Capitalism and the Mass Media

UNTIL THE EARLY YEARS of this century Australian mass communications comprised essentially the press. Press proprietors, including metropolitan press proprietors, were not big businessmen. The amount of capital required to start up a new city newspaper was very small, compared with today, when a figure of ten million dollars would represent a bare minimum. Newspaper proprietors were almost as numerous as newspapers.\(^1\) This last is a point of some significance, especially when one considers that today the remaining Big Four city press rings (Herald and Weekly Times Ltd., Melbourne; John Fairfax Ltd., Sydney; Australian Consolidated Press Holdings Ltd., Sydney; News Ltd., Adelaide-Sydney) completely control the surviving fifteen big-city dailies, as well as the several weeklies (e.g. Consolidated Press's \textit{Women's Weekly} etc.) and specialist papers (e.g. Fairfax's \textit{Financial Review}).\(^2\)

Although even in those days the press as a whole spoke prevailingly for some section of the Establishment, there were few, if any issues, on which the press spoke entirely with one voice on behalf of one class. The situation was to some extent competitive and also the press owner, or owner-editor, was not for the most part so heavily involved with his backers and clientele as to render the notion of an Australian 'free' press as utterly ridiculous as it is today.

But today the liberal tradition of 'independence' of press ownership and 'freedom of the press' as a specially important case of freedom of speech, continues on in the equation of this independence and freedom with its antithesis, monopoly one-class ownership of the right to public communication. The liberal phrases remain the same, the historical reality is strikingly different. To begin with, economic survival in industrial and post-industrial society depends upon bigness. This helps to explain why press interests moved in on commercial radio during the nineteen-twenties and thirties and on commercial television during the nineteen-fifties. These are plain ordinary examples of horizontal monopoly trends in capitalist enterprise, although radio and television

\(^2\) See H. A. Mayer, \textit{op. cit.}, and Annual reports of the Australian Broadcasting Control Board.

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are subject to the provisions of the Broadcasting and Television Act 1942-1969 — according to the letter of the law at any rate. For example, Section 92 of this Act provides that a person (or company) shall not have a shareholding, voting or financial interest exceeding five per cent in more than one commercial television licence in the same capital city, more than one commercial television licence in the same territory, or more than two licences in the whole of Australia unless these interests were held prior to 17th December, 1964.

Yet it does not seem to strike people generally as odd that no government body exists to regulate and oversee press activities in the public interest comparably to the Australian Broadcasting Control Board in the fields of commercial television and radio, nor that nothing approximating a genuinely independent press outlet (i.e. one independent of both government and big business) exists, whereas in radio and television we have the Australian Broadcasting Commission, the latter, be it said, by the skin of our teeth.

Corporate capitalism always colours even those institutions embedded in the context which represent tendencies towards a degree of responsible socialist planning. Influences of this nature stem objectively from the economy, and subjectively they seep in through the top echelons of social institutions, whose leadership can unfortunately be fully relied on to function as well trained and organised cadres within an integrated neo-capitalist system.4

However, the existence of some of the provisions of the Broadcasting and Television Act, of the Australian Broadcasting Commission, and even — saving the mark — of the Australian Broadcasting Control Board, at least makes it possible to hope that the potentially very powerful medium of television will not inevitably follow the pattern set by the metropolitan daily press, wherein from a position in 1903 where 17 owners controlled 21 dailies serving a national population of approximately 4 million people, today, two thirds of a century later, a stage of monopolisation has been reached where only 4 owners entirely control the 15 metropolitan dailies serving a national population of approximately 12 million people. In noting these developments it should of course not be forgotten that in fact the commercial press rings have the lion’s share of the already existing horizontal monopoly trend in

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3 It has occurred to Professor Mayer. See H. A. Mayer, *op. cit.*, Chapter 16: “Press Reform?”

4 Unfortunately not only among commercial managements. See Elizabeth Riddell’s article “Reluctant Limelighter”, in *The Australian*; November 21, 1970.

metropolitan commercial television and the important commercial radio networks (e.g. the predominant ownership and complete control by John Fairfax Ltd. of the leading Macquarie Broadcasting network, which netted a record profit last financial year, mainly from canned pop music — for along with every other of Australia's 114 commercial radio stations it does not employ even one professional musician on a full-time basis).  

