This book is dedicated to Everett Parker, whose life-long courageous struggle to compel the media to serve the public interest has most recently resulted in a new licensing agreement awarding community access to non-commercial, low-power FM radio broadcasting in the United States.

Critical Studies in Media Commercialism

Edited by
Robin Andersen and Lance Strate

OXFORD UNIVERSITY PRESS
Acknowledgements

I would like to thank all the authors in this volume for their contributions and congeniality. All the editors at Oxford were wonderfully professional and Everett Dennis offered needed support. I am grateful to the Paper Tiger Television collective, especially Heather Hendershot, Mike Simmons, Michael Eisenmenger, and Linda Iannaccone, for their enthusiastic response to the critique of Sport Utility Vehicles, and their willingness to devote time and energy to producing the videotape Road to Ruin. Their creativity and expertise helped develop the critique and resulted in an award-winning programme. I am grateful to Nancy Morris for keeping an eye out for news of SUVs. I am also indebted to Peter Hart from Fairness and Accuracy in Reporting (FAIR) and Paper Tiger TV for his up-to-the-minute faxes. Carol Bloom provided insightful comments about the business practices of America Online. She also made her VCR and comfortable sofa available so we could watch Hercules. Samneh Fakhouri opened a gateway to the Internet when mine failed, and Gwyneth Jackaway used campus mail to send me much-needed research material. Neil Hickey of the Columbia Journalism Review read the Introduction and offered valuable comments. Dan Weisberg’s insights into the image and persona of presidential candidate Bob Dole, and our discussions with Darrin Atremony about the 1996 elections, were always fruitful. As usual, my Fordham students are keen observers of the commercial media terrain, and without them as a compass, I would be lost. As always, any missteps I have taken are all my own.

Robin Andersen
Introduction

Robin Andersen

A
n amusing advertisement for the American cable movie channel HBO features Jane Goodall studying chimpanzees. She can’t understand their strange behaviour, but we can, from our privileged perspective as viewers. The chimps are mimicking behaviour and stealing lines from characters in the movies The Godfather and Network. At her desk, in a house surrounded by the forest habitat, writing that she is perplexed by their actions, Goodall ends her letter because Braveheart is soon to begin on HBO. The camera pulls back and we see the chimps perched before the windows also waiting for the movie to begin. HBO’s slogan, ‘It’s not just TV, It’s HBO’, is spelled out as the commercial ends. The X-Files then returns to the Fox network channel.

We can’t help but be entertained by this HBO ad. Everybody loves pictures of large furry mammals, especially primates, especially primates who talk like Marlon Brando in The Godfather. The ad is intertextual in its references to movie texts, its images of nature, and its celebration of Jane Goodall as a viewer of HBO. But if we look a little more closely, at the business practices of its production and distribution, at the attitudes and ambitions of its message, and consider them within the current state of media consolidation and ownership, it can also be read as a metaphor for the commercial transformations which have taken place in the world of advertising and the media. It is a contemporary myth that at once acknowledges and celebrates the structures and practices of this new ultra-commercialized media environment.

From spots to placement

The advertising economics of TV have had a particular trajectory over the twentieth century. After the battle over US broadcasting was won by commercial interests in the 1920s, advertising revenue was established as the sponsor of broadcast programming. Commercialism was to be the dominant force in the American media, the ramifications of which are only now, at the end of the century, being fully understood. What began as a one-sponsor, one-programme relationship in the 1950s gave way by the end of that decade (with a little help from the quiz-show scandals) to spot advertising (Barnouw 1975) like this for HBO. Spots that interrupt programming (the talking chimpanzees interrupted X-Files) are purchased by multiple advertisers at negotiated prices determined by a combination of ratings, programme demographics, time, and availability. In the 1980s, that model began to
shift. Promotional messages are no longer restricted to spot advertising. In the age of deregulation, contemporary television now places products in just about every nook and cranny of airtime, turning much of television content into the once illegal and reprimed format, the programme-length commercial (Andersen 1995; Jacobson and Mazur 1995). Although spot advertising is not going away, it now co-exists with product placement, a practice that embeds the promotion within the programme. With spot ads the pitch becomes harder, as ads become shorter, more frequent, and easier to zap. Viewers are media literate and wary of such overt persuasion. Celebrity endorsements help, but now celluloid and video stars pitch everything from aspirins to phone companies to HBO. Audiences have come to know that every endorsement has its price, making them a little less effective. But when stars use products in movies and TV programmes, it still appears to be the discourse of entertainment, not sales. In this strategic game of leagfrog, advertisers try yet another persuasive technique as the old ones loses some of its punch.

