a leader in the growth of the British programme export drive under the inspired control of Sir Lew Grade. The potential of TV film exports was healthy enough to encourage ATC's chairman, Lord Renwick, to announce last year an investment programme of £7 million to back it up.[40] Production for the foreign market encourages mid-Atlantic innocuity and expensively superficial slickness, as well as feeding back onto domestic production styles and resources.

This is not a development that has left the BBC untouched, suffering as it has been from the permanent nightmare of "financial inhibition" and the impending reorganization of broadcasting. In 1971–2 the income of BBC Enterprises, the marketing wing of the Corporation, rose by 11% and contributed about a fifth of the total surplus on the year's working.[41] Total programme sales to nearly 100 countries amount to about £2½ million. The success of BBC programme sales is a rare glimmer in a preponderantly gloomy financial atmosphere. It joins merchandising, and record sales (over 150 titles in 1972) among the extensions of the BBC's commercial activities. Co-production with Time-Life and other organizations adds to this growing nexus.

Internationalization also involves overseas investment by media companies. The participation of news media in imperial expansion was crucial both as the communications arm of the empire and as a source of revenue for the media. In most colonial countries local indigenous newspapers were either started by British companies or later succumbed to competition from them (the chain of IPC newspapers in West Africa is a good example of this). Most television stations in colonial territories have been set up by British companies who continue to service them with programme material, training, and equipment.[42]

Direct investment in Europe is a more recent and growing form of internationalization. The Thomson Organization have considerable interests in German newspapers, and like many media firms are preparing for the impact of entry into Europe. EMI own record companies in virtually every European country, and indeed all over the world, while Ranks have film exhibition interests in Holland and laboratories in Italy.

Foreign, mainly American, ownership of British media has further consolidated the monolithic character of the industry, though with the flight of American capital from the ailing film industry, the frequent lack of success of American publishing interests in taking over British firms and the enduring insularity of most of the press (despite the Australian Murdoch and the Canadian Thomson) this aspect of internationalization is frequently overstated at the expense of other more subtle relationships.

The complexity of these relationships is in part a facet of the wider face of what is frequently stigmatized as "cuitural imperialism" or "the cultural offensive", in which British media are but part of a global marketing system as yet incompletely documented. American televison film series dominate international programme sales, amounting to nearly 200,000 programme hours in 1971, and providing a revenue that year of approximately 85 million dollars.[43] For all but a very few non-Communist nations television is an American medium. On the other hand the two dominant news films agencies, Visnews and UPITN, are British-based (the latter being half American). The international traffic in newsfilm (and in a visual medium this dominates news selection) is a major part of the export of cultural material from the developed countries to the Third World, and is a more concentrated version of a similar one-way flow through the news agencies.

Internationalization, then, shares with other aspects of concentration the effect of consolidating the necessary commercial constraints on cultural production. As an increasingly evident response of the media to domestic economic pressures involvement in the international market is an inevitable development of later media industrialization.

III. IMPLICATIONS

To turn to the implications of these structural processes we need to avoid two common inferences. One is to condemn the wickedness of monopoly and concentration in the media *per se*, leaving aside the reasons for such denunciation. The second is to produce anecdotal accounts of isolated incidents of suppression or manipulation. It is far more relevant to a political economy of the media to establish the general and systematic constraints on information and leisure provision which result from the necessities of survival and profitability in the industries providing them.

(a) The Constriction of Choice in Leisure and Entertainment

The process of producing mass media output is a dual one. For the owners, investors and managers media products are commodities to be packaged, promoted and marketed in the same way as any others. As EMI'S Chief Executive put it: "I . . . firmly believe that running a business in the leisure industry is basically no different from running any other. . . . the same principles of management must and do apply. . . . We in the leisure industry have to examine market potential, identify growth areas, set up a sound and imaginative marketing plan to exploit the situation."[45] For many of the people who actually make them, however, media products are not simply commodities but media for creative expression. This balance between commodity production and creativity is a precarious one however, and one which is ultimately framed and determined by the general economic context within which production takes place. In periods of economic stringency, the criteria of cost-effectiveness are likely to be decisive with the result that production will be characterized by a systematic rejection of the unpopular and the reversion to formulae with a proven market and profit potential. An illustration from television will show this process in operation.