But, in addition to the serious problems thus presented to Australian musicians, actors, producers, writers, cameramen and in fact artists and skilled communicators, technicians of all kinds, it is also very relevant to ask, what is the real cost to the Australian people of this mass media monopoly trend? What has brought this trend about, and how do we find the means to finally overcome it?

A suggested explanatory model

According to the surplus-value theory of the relations of production under capitalism, nineteenth century capitalism depended for its success on what was, in effect, a permanent legally sanctioned garnishee of the worker's wages.

In the nineteenth century, monopoly growth was largely horizontal, towards neighbouring, similar industries — while in the twentieth century the 'vertical' monopoly — the engulfing of the successive production and distribution stages within whole sectors of industry, has come into its heyday. Moreover, the era in which this latter type of monopoly growth has been successfully superimposed has been the age of the flourishing and diversification of the mass media, the 'electric' age, as McLuhan has been pleased to call it, or the age of radio, television and automated printing. The mass media group of industries has displayed conspicuously the monopoly trend characteristics of capitalist enterprise taken more generally.

The metropolitan daily press relies heavily on advertising, which contributes on average about two-thirds of its revenue, and since all the commercial television and radio operators are almost entirely dependent upon advertising for their revenue, with luxury consumer advertising bulking even larger here than in the case of metropolitan dailies and most weekly magazines. Just as some heavy industries supply producer goods to the manufacturers of consumer goods, so the mass media industry is seen as existing to supply a special kind of 'distribution' service to meet a special kind of demand from the mass distributors of capitalist production.

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6 Personal communication from Mr. G. J. Goodwin, President, Professional Musicians' Union.
The mass media controllers are in fact marketing not merely marketing power itself, but also the services of a socially automated persuasive machine for operating drastically upon the individual’s scale of economic preferences so as to distort his pattern of wants in the interests of corporate capitalist profitability. That is, they undertake to maximise profits for the big corporations at the expense of the consumer, and therefore, in the long run, of the community—but in such a manner that the process is not perceived essentially in this form by the consumer or the community.

Hence it emerges from a sociological analysis that just as the nineteenth century capitalist was able, by centralising ownership of the means of production in his own hands, to exploitatively coerce the unorganised and relatively defenceless worker, so the twentieth century corporation has been able to acquire an unsuspected politico-economic longevity by similarly centralising the means of public social communication, in order to persuasively influence the today equally unorganised and if anything more defenceless consumer.

Many well-intentioned people, including not a few on the Liberal side, have expressed shocked disappointment at the failure of moral conscience implied by the Federal Government’s shelving of the Vincent Report since the adjournment of the abortive debate of April 1964 following the tabling of the Report in the House in December 1962. The reason lies in the big businessman’s concept of what a television licence actually is for. Why, for example, would one reasonably expect the commercial television operator or his representatives to strive towards, and even seek to have economically protected, a local industry of social communications, when the mass communicator’s intention from the outset, in alliance with the big business advertisers and their agents, is to transmit social communications of basically three kinds only:

1. escapist fantasy (promoting audience ‘entry’ response)
2. social-stereotype indoctrination (promotion of ‘other-directed’, group-subservient, mass conformity response)
3. affluence-expectancy inculcation (promotion of the purchasing consummation response pattern in terms of a persuasively inculcated scale of economic preferences)—

and when types (1) and (2) already come in a cheap package deal in the standard American format, and in such a form as to smooth the path for the advertising agent’s type (3) message as well

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7 A Senate Select Committee constituted of four Government and three Opposition members and chaired by the late Senator V. S. Vincent. This Committee sat in all States and heard evidence from scores of witnesses.
as — if not better than — any noticeably different Australian format is likely to do?