Products become significant parts of TV shows, which themselves are carefully designed to appeal to particular consumer groups. Advertising demographics are essential in designing programmes carefully dovetailed with advertising messages. From Friends to Frazier, from Rosie O’Donnell to Dawson’s Creek, entertainment embraces sales and unabashedly pitches the products that the stars notice, use, and even mock in a totalizing media universe propelled by promotions and marketing. Take, for example, the Time Warner entertainment product Dawson’s Creek, a programme aired on the conglomerate’s own WB network. With its ensemble cast of youthful characters negotiating love, relationships, parents, and infidelity, the melodrama-angst-imbued series became a runaway hit with a huge teenage and young adult audience. Like many programmes on television today, Creek is represented by a product placement agency, the Vista Group, which also places products on such shows as Friends and ER (Patat 1999). Everything from boats to cars to kitchen appliances has made its commercial debut on Creek. But Creek has etched a special cross-promotional (McAlister 1996) relationship with J-Crew clothes and merchandise. The kids on Creek are dressed in the latest J-Crew fashions, and the cast was featured throughout the spring 1998 catalogue. On their web site the folks at Vista Group (1999) state, ‘Products used in motion pictures or in television are perceived by the audience to be chosen by the star thus receiving an implied endorsement. Products shown on screen within a storyline have higher credibility than products in advertisements which the audience knows are paid announcements.’ In fact, audience recall is two and a half times greater when products are submerged in TV programmes (Jacobson and Mazur 1995). Marketing strategies lead audiences to believe that the stars choose their own brand names. Through their purchases, young viewers can easily emulate the style and consumption patterns of their favourite television idols.

But for a more stunning example of this new television landscape, let’s turn to a high-profile representative of women’s culture on the commercial media, The Rosie O’Donnell Show. Every day Rosie joyfully pitches dozens of products on her show. From Hot Tamales and Little Debbie’s Desert Pies, to Devil Dogs and Listerine. And they are not mentioned casually, either. Rosie sings jingles for some, shows story-boards for others, throws product samples into the crowd, and recently had a six-pack of Pepsi One, a new soft drink, for every member of the audience. But that is not unusual either. On that show she popped open a can of the new product, tasted it, said it was great, and drank it throughout the show. She openly begs companies to supply her with more of her favourite products.

On the show Rosie promises the show’s target audience, stay-at-home moms, that happiness and domestic harmony can be found through the purchase of a vast array of products. Rosie presents herself as, like her viewers, just another average mom, but one in desperate need of every kind of snack, product, and service. She describes how good it feels to consume a Drakes Devil Dog, but as ElHassan (1998: 5) notes, ‘O’Donnell is keenly aware that most mothers are not in the same high-income bracket she is. To counterbalance the actual difference, she frequently refers to her modest upbringing. Hence, one is easily convinced that she is not pretending to prefer mid-range consumer products such as Junior Mints, YooHoo, or Reese’s Pieces to the delicacies she could certainly purchase if she cared to indulge herself.’

It is not surprising that Rosie’s nickname is ‘the queen of everything’. The products promoted on the show are also featured on the pages of Rosie’s web site.

In addition, Rosie and her friend Penny Marshall appear in TV spots for K-Mart.

The commercialized Rosie O’Donnell Show contradicts just about everything that seems to be true of Rosie O’Donnell the person. As she is a single, working mother, with an attitude, we might think she could offer alternatives to women. Rosie is a prominent leader in the ‘size acceptance’ movement, yet she reinforces the obsession with thinness by promoting the anorexic-sized Barbie Doll and congratulating her celebrity guests on their thinness. O’Donnell’s lifestyle choices imply that she does not herself buy the one-dimensional framing of the traditional mother/carer, yet she reinforces the woman-as-consumer image for an hour every day. As a spectacular showcase for product promotion, the programme can never go beyond the marketing lifestyle imperatives of advertisers’ demands for programming environments that augment their promotional messages. Outside a commercial frame, Rosie might be able to celebrate the accomplishments of women, applauding difference and helping create a cultural space for diversity and alternative life choices. Sadly, the programme’s potential cannot even be remotely approached when asked to conform to the demands of product placement and commercialized media culture. But Rosie O’Donnell did not invent product placement. It came into its own as a major economic convention and financial force within the film industry during the 1980s (Miller 1990).