During the pressure on television profits in the period 1969–1971, the programme companies' total costs remained constant at £64·8 mill. Direct programme cost, however, fell by £1·5 mill. indicating that companies were responding to fiancial pressures by originating fewer new programmes and relying instead on repeats of previous successes or on programme formats which are cheap to broadcast and which have proven audience appeal and therefore high revenue potential.[46] The following table gives some estimates of the relative costs and audience potential of various categories of programmes.[47]

	Cost per broadcast hour in £1,000	Likely audience in millions
Saturday Feature Film	4	10–20
American series (e.g. "Ironside")	4	9–10
Studio show (e.g. "Opportunity Knocks")	4	9
Situation comedy (e.g. "On the Buses") ..	15	11
Documentary (e.g. "World in Action") ..	10–15	6
Play (e.g. "Play of the Month")	25	3
Arts programmes (e.g. "Omnibus") ..	8	2.5

(N.B. Costs are based on 1970 figures).

The table clearly indicates that the most profitable programmes in the sense of those that involve the minimum costs for the maximum audience and hence advertising revenue, are repeats of successful American series, old cinema films, studio shows such as give-away quizzes and talent contests, and also comedy shows. Conversely, thk least profitable programmes are arts programmes, documentaries and plays. An example of this logic of profitability operating in practice is provided by the case of London Weekend Television (LWT).

LWT was awarded the contract to serve the London areas between Friday night and Saturday night on the basis of a submission which stressed "respect for the creative talents of those who, within sound and decent commercial disciplines, will conceive and make the programmes".[48] Substantial innovations in the fields of documentary, drama, and arts programmes were promised. As the economic situation of the television industry worsened, however, respect for "creative talents" was increasingly subordinated to cost-benefit criteria. The programmes shown at peak viewing time on a typical weekend in August 1971, for example, included three old. cinema films, three comedy shows, two quiz shows and a repeat of an American crime series. The documentaries, dramas, and arts programmes promised in the original submission had either been axed altogether, allowed to continue with substantially reduced budgets, or broadcast at non-peak viewing times, thereby restricting the range of programmes offered to repeats and revivals of past successes.

in addition to the advertising revenue accruing to domestic transmissions, television companies can also boost their profits by selling programmes abroad. The need to produce programmes that will fit easily into the schedule of the American networks imposes certain restraints on the creative personnel. In order to accommodate the frequent advertising breaks, for example, American oriented programmes have to build around a series of dramatic peaks punctuated by fade-ins and fade-ups. In addition, the need to produce a programme that will appeal to most people in most places necessitates the deletion of any elements which are too localized or culturally specific and a reliance on international "name" stars against "jet-set" backgrounds. The resulting mid-Atlantic style is epitomized by the ATV series "The Persuaders" and "The Protectors", both of which feature an English actor paired with an American (Roger Moore—Tony Curtis and Nyree Dawn Porter—Robert Vaughan) against interchangeable penthouse—casino—yacht locales. Morcambe and Wise, the most successful British comedy team, have consistently refused offers of American series on the grounds that it would mean deleting many of the local and topical references and running jokes which characterize their humour. The high priority placed on a programme's export potential also reinforces the squeeze on documentaries as these tend to be both geographically and temporarily specific.

The exclusion of the untried and the reliance on the familiar and already popular are also very evident in the cinema, where both the top two box office films of 1972 ("Diamonds Are Forever" and "The Godfather") were based on best-selling paperbacks, while four others in the top twenty were adapted from successful televison comedy series. A parallel situation is beginning to emerge in the record industry, where the success of marketing companies like K-Tel in re-releasing recent hits has forced the majors like EMI to follow suit. As a result, pop records are increasingly taking on a double economic life, first as a Top Twenty "single", and then, months later, as a track on a compilation LP.

However, it is not just a question of the increasing control of the large media companies over a particular media sector or even several sectors, but also of their increasing influence over the whole field of non-work time. In 1971 spending on the mass media and entertainment accounted for 9·3% of all consumer spending, while spending on drink, and eating out and holiday accommodation accounted for 7·2% and 5·2% respectively.[42] This fact has not been lost on the large media corporations, who have been attempting to branch out into pubs, catering and holidays. The Rank Organization, which already has interests in film, television, bingo, dancing and also in the Xerox Corporation, recently acquired Butlin's holiday camps and narrowly failed in its bid for Watney Mann's brewery and pub chain.