**Sociological models and field-survey evidence from the US**

One way of viewing the evidence and arguments above, and empirical research findings of investigators (omitted here for lack of space—Ed.) is as a statement of how the dynamics of capitalism — and, a fortiori, neo-capitalism, — necessarily generate mass alienation. In the pioneering and middle stages of developing capitalism, objective and subjective alienation accompanied each other. The worker was aware of his chains, and also of his misery. This left some hope of his joining with others to take action in defence of his own and his family’s right to live. Today, however, the degree of objective alienation has proceeded to an unprecedented stage, so that an embourgeoise working class is scarcely any longer aware of the iron totalitarianism of the ideology being brought to a beautiful point in the modern television commercial, which holds out ever more alluring promises of self-fulfilment while the commercial racket which it serves enjoins the acceptance of an unprecedented degree of authoritarian conformism, both as docile economic consumer and as subservient subject of a one-party state masquerading as a parliamentary democracy.

On the other hand, it has often been argued by social psychologists, especially in the United States, that the mass media cannot come to wield a powerful influence in a profit-motivated social system, because it will be in the interests of the mass communicators and their sponsors to pander to the status quo. Thus, so the argument runs, their activities can, and do, only make for the re-entrenchment of a prevailing set of social norms.

Since the mass media are supported by great business concerns geared into the current social and economic system, the media contribute to the maintenance of that system.

A similar argument has been advanced by Joseph T. Klapper, Director of Social Research for Columbia Broadcasting System — echoed in Australia, when needed, in respect of commercial television, by Mr. Arthur Cowan, General Manager of the Federa-

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8 For a fuller explication of the foregoing, see R. Thomson: "The effects of mass media on mental health in the community"; in Mental Health in Australia; Vol. 1; No 3; July 1965.


tion of Australian Commercial Television Stations. The media
simply 'give the public what the public wants', which is mainly
entertainment, for the same sort of reasons as lead the automobile
industry to make and sell to the public the kind of car the public
wants.

But who tells the public what it wants? According to an
imposing array of data gathered in US field survey studies conducted
mainly in the forties and fifties, it is the peer-group "opinion-leader"
who effectively does this.\(^{11}\) In what was perhaps the most ambi­
tious of these field surveys, Katz and Lazarsfeld purported to
show that in personal decisions such as changes of intention on
how to vote, what food or clothes to buy, what particular film
to go and see, the subjects only utilise mass media communica­
tions, including persuasive communications, for informational
purposes. The subjects' decisions appeared to be "legitimised"
far more by their looking to prevailing opinion in their own groups,
be these family, work, school, leisure or other friendship groups,
than by messages from the mass media. And prevailing opinion
in the peer-group, they claim their findings would imply, is deter­
mined very largely by the group's "opinion-leader" and opinion-
seeker except — very significantly — in the area of voting decisions,
i.e. in the formation and maintenance of political affiliations, where
persuasive influence in primary-group nets was found to trickle
down from subjects in higher social strata. The implications of
this finding should have been looked at more closely, and in the
light of this it might also be worth taking a second look at the
theoretical implications of the arguments of Lazarsfeld and Merton,
and of the research findings of Katz, Lazarsfeld, Berelson and their
colleagues.

Firstly, mass persuasion along certain lines can quite effectively
change group norms in certain directions without ever in the least
appearing to subjects as counter-normative. For example, mass
persuasion can be used, and obviously has been used to immense
effect, in order to develop a convergence of class norms to an
overall petty bourgeois norm of commodity-orientated material
affluence-expectation and status-seeking behaviour. Tendencies of

\(^{11}\) Probably the most important and influential of these studies have been the
following: P. F. Lazarsfeld, B. Berelson and Hazel Gaudet: *The People's Choice*,
N.Y., Columbia University Press, 1948; B. Berelson, P. F. Lazarsfeld and W.
McPhee: *Voting: A study in opinion formation in a political campaign*, Univer­
sity of Chicago Press, 1954; R. K. Merton: "Patterns of Influence. A study of
international influence and communications behavior in a local community",
in P. F. Lazarsfeld and Frank Stanton: *Communications Research 1948-49*, N.Y.,
this kind are present in all classes in all societies, but in different
degrees.