Films

When Michael J. Fox is retro-hurlied into the 1950s in Back to the Future, he’s called Calvin Klein because of the name branded on his underwear. No one would make that mistake today. Placing brands in films really took off after 1982 when Steven Spielberg’s cute alien, ET, ate Reese’s Pieces and candy sales rose by 500 per cent (Follett 1997). Then, in 1983, Tom Cruise wore Wayfarer sunglasses in the movie
Risk of Business. In one month Ray-Ban reported sales of 18,000, more pairs of that style sold than during the previous three years (Jacobson and Mazur 1995). Ray-Ban has shielded the eyes of stars in scores of movies since then, but they became more a marketing prop in the movie *Men in Black*. Only when Will Smith gets his Ray-Ban does he officially become partners with Tommy Lee Jones, so they can 'save the earth from the scum of the universe'. As part of the official uniform, the eye-wear got an extra boost in the companion MTV video also featuring Smith.

In the film *Jerry Maguire*, Tom Cruise plays a struggling sports agent and Cuba Gooding Jr plays the lovable football player Rod Tidwell, trying to *make it* big time. *Products* such as Coke, Visa and Reebok are plugged, but the film goes further, making a powerful statement in support of advertising. Tidwell's very success is measured by his popularity with advertisers. His career goal is to appear in a Reebok commercial, not on the late-night, low-budget waterbed pitches that are a sure sign of failure. Reebok's placement in the film led to contention about creative control, ultimately won by the shoe company. The director cut forty-seven seconds of Tidwell appearing in a Reebok commercial at the end of the movie. Reebok sued, and when the film was aired on the Showtime cable channel, the pitch had been reinserted. At this point advertisers have enormous control over motion-picture plot and dialogue, and, in this case, endings. The talented Gooding, by the end of 1998, was pitching Pepsi on TV spots, still *in his* Tidwell character.

*Products* now feature so prominently in films that they have come to upstage the movies themselves. Advertisements for the products used by Pierce Brosnan as James Bond came out before anyone saw the movie. And films now serve to introduce major new products, their release timed to market debuts, as when *Jurassic Park: The Lost World*, featured the new Mercedes *Sport Utility Vehicle*.

*Product placement* is largely invisible to a generation raised on Saturday-morning cartoons, the vast majority of which became programme length commercials during the early 1980s, featuring toys and action heroes available at retail outlets (Engelhardt 1986). Now, movies targeted at the young often include inane dialogue about products that simply becomes the background chatter of this new media environment. The *Wedding Singer* stars Adam Sandler, an actor popular with youthful viewers already accustomed to watching such TV product vehicles as NBC's *Friends*. Sandler, playing the wedding singer, is lying in bed depressed after his fiancée has left him. A friend comes to visit, lies down on the bed with him and says, 'Hey, these sheets are soft. Do you use Downy?' Sandler replies, 'No, all-tempa-cher. You can wash your clothes *at any temperature* and the colours don't run together.' There is no attempt at realism in the scene, as the actor is wearing all his clothes when he lies down and presumably would have no way of telling whether the sheets are soft or not. The segment is simply a commercial, inserted without pause into the text, providing the product with a place in the movie's dialogue spoken by the main character. It is so obvious it's funny, in the style of the hip *cynicism* that is the only plausible attitude available to a generation inundated by such cheesy hucksterisms (Nicholson 1998).

With product placement, commodities have come to define story lines, and function as essential plot elements. Characters are developed as commercial iden-

Media ownership: mergers, consolidation and 'tight diversification'

Let's return to the HBO spot. The cable movie service claims not to be television. If it's not TV, what is it? HBO is part of Time Warner's huge media empire, created by two historic media mergers. Fully to understand this *escalating* commercial media culture we need to examine the 'consolidation' craze itself. The mergers and acquisitions of the 1980s and 1990s took place in two significant waves. The first was 1989, the 'biggest year ever for media related deals' (Schatz 1997: 85). A total of 414 media deals worth over $42 billion were struck, the most notable, of course, being the 1989 $14 billion Time-Warner merger. In 1995 another record was set with 644 media mergers totalling $70.8 billion (Schatz 1997: 85). Along with Disney's purchase of Cap Cities/ABC, Viacom's buyout of Blockbuster, and Westinghouse's merger with CBS, the already massive Time Warner bought Turner Broadcasting System Inc. (TBS) in a $7.3 billion deal. Among other things, CNN, TNT, and TBS gave the new company broadcast distribution for its vast range of media products. And they were vast, with TBS's *numerous* film and *TV series* holdings—'Time Warner now had the largest library in existence' (Schatz 1997: 89)—with 5,500 titles added to Warner Bros' holdings of 1,100 films. Bits and pieces from old movies turn up everywhere as the memory banks of media culture are mined for advertising and merchandising purposes, as demonstrated in the soundtrack for the HBO spot. Time Warner has also had spectacular marketing success, for example with vintage *Looney Tunes*. Revenues for syndication and merchandising of Daffy Duck and his friends reached $3.5 billion in 1996. Tweety Bird and Sylvester can be seen on spot advertising entertaining baby boomers and convincing them that no one can eat a sandwich without Miracle Whip.