In the 1972 Annual Report, the Company Chairman, Sir John

Davis, explained the rationale behind what he called the "Rank Philosophy".

> "The Rank Organisation has developed its leisure interests, originally only in films, but now including hotels, entertainment centres, dancing and catering, Top Rank Clubs and motorway service areas, and many of the products which we sell are closely allied with leisure, such as television, radio and hi-fi equipment . . . The addition of Watney's with its new style Schooner Inns and the retailing outlets of International Distillery and Vintners, would have been an entirely logical step forward for the Organisation.[10]

Another example of a multi-media company extending its interests in catering, hotels and holiday accommodation is EMI's recent acquisition of the Golden Egg chain and their investment in the new Brighton Marina complex.

By the same token, companies who already have substantial interests in hotels, drink and food are moving into entertainment and media. An important instance of this is Grand Metropolitan Hotel's acquisition of the Mecca complex whose interests include bingo, dance halls, betting shops, casinos, ice rinks, bowling, the Clubman's Club, and the Miss World contest. The sugar empire of Booker McConnell provides another example of this movement. In this case it is the addition of an Artists' Services Division, which owns the copyright on certain works and employs artists' services, to their existing spirit and liqueur manufacturing interests. Included among the artists are Harold Pinter and Joseph Losey, and best-selling paperback authors Agatha Christie Georgette Heyer and Ian Fleming.

This increasing interpenetration of the media and general leisure industries is accompanied by increasing rationalization leading to the deletion of small units of relatively low profitability and the application of common management techniques and marketing strategies in the overall interests of corporate growth. The cumulative result of this is to increasingly restrict the variety of entertainment and leisure options on offer to the majority of people, and to standardize the content.

(b) *The Control of Information and the Consolidation of the Consensus*

In the same way that leisure facilities are restricted and regulated so too there is a limited range of information made available by the media. The range of interpretive frameworks, the ideas, concepts, facts and arguments which people use to make sense of their lives, are to a great extent dependent on media output, both fictional and non-fictional. Yet the frameworks offered are necessarily articulated with the nexus of interests producing them, and in this sense all information is ideology. To describe and explicate these interests is not to suggest a deterministic relationship, but to map the limits within which the production of mediated culture can operate. Cultural production retains a real autonomy derived from tradition, occupational ideologies and the genuine tolerance of the liberal consensus.

Nonetheless the crux of the system is that information is a commodity, to be packaged, distributed and sold in whatever guise and context guarantee commercial survival. For the press such survival is increasingly problematic and the desperate search for readers, the *right* readers, demands an increasingly moderate, apolitical, entertainment-oriented press. As the editor of the London *Evening Standard* has admitted, "even if a newspaper consistently loses money, but enjoys the support of an indulgent publisher with profits from other successful enterprises to meet the bills, the effect of loss making is certain to be felt in the editorial operation".[51] It will mean less space, less chance for background discussion, even greater reliance on the handful of agency sources, greater passivity, less risk-taking, the evacuation of politics.

News becomes a means of handling social change, a comforting reaffirmation of the existing order. Any threat is explained away at temporary, deviant or inconsequential. Underlying conflicts of interest and political process are reduced to a necessary concentration on the arresting mythologies of the superficial drama of legislative life. These limitations, as we show below, are part of the demands of commercial information production in a situation of economic pressure.

The British provincial press, too, survives at the end of an evolutionary process which has left just twenty provincial dailies, and no English town with a choice of local morning papers. Local monopoly is indulged under the benevolent but watchful eye of local business interests, or is rendered harmless by coalition into a national chain (five chains between them control 40% of the British provincial morning circulation and 59% of the evening). Not surprisingly "what is shared by most provincial papers . . . is the underlying motive of occupying the widest political field short of areas of hostility to business ideals",[52] the familiar conservative consensus of the local Dress.