All that mass persuasive techniques do in the service of capitalism
is to secure and maintain a propagandistic hegemony for a new
religion of mechanistic materialism and an ideology of affluence.
This does not appear as ‘counter-normative’ to their middle or
working class groups, or to the leaders of opinion in these groups,
for the material benefits offered are in fact endowed with some
reward properties. It is merely that the worker as consumer is
not encouraged to perceive what he has to sacrifice from his quality
of life to obtain these rewards.

This ‘bread and circuses’ technique, which is the oldest ruling-
class confidence trick in history, does not give offence or arouse
hostility and resistance in the community in the way that, for
example, police coercion typically does. But because it arouses
little suspicion, induces a general social somnolence and stifles
protest at its very source, does this mean that the technique is
unsuccessful? Not at all. Because it is aimed precisely at
constantly re-entrenching the power base of the ruling class. On
the other hand, to say that it does not at the same time produce
very great changes in individual and social consciousness is pat-
ently absurd. For example, have the techniques of mass persuasion
been influential in altering the public image of appropriate forms
of behaviour in relation to annually recurring ceremonial occasions
and festivals such as Christmas, Easter, Mother’s Day, St. Valentine’s
Day, etc., or have they not?

Secondly, to observe that personal decisions are mainly recalled
as following interpersonal discussions, and not direct reception of
messages from the mass media, is an idle exercise when the mass
media elite, as representatives of their class, are able in advance
to prescribe the areas of behaviour in which decisions are to be
made, and the range of choice that exists for these decisions.
The interpretation made by Klapper, for example, of the Katz-
Lazarsfeld research findings is thoroughly fallacious because it
equates some findings on quite trivial personal decisions of a
private nature with proof that decisions of a major social and
political importance are made at the grass roots level by “opinion-
leaders” for their followers in all social strata, sanctifying the
American liberal’s myth of “government of the people, by the
people, for the people”.

What is being said here, amongst other things, is that it is in
the last resort nonsensical to attempt to study the mass communica-
tions industry and its social effects without reference to the question
of national, and ultimately international, domination of the industry by powerful vested interests. And the role of governments in such a consortium is not to control but to service the industry and its backers.

For this reason it is also necessary to treat with caution the arguments of Marshall McLuhan\(^{12}\) to the effect that it is the inherent nature of mass communications, especially of the electronic-mosaic medium television, to dissolve all the restrictions on man's possibilities for total involvement with his environment, because of the constant quest after the mass market and especially the mass youth market of itself compelling the mass communicator and the mass advertiser to endorse and facilitate the rise of counterculture, counter-consensus and counter-hegemony — although there is a possible strategy implied in all that which should not be overlooked by the activist leaders of Australian mass media workers and their associations struggling to build counter-structures to offset the present hegemony of capitalist ideology fed to us as a daily diet through the mass media outlets.

To give an example, whereas television is often viewed as a means by which an elite can enforce conformity it can also act as a medium for expanding people's perceptions of the world and to this extent it is a liberating force. The former view tends to be held by conventional socialists who are mesmerised by the concentrated control of mass media; the latter would be the argument of the McLuhanites who would argue that control is irrelevant, for it is the medium itself which brings about the change.\(^{13}\)

Or, as McLuhan himself puts it, — "The medium is the message". Is it, in fact? The statement has a grain of truth, and maybe a precious one at that, but put so it is ultra-simplistic. One could perhaps separate this grain of truth if one said that while technological changes and consequent power struggles within the ranks of previous elites have by no means automatically delivered power into the hands of the workers or the ordinary people, they have at any rate raised this possibility, which has then depended for its realisation on the readiness, efficiency and indigenous power base of the popular leadership. (There is also the important question of how to overcome contradictions within a potential power base so as to actualise it as a historical reality, i.e. the problems of resolving differences between longer established progressive forces and various sections of the New Left in capitalist society today.) Electronics, computers, automation and television may indeed potentiate social revolution through the emergence of profound

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\(^{13}\) D. Altman: "Students in the electric age"; *Arena*; 21; 1970; pp.3-18. For an example of the point of view criticised by Altman, see Dick Thomson: "On understanding McLuhan"; *Australian Left Review*; 1969/4 (August-September):
qualitative changes in social relations of all kinds. These media certainly bring a message of potentially far reaching change and imply the historic necessity of such change at this stage. However, the media themselves can only underwrite the change: they cannot by their nature be of themselves equivalent to its undertaking. An idea may be revolutionary, but an idea does not by itself make a revolution. Revolutions have to be made by men.