Media conglomerations have allowed Time Warner, along with Disney and a few others, to *practise* what some refer to as 'tight diversification', and economic 'synergy'. 'Synergy' is another key piece of this expanding commercial mosaic, a strategy in which corporations cross-promote their own stars, programmes and merchandise on their media outlets. Time Warner wanted to own the production and distribution of its TV shows, so it started its own TV network, WB. Returning to their big hit *Dawson's Creek* illustrates how synergy works. The people at Time
Warner understand that teenagers comprise the biggest consumer market in the music industry and they use Dawson's Creek to sell the songs and artists signed to Warner Bros record labels. Paula Cole's I Don't Wanna Wait became a top-ten single after being featured as the show's theme song. Numerous other songs and artists signed by Warner Bros can be found and purchased on Creek's web site. The Warner Bros soundtrack of Dawson's Creek will soon be released.

Synergy has provided the economic fuel that propels the summer movie blockbuster craze as a main financial media strategy. The primary requirement for synergy is capital, which only huge companies like Time Warner have, first to produce the blockbuster films that form the epicentre, then to provide the millions needed to drive the marketing machines behind them. These multi-purpose entertainment/marketing machines are vertically and horizontally diversified, allowing the media behemoths to create not simply films, but franchises. A movie is not just a summer blockbuster; as Schatz (1997: 74) notes, it is a 'two-hour promotion for a multimedia product line... which breeds movie sequels and TV series, music videos and sound track albums, video games and theme park rides, graphic novels and comic books, and an endless array of licensed tie-in and brand-name consumer products.' We have only to look at Disney's animated film Hercules for an illustration of synergy. In the film, when Hercules becomes a hero he also becomes an action figure. The cultural icons of his success are the vast array of tie-in merchandise, from Air-Hercules sandals to soft drinks, which are sold, of course, in their own branded, retail outlet. At the time of the movie's release, Disney made up the entrance to its store to look like the store in the film. The latest craze—the tie-in theme park—is also depicted in the movie itself. The movie's celebration of marketing synergy helps create a cultural attitude in its favour, finally erasing the distinction between cultural narratives, heroes, marketing, and merchandise.

Indeed, the first giant step forward in this direction was the Batman blockbuster. As others have pointed out, Warner is the Studio that Batman built. A Warner executive explained that Batman was 'the first time we utilized the whole machine of the company. The marketing, the tie-ins, the merchandising, the international' (Schatz 1997: 53). In this media environment, we no longer have singular movie narratives; rather, they are related aspects or "iterations" of entertainment super-texts, multimedia narrative forms which can be expanded and exploited almost ad infinitum (Schatz 1997: 75).

Batman the movie became Batman the industry, and that inspired the chain of Warner Bros retail stores, one of the most significant trends in all of this. These new entertainment/commodity facilities, or retail stores, feature 'branded' products, like those for Disney's Hercules. Tying products to the movies, programmes, networks, and cable services on which they appear gives media firms distinct brand identities that create new marketing horizons for a proliferating number of commodities. Cable channels and broadcast networks alike now strive to be regarded as brands, especially desirable to specific demographic groups targeted by advertisers, such as children who watch Disney and Nickelodeon. Disney now has 590 retail stores selling branded products and Time Warner is in hot pursuit with 160 stores. Viacom has also entered the branded retail marketing venture. It is this latest aspect of the merger/synergy craze which finally and completely erases the difference between movies and advertisements, programming and promotion, entertainment and shopping. As Michael Eisner, chief executive of Disney puts it, 'The Disney stores promote the consumer products, which promote the theme parks, which promote the TV shows. The TV shows promote the company. Roger Rabbit promotes Christmas at Disneyland' (Hazan and Winokur 1997: 46).