Television news has been moved to the front line in the battle for viewers. Like the press, broadcast journalism has responded to economic pressure by assuming its unavoidable role in the ratings war as an entertainment commoditv. The intermittent experimentation with presentation and the need to select and present information in a visually exciting way impose their own constraints on the nature of the information portrayed. The invisible—commerce, Whitehall, Latin America, social process—gives way to the spectacle, reducing for example international relations to airport arrivals and departures and minor Third World countries to simple crisis-torn oddities.

Publishers of the old school have long resented the transformation of the book. For Sir Frederick Warburg only hard-book selling is "publishing in the sense we normally attribute to this word, and the paperback operation is commodity selling".[53] As an increasing number of titles is issued each year smaller sales of each put a premium on rights. The number of novels has not been part of this proliferation and "it is increasingly difficult for fiction of high literary calibre from rare or unknown authors to succeed in the paperback market, roughly a third of which is controlled directly or indirectly by W. H. Smith and the paperback wholesale house Bookwise."[54] As well as controlling nearly 500 retail outlets W. H. Smiths are wholesale newsagents and have subsidiaries in advertising, road haulage and cassettes, as well as running various book clubs jointly with Doubleday and Co.

We have argued throughout this paper that the relationship between the material interests controlling the media and the cultural products they provide is a complex one, not explicable in terms of conspiracy or conscious intent. The part played by the media in cementing the consensus in capitalist society is only occasionally characterized by overt suppression or deliberate distortion. If we are to explain why, in an inegalitarian society, many of those receiving least of the rewards available are willing to accept and even actually support the system which maintains their subordination, the role of the media in legitimating that system must be explored. To do that requires investigating not isolated instances of malignity but the routines of practice in the media industries.

Within the economic parameters we have already sketched, the necessary contingencies of information gathering and processing produce a cultural artefact which legitimates the consensus. This, we suggest, is because the routines and beliefs which survive in occupational practice are these which satisfy or become incorporated in occupational ideologies while at the same time serving the ends demanded by the economic constraints of the industry. To illustrate this we briefly look at some component *elements* of the consensus and the occupational practices which support them.

Firstly any consensus needs to assert that threatening opposition to the *status quo* is illegitimate and therefore punishable, or ephemeral and therefore not threatening. Thus the fragmentation of the consensus is not portrayed and rent strikes, "politically-motivated" strikes, squatting, alternative life-styles, and so on are ignored, condemned or denuded of political meaning. This is in large part related to the event-orientation of news, the need not to report reality but "an aspect that has obtruded itself",[55] and thus to concentrate on superficial eruptions and the dramatic, on form rather than content, so that, for example, demonstrations become happenings rather than manifestations of political process. Superficial conflict is made apparent by available overt symbolism, like race and religion, masking underlying conflicts of an unreportable nature.

In a similar way the constant reiteration of a national interest as having greater reality than sectional interests, invoking the Dunkirk spirit and its like, is part of an attempt to assert a "we-ness", a common community between medium and audience, to encapsulate the widest possible audience. At the same time it reasserts the campaigning function of journalism, turning a critical eye on scapegoats and guilty isolates. The "consent of the governed", a crucial postulate of any consensus, is commonly demonstrated by the conspicuous display of response by politicians to newspaper polls, serving the twin function of legitimating the role of the medium in the political process and exhibiting the good order of the democratic process itself.

Secondly, the consensus includes the notion of public debate being about the means to agreed ends, about which there are no residual fundamental disagreements, merely a pressing urgency to get on with the job at hand. The limits of debate are defined as those of the existing predominant political spectrum. The ideals of impartiality and objectivity grew from the 19th-century innovations of "reporting" and the early separation of journalism in Britain from party politics and its emergence as a full-time profession. The resultant fourth estate—watchdog ideology requires allowing "both sides" to have their say, which in turn sets the agenda of public debate, locating responsibility and truth somewhere in the middle space occupied by medium and audience. In translating impartiality and objectivity into working rules they inevitably become the balanced use of "accredited spokesmen".[56] But as the chief executive of one commercial television company has explained, "due impartiality does not require putting the case for things that have already earned the disapproval of the majority consensus". Necessarily too, the emphasis on immediacy produces a fragmentation of reality; the end of ideology is made concrete in a media world where things happen but nothing really changes.