**In the shadow of the Satellite**

Satellite relays make feasible an enormous centralisation of the means of world communications, and quite evidently no doubt remains that almost overwhelming control of this system rests in the hands of US imperialists. “The medium is the message”, no doubt about that. But not all the message, surely. Is there not the additional implication of the complete and final extinction of the big ‘national capitalists’, in Australia and other ‘western’ societies, at the hands of the very much bigger and more powerful ‘international’ capitalists of the United States?

These external contradictions pose both a threat and a promise to workers in the Australian mass media industry, and therefore in the final analysis to the Australian people whose interests are vitally affected by what goes on in this whole area of industrial, political and sociological struggle. Similarly with the rising levels of technology forcing up the levels of community education, even if in the early stages this is mainly in the narrow area of technical-vocational preparation, and also with the insatiable need of the “admass” machine itself to train more and more sophisticated consumers, it is necessary for the mass media ideologues at least to maintain the illusion of projecting a liberal image to their customers, especially to their best buyers, the youth.

This constant striving for ‘liberalism’ inevitably must heighten the internal contradictions of the whole mass-com system, because essentially, as stated earlier, the role of the mass media enjoins upon its workers, especially in the higher echelons, the necessity to operate as back-up troops, for the attack on individual consciousness and autonomy which is spearheaded by the advertising agents who, for example, have brought the television commercial to a formidable level of efficiency within a few short years.

Intellectually, advertisements subconsciously influence a journalist towards recognition of the interdependence between advertising and news publishing, and of course between his salary and advertising revenue. This situation, while it may not affect his thinking in a direct manner, certainly becomes a factor in his general ethical outlook.14

The goal of all these commercial endeavours and adventures is the continuing legitimation of capitalist values and structures by teaching the increasingly privatised individual consumer a carefully selected series of appropriate incentives and stimulus-response connections, and effectively preventing him from discriminating the reward-potential of alternatives outside the range of corporate convenience, while at the same time ensuring that he preserves the illusion that he enjoys complete freedom of choice. It has already been suggested that this commercial sleight of hand amounts to a supplementary means of the corporation boss’s extraction of surplus-value from the community, this newer method being increasingly used to modulate the older and nowadays more conflict-arousing forms of political repression and industrial coercion. In response, economism in itself can at best achieve a fairer share-out of production it cannot alter the relations of production however, still less the material form of production.

As the distortion in the pattern of consumption increases, however, the objective marginal values of the incentives for the subject tend towards zero (this representing R. D. Laing’s stage of ‘normal’ alienation); and then later the subjective marginal utilities also. At this stage there is an increasing risk, from the capitalist’s point of view, of the subject becoming aware of the dis-incentives operating for him within the capitalist system. As the objective degree to which such disincentives become reflected subjectively in individual and communal consciousness, so does the likelihood of subjectively realised alienation mount. This then gives rise to possibilities for the revival of industrial, political and class consciousness, some of which we have already begun to witness in action. These restrictions are experienced doubly by workers in the mass communications industry itself. Some may sell out cheerfully enough perhaps, but most, it is suggested, do not.

It is to these workers and their leaders that we must look for the planning of structural reforms and effective, workers’ control and management in their own industry. But not only that. For these workers collectively man a potential range of pivotal command posts in the next necessary stage of community education in social responsibility. But if such a strategy of workers’ control is to succeed, a broad base of support will be needed. This can only be built by some form of left-progressive coalition of workers, students and other intellectuals willing and bold enough to plan and execute the transition from a reformist to an authentically syndicalist, and if necessary, finally a revolutionary strategy.