In this seemingly monolithic environment, one supernarrative after another becomes the vehicle for the vast enterprise of multiple promotion, crowding out a more diverse imaginative entertainment landscape. Entertainment products that 'work' under these conditions conform to a certain set of requirements, designed to target the highest-paying markets, the largest portion of which is teenagers who see movies more than once and buy the tie-in merchandise. The now standard and highly formulaic action-adventure narratives of the summer blockbusters, such as Armageddon, must be hyped with all the advertising that studio money can buy (Bart 1999). They are expensive to make, and expensive to advertise, and this is a major factor for the media megacorporation, because only they can afford the risk and cost, and the 'risk-reward' quotient steadily increases as the stakes are raised. In 1990, the average cost of 169 major studio productions was $28.8 million, with another $11.6 million spent on marketing. In 1995, the average cost on 212 productions was $36.4 million, plus $37.7 million for marketing, pushing the total cost per feature over $50 million for the first time (Schatz 1997: 96). The stakes are raised with the inflationary costs of production and promotion, crowding out smaller economic players with creative ideas instead of marketing vehicles. Because the 'buzz' created by advertising not only affects domestic revenues, but also accounts for the success of international marketing, spot advertising is now a huge expense for media firms themselves. A total of $1.94 billion was paid out in advertising by major studios for 1995 releases—an increase of 107 per cent on 1990.

Deregulation allowed TV programmes to become advertisements. Industry conglomerates created the synergy needed for transforming the rest of entertainment into merchandise. This paradigm shift in media economics did not happen overnight. It is, rather, a creeping development, like the black oil of The X-Files, that has seeped into every crevice of corporate media culture. As commentator Benjamin Barber put it, megamergers are manifestations of 'irresistible global and economic forces demanding integration and conformity. The fashionable term for all this vertical and lateral corporate integration is synergy, but synergy turns out to be just another word for monopoly... Do Americans simply want to be spectators and consumers of the synergy frenzy that is turning entertainment and media into a subsidiary of conglomerates like Disney?' (Hazan and Winokur 1997: 8).

Public discourse

In general, the dominance of the commercial ethos across the media spectrum serves to close down creative alternatives, offering only a narrowly acceptable range of content tied to corporate megaprofits. Such a range of discourse may be good for
the bottom line, but it does not promote an open and democratic society. What happens to that most valuable commodity, information, in this increasingly commercial media environment? If advertisers demand that entertainment programming be designed to provide a positive environment for the sale of products, what about the news? Must it also be shaped to fit marketing parameters? What kind of pressures are brought to bear from the bottom-line managers of the media behemoths? What of information deemed lacking in ability to sell commodities or generate profits? What about media content that questions existing market priorities, a kind of content that does not evoke in viewers the desire to mimic, unquestioningly, what they see on TV, or HBO, or in the movies? What about democratic discourse?

Magazines

Industry demands for creative control through product placement (as noted above in the film *Jerry Maguire*) are not only a feature of the big screen. The pages of magazines are dominated by advertising, and escalating corporate demands. This has been a steady progression as well. Magazines provided adjacencies, then they included complimentary copy. Now the copy carries the brands, new styles, and commodities in the text itself—the magazine equivalent of product placement in film and TV. There are also advertoirs and special advertising supplements formatted to look like feature journalism. Now magazine copy, much like the film script, is submitted to ad agencies, offering them the chance to find appropriate insertion points for their products. This merging of media content and product promotion has resulted in increasing demands by manufacturers and their agents that content conform to the themes, attitudes, and messages of the advertising. Chrysler publicly announced such *economic prior restraint* as corporate policy in January 1996. The company's advertising agency sent a letter to the magazines that carry its advertising, requiring them to submit articles to Chrysler for advance screening. If the company deemed any editorial content provocative or offensive, it warned, it would pull its advertising.

The American Society of Newspaper Editors prepared a response, and on 30 June 1997, sent out an appeal to editors to refuse to bow to such advertising pressure, and to reassert their right to have final authority over the editorial content of their magazines. Milton Glaser (1997: 7), a renowned graphic designer and co-founder of *New York* magazine, hearing of Chrysler's policies wrote:

Advertising in the right editorial environment has always been the prerogative of advertisers, but preemptive withdrawal is a new and repulsive development . . . Censorship of this kind that acts to curtail the exchange of unpopular ideas is unacceptable for all those who care about human freedom and a healthy democratic society.

He added that such a practice 'violates our sense of fairness and our notion of how a free press works' (Glaser 1997: 7). Chrysler Corporation responded with surprise to the protest, saying it was only making public a policy that many other companies practise covertly, causing Glaser to note, 'It is curious that after the triumph of capitalism, American business is embracing the politico-practice of censoring ideas it deems unacceptable. The changes in our society that make it possible for a corporation to announce this sort of policy publicly and without embarrassment are difficult to understand. All of us, in and out of the media, have a great deal to lose if this insidious attack on the principles of a free press continues unchallenged' (Glaser 1997: 7).