A third claim of the consensus is that any residual dissent can be successfully articulated through existing channels of conflict resolution. In media practice this appears in the concentration of attention on central governmental processes, élite figures (those that seek publicity and those able to be sought) and on the metropolitan aspects of centralized industrial relations. To service this focus a vast army of lobby and other specialist correspondents has emerged both tied to and dependent on élite sources and central institutions. It is also a consequence of the easy dramatization of elections as spectacles, and indeed the greater visibility of all formalized politics.

As part of the general consensual notion that such change as there is lacks threat or great substance is a fourth notion; that of Britain's role in the world. Beyond ethnocentricity and stereotyping lie two more crucial sets of factors. In the first place the history and economics of news-gathering have located correspondents and agencies in a limited and uneven distribution over the globe, emphasizing British interests and the doings of ex-colonies. In addition the perceived need to interest audiences in an area with which they are felt not to be concerned produces a stress on British interest and personnel.[57]

Fifthly the consensus entails the idea of an open society and widespread mobility, the rags to riches mythology of the meritocracy which has figured prominently in the interview sections of business supplements in recent years. This is not just rooted in the fascination with personalities, but in the persistent paradox that in repeatedly reporting the unusual, the news media are suggesting that such phenomena are indeed usual and routine.

Finally, in asserting a shared set of values between medium and audience the consensual notion of a uniform moral community is reinforced, laying claim to what is generally accepted as right and proper, as well as to what is generally known. In this way reporting of the Fisher Report on Social Security "abuse" used phrases like "it did not need all the panoply of a government appointed committee to tell us there is enough abuse of social security to cause justified alarm" (*Telegraph*), or that "everybody has a shrewd idea of how much scrounging goes on in the social services" (*Mail*).[58]

Most generally news must be entertainment; it is, like all media output, a commodity, and to survive in the market-place must be vociferously inoffensive in the desperate search for large audiences attractive to advertisers.

IV THE POSITION NOW—CONTRACTION OR CONTRADICTION?

While any extrapolation of our historical schema would be tentative one aspect is worth introducing. In each of the media there is an increasingly apparent opposition between the social potentialities for redifferentiation and the trends towards economic concentration. New techniques permitting greater control by the consumer, greater fragmentation and localization, and cheaper production are quickly being enveloped in the same economic structure as described in this article. There is, in other words, a residual contradiction in the media between the material and social relations of production.

Such tensions in later industrial development are widely recognized. Dobb notes "the growing obsession of capitalist industry in its latest phase with the limitation of markets. . . . This is manifestly connected with the fact that the expansion of consumption and of opportunities for profitable investment have come to lag chronically behind the growth of the productive forces. . . ."[59] Some illustration from present changes in the media may illuminate this, as well as caution against the euphoria which often accompanies discussion of these new media technologies.

Developments in broadcasting revolve mainly round three innovations: cable, cassettes, and satellites. Cable or community-antenna television permits local programme origination, a multiplicity of channels, and ultimately two-way flows of diffusion. Yet the early experiments in this country do not yet suggest these possibilities will be fully exploited. Most of the finance and equipment for experimental CATV has come from the large media corporations and local programming has been minimal. As with local radio the problem of serving an area small enough to be a "community" in some sense yet large enough to be commercially attractive and viable looks likely to be intractable, and given the direction of ownership it will be the non-commercial goals which suffer.

Video cassettes and other forms of home recording and playback bypass programming decisions to grant the viewer control over what he views and when. Yet so far the video market has been merely an extension of existing concentrated production. ATC, which already has 30% of the pre-recorded tapes market, is a major producer of video tapes for export, and is well-established for exploitation of any new video market. If the American example is anything to go by the educational market (at present dominated by the large publishing corporations) and pornographers will be the twin beneficiaries of video.

Satellite broadcasting contains the promise of widespread international flows of material, ultimately directly to individual receivers. Yet here again the dominance of existing structures and a pricing system whose high threshold costs prevent the active participation of smaller interests seems likely to curtail major changes in usage.[40] Television traffic only represents 2–5% of total satellite flows in the face of a pricing policy which discourages much use and leaves the system with excess capacity.