Journalism under fire

In the fall of 1996 Roberta Baskin produced a hard-hitting investigative piece for CBS's *48 Hours*, exposing Nike's labor practices in Vietnam. The mistreatment, low wages, and long hours faced by Nike factory workers were substantiated by Nike's own commissioned report. Workers were paid $10 a week for sixty-five hours. They were exposed regularly to carcinogens, and 77 per cent had respiratory problems. Even though CBS submitted the report for an award, and executive producer Susan Zirinsky supported the piece, news head Andrew Heyward refused to run the piece or allow Baskin to do an update (Hentoff 1998). By that time Nike had become an official sponsor of the winter Olympic games being broadcast by CBS. Nike lawyers had written to CBS sales, complaining about Baskin's report.

This report and others like it have been done by the news magazines, and for this they should be applauded. However, hard-hitting investigation is becoming more rare in this media environment compelled continually to promote consumption. For such criticisms to be effective requires more frequency, but that would be a dangerous risk to the profits of manufacturers and broadcasters alike.

Corporate ownership and the news agenda

Advertising's increased influence on the press is only part of the corporate logic now being applied to news content. Non-fiction programming and content—news and information—has not been insulated from the consequences of megacorporate ownership and the increased commercialization of the media. HBO, for example, as part of Time Warner Inc., is a company which counts itself among the six largest broadcast corporations in the US, along with the General Electric Company (NBC), The Walt Disney Company (ABC), Westinghouse Electric Corporation (CBS), and Rupert Murdoch's News Corporation Ltd. (Fox), and Viacom, Inc. (cable). In 1996 these companies had a total of 81 directors who also held a combined total of 104 directorships on the boards of a number of Fortune 1,000 companies, such as 'Chase Manhattan Corp., J. P. Morgan & Co., PepsiCo, Inc., Columbia HCA Healthcare Corp., Bank of America, Chevron Corp., Mobil Corp, Philip Morris Inc., and some 95 others' (Phillips 1998: 145). Many scholars have been documenting the rate of media mergers and acquisitions which have realigned our information and entertainment industries into global corporate structures with enormous power.
The separation of church and state

It has long been argued that, even though the media are commercial, information and uninhibited public debate are so important for American democracy that they have been protected from commercial pressures. This is often referred to as 'the division between church and state'. At a symposium at Fordham University, the deputy general counsel for Time Inc., Nicholas Jollymore (1999), argued that there remains a strict separation within the Time Warner conglomerate between the editorial division, characterised as 'the church', and the rest of the company, referred to as 'the state'. He offered familiar arguments as to why news and editorial judgements remain distinct. First is the need to attract an audience, and so the perception of independence is paramount to continued profits. He also noted that journalists are professionals and resist pressure from the 'corporate chieftains'. After all, in the fall of 1998 Time magazine devoted an issue to the folly of corporate welfare. To prove his points he cited the negative reviews in a Time Inc. publication, Entertainment Weekly, of three Warner movies, Jack Frost, Addicted to Love and Glimmer Man; he read a long and devastating critique of the last-named.

But another panellist, Janine Jaquet (1999) from the Project on Media Ownership in New York, countered that for every case of independence there were many examples illustrating that the barrier between church and state is crumbling. She offered examples from NBC. The US government has taken legal action against NBC's parent company, General Electric (GE), because of PCB-related pollution. NBC Nightly News ignored such reports. With regard to corporate welfare, with the exception of one programme on Nightline, there was no coverage of the $70 billion giveaway of spectrum space to broadcasters for digital TV, characterized in public-interest circles as a huge corporate-welfare plan benefiting the media industry (Jaquet 1998).

With regard to journalists, they often resist pressures but their careers and incomes are on the line. Those who want to keep working know that controversial corporate stories are not welcome. Journalists are being socialized into the culture of self-censorship that now dominates news organizations (Phillips 1998). 'The people who constitute the conscience of broadcast news discipline—working journalists—now have less influence on the daily news agenda than ever before, and they face harsh treatment from management if they speak out' (Kent 1998: 29).

Gulf war correspondent Arthur Kent left NBC after a dispute over the network's lack of commitment to hard news. He challenged the GE-appointed NBC news managers in federal court, and, though the case was settled, it provided testimony from 'top executives, program makers, publicists and lawyers [showing] how the editorial autonomy of the news division had been systematically destroyed. "Bring down the barriers" between divisions was how entertainment president Warren Littlefield described his mandate, one given to him directly by Messrs. Welch and Wright' (Kent 1998: 29).

Let's turn to a case where journalists have asserted independence and challenged the corporate priorities of media owners. Television's Fox network (the one that aired the HBO spot) is owned by Rupert Murdoch's News Corporation. The company is being sued by two veteran journalists under Florida's whistle-blower law. Investigative reporters Steve Wilson and Jane Akre were fired by Fox 13 in Tampa in December 1996, to do hard-hitting local reporting. They quickly uncovered a story critical of Monsanto, the world's largest agrochemical company, second largest seed company, and fourth largest pharmaceutical company, and a main advertiser on Fox Television nationally. Monsanto produces a synthetic bovine growth hormone (BGH) marketed under the name Prosilac. Prosilac is banned in Canada and Europe because of its links to cancers of the colon, breast and prostate, and the bacterial and antibiotic residues left in milk. Akre found that virtually all milk sold in Florida comes from cows injected with Prosilac, and even though labelling is required, to offer consumers a choice, consumers were not being informed. After two months of investigation, the reporters produced a hard-hitting story.

But the story was pulled after Monsanto hired a lawyer to pressure the head of Fox News Network in New York. Monsanto is a client of Actmedia, an advertising firm also owned by Rupert Murdoch. After the story was pulled, the station's general manager reviewed the report's content, found it accurate and set another air date. The general manager was then fired and replaced by a News Corp. executive, David Boylan, who told the two journalists, 'We paid $3 billion for these television stations. We'll decide what the news is. The news is what we say it is' (Wilson 1998: 20).

After refusing a cash settlement that would have silenced them on the issue, and rewriting the story over eighty times, both journalists were fired in December 1997. Wilson notes that press reports have been spiked in the past, but this case set another precedent in the ongoing decline of news integrity. 'What is so unusual and egregious about our case is that this is the first time I know of that a newspaper or broadcaster has opted to distort and mold the story into a shape that the potential litigant and advertiser—in this case Monsanto—would like' (Boothroyd 1999: 23).

Wilson believes the incident 'should raise concerns not only about the rapidly decreasing number of companies that control our media but also about the true character and motivation of those who seek to use the public airwaves to enhance their corporate bottom lines' (Wilson 1998: 20).

---

1 We learned that routine tests for drug residue in milk don't screen for a wide variety of antibiotics. We confirmed that two Canadian government regulators have charged that Monsanto offered a $5 million bribe in exchange for approval of the drug without further testing. We documented a revolving door between Monsanto and the FDA. We followed the money trail to the University of Florida, where Monsanto sent millions in gifts and research grants; FDA approval was granted. Meanwhile, we found farmers who said the company wasn't properly reporting the drug's adverse effects on animals, a charge Monsanto eventually acknowledged (Wilson 1998: 20).
Let’s return to one of the main points offered by Mr Jollymore, that church and state remain separate because the perception of independence is paramount for continued profits. The motivation to increase audience share through investigative independence was obvious at Fox 13 when they hired Akre and Wilson. The station aired spoofs that featured the two journalists walking down a smoke-filled alley as a baritone announcer promised the team would never take no for an answer. They would find the truth and tell it (Akre and Wilson 1999: 153). They were described as the Dream Team of investigative reporting, and promised total independence, no matter where a story led.

Far from being a story involving one station, this case involved the highest levels of management at News Corporation. The corporate willingness to suppress information is particularly disturbing considering the company’s vast empire in the US and abroad. Celebrating his recent naturalization to US citizenship, Murdoch went on a media buying spree. He now owns twenty-two major US television stations, reaching more than half of all American TV viewers. His global media holdings include major newspapers in the US, Britain and Australia, HarperCollins book publisher, 20th Century-Fox films, and Star satellite TV in Asia with a reach into 40 million households in China as well (Boothroyd 1999).

With such media empires, editorial independence has proven to be too costly and other strategies for profits have come to supplant news autonomy.

**Marketing the news**

What many news analysts have begun to realize is that the relentless push for increased profits by megacorporation owners has been systematically subjugating the integrity of journalism to the pursuit of profits. Media companies have long felt the responsibility to make a profit, but more intense economic pressures have dramatically affected news judgements. Award-winning editor Geneva Overholser of the Des Moines Register described the process this way: ‘As we sweat out the end of the ever increasing quarterly earnings, as we necessarily attend to the needs and wishes of our shareholders and our advertisers, are we worrying enough about . . . our employees, our readers, and our communities? I’ll answer that: no way’ (Hickey 1998: 31). Walter Cronkite is an outspoken critic of TV’s new ‘corporate chieftains’ in control of news because they show little understanding of the ‘responsibilities of being news disseminators’ (Hickey 1998: 30). They have impossible expectations that news should return the same profits as entertainment. In the pursuit of profits they even close down news bureaux, as ABC did in San Francisco in April 1998, after the Disney company told the news division to cut costs by up to $50 million.