The provincial and local press is the healthiest section of the newspaper industry. Provincial morning circulations rose 9% between 1961 and 1971 and the number of papers has actually increased. The introduction of web-offset printing, and computer and photographic typesetting, potentially encourage decentralized printing, while other developments point to direct home diffusion, the "telenewspaper" allowing selective reading of a wide range of printed material transmitted directly to individual homes. Yet much of this remains in the realm of fantasy, part of the grasping at straws of a fighting national press. Newspapers are becoming more like daily magazines, whose entertainment-orientation has bequeathed information provision to the broadcast media, and the leisure market to the proliferating and highly profitable specialist magazine sector (itself already highly concentrated). Further, the provicial press, as we have already noted' is predominantly a series of chains.

While the cinema is largely moribund, rekindled embers are to be found in the spread of smaller cinemas and in evidence that in Italy and the USA the fall in audiences is levelling off and the number of regular attenders actually increasing.[61] There has been a marked growth in club and cineaste cinemas. The number of twin- and multi-cinemas increased from 39 in 1969 to 113 in 1972. Independent production using cheap methods and minimal budgets is increasing too. But here again the new possibilities are totally dependent on existing organizational arrangements. While 70% of films are financial failures recurrent production by independent film-makers using new techniques requires financial backing, and this is limited to the major distributors who already dominate the market.[62]

Reaction against the growth of the corporation publishers has led to the birth of many small publishers in the last few years. While there were 1,054 publishers in 1950 there were over 1,600 twenty years later, over 1,500 of whom publish less than 50 titles a year each.[63] New forms of printing technology have given birth not only to coffee-table and art books, but also to cheap methods of lithography and a willingness to accept unjustified type-setting that potentially open up the publishing industry. Distribution has on the whole resisted the process of concentration, though the acquisition of wholesale Library-suppliers by McGraw Hill may be the start in a new trend of vertical integration, as may the exclusive arrangement between W. H. Smith and Octopus Books. The other implications for books "is that publishers should diversify into the areas of non-book publishing which will match up with the market demands induced by technological development".[64]

V CONCLUSION

We have tried in this essay to sketch the causes and implications of the political economy of the mass media. The complexity of power relations in capitalist society demands an analysis of the means by which these relations are legitimated. Mass communications are central to legitimation, and, we contend, can only be understood in the light of historical process and economic necessity as we have begun to delineate them here.

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27. Annual Report and Accounts 1972.
28. Letter to the *Economist*, 15 October 1949.
29. B. Luckham: The Market for Books, in R. Astbury (ed.); *The Writer in the Market Place.* London, Clive Bingley, 1969. pp. 153–176.
30. G. E. Harris; The Book Trade in R. L. Collison (ed.); *Progress in Library Science*, London, Butterworth, 1968.
31. Calculated on the basis of figures given in *Cinema TV Today*, *6* Jan. 1973.
32. *Cinema TV Today*, 30 Dec. 1972.
33. Music Week, op. cit.
34. *Associated Television Corporation Limited Annual Report and Accounts* 1970, p. 4.
35. *Westward TV Report and Accounts* 30 *April* 1970, p. *7*.

36. This table is derived from the figures given in the ATC Annual Reports for the respective years.
37. *Associated Television Corporation Ltd. Annual Report and Accounts* 1972, p. 11.
38. The figures for the proportion of turnover are calculated from figures given in the 1972 Annual Reports of the respective companies.
39. See M. Deane; United Kingdom Publishing Statistics, *Journal of the Royal Statistical Society,* Vol. 114, Series A, 1951, pp. 468–489; and Board of Trade Business Monitor Production Series, p. 75. *General Printing and Publishing,* quarterly returns, from which our figures are calculated.
40. Annual Report, 1972, p. 4.
41. *BBC Annual Report and Accounts 1971/2.* Cmnd. 5111, sess. 1971/2. London, HMSO, pp. 17–19.
42. See P. Elliott and P. Golding; *Mass Communications and Social Change,* paper given to 1972 British Sociological Association conference, forthcoming in conference anthology.
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55. W. Lippmann's classic definition in *Public Opinion,* Macmillan Paperbacks Edition, New York 1961. Chap. 23.
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62. See interview with Tony Garnett in *7 Days,* 12/1/1972.
63. See *M*. Deane; United Kingdom Publishing Statistics, op. cit. Comparative figures calculated from *The Bookseller,* 22/1/1972.
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