Stockholders in publicly held newspaper chains expect short-term profits similar to those of other enterprises. John Solinski, director of the University of Iowa’s School of Journalism, notes that in publicly traded companies ‘a huge percentage of their stock is owned by institutions—mutual funds, retirement funds, insurance companies—which care little about the quality of the journalism of the companies they invest in (Hickey 1998: 30).

The mid-1990s saw the demoralization and even resignations of a number of journalists and newspaper editors who refused to cripple their news operations in the quest for profits. James Naughton, editor of the Philadelphia Inquirer, resigned because of ‘unrelenting pressures’ on the newsroom (Hickey 1998: 31). Business-minded managers are replacing veteran journalists. In 1997 the Los Angeles Times appointed a senior vice-president for marketing as the general manager for news (Peterson 1997). Mark H. Wille had been a vice-chairman at General Mills and quickly acquired the nickname ‘Captain Crunch and the Cereal Killers’ because of the cuts he made in the news budget. In addition, he declared he would take a bazaooka to the sacred wall that separates editorial judgement and practices from the advertising and marketing departments. Instead, the LA Times would practise ‘entrepreneurial creativity’. His hand-picked successor, Kathryn M. Downing, continued such ‘creativity’. The 10 October 1999 edition of the Times’s Sunday magazine was a 164-page single-issue publication about the opening of the Staples Center sports arena. The Times is one of the ‘founding partners’ of the arena, and the special issue was a joint profit-sharing venture between the Times and the Staples Center (Barringer 1999). The content of the magazine blurred the distinction between editorial copy, written by journalists, and advertising.

Two high-ranking Times editors criticized advertising influence in the news, and also revealed that a daily editorial feature entitled ‘Stories that Shaped the Century’ had its genesis in the advertising department (Barringer 1999b). A petition signed by three hundred members of the editorial staff asserted that the paper’s financial dealings with the Staples Center compromised its integrity and editorial heritage. They demanded that the wall between advertising and news be rebuilt.

Don Hewitt, whose career at CBS spans nearly fifty years, attributes the decline in broadcast news to the blurring of the boundaries between entertainment and news reporting, and says that the line between them is ‘crossed and crisscrossed repeatedly’ (Hewitt 1998: 4). He singled out news magazines for particular criticism. ‘Sad to say, but soap operas have moved upstairs and run at night under the guise of “newsmagazines.” The measure of how they are doing is what kind of promontable nonsense they can come up with to draw people away from the sitcom that’s opposite them on another channel’ (Hewitt 1998: 3).

Long-time ABC newsman Ted Koppel (1998: 23) defined the threat to American journalism this way: ‘our enemies are declining advertising revenues, the rising cost of newprint, lower ratings, diversification and the vertical integration of communications empires.’ He lamented the fading lines between television news and entertainment and noted that what ‘threatens us as American journalism, is the trivialization of our industry’. (Koppel 1998: 23). This point is borne out by a massive survey of the content of broadcast news, newspapers, and magazines which found that scandal, gossip and celebrity pseudo-news increased from 15 per cent in 1977 to an astonishing 43 per cent of the total by 1997 (Hickey 1998: 33). An example of the type of ‘news’ produced in such an environment is the Clinton–Lewinsky scandal. It was cheap and therefore profitable, especially as it wore on. Like the blockbuster film supernarrative, the story could be spread over a variety of news outlets, ad infinitum, at little or no extra cost.
Economic incentives are offered to the new business-minded managers, as stock options become part of benefit packages. Cost-cutting and layoffs produce the quarterly returns that enrich those responsible for the cutbacks, making the task a little easier. As megacorporations demand higher rates of short term profit, money is not reinvested into training and improving the quality of news.

The respected *Columbia Journalism Review* summarizes the problem this way:

> as editors collude ever more willingly with marketers, promotion 'experts' and advertisers, thus ceding a portion of their sacred editorial trust; as editors shrink from tough coverage of major advertisers lest they jeopardize ad revenue; as news holes grow smaller in column inches to cosmeticize the bottom line; as news executives cut muscle and sinew from budgets to satisfy their corporate overseers' demands for higher profit margins each year; as top managers fail to reinvest profits in staff training, investigative reports, salaries, plant, and equipment—then the broadly-felt consequences of those factors and many others, collectively, is a diminished and debilitated journalism of a sort that hasn't been seen in this country until now and which, if it persists, will be a fatal erosion of the ancient bond between journalists and the public (Hickey 1998: 29).

### Foreign coverage

In an era of globalization, US coverage of the world outside its own borders has shrunk dramatically. In 1997 *Time* magazine published one cover story on international news, down from eleven covers in 1987. The overall trend from 1985 to 1995 in *Time* was a decline in foreign news from 24 per cent to 14 per cent, and in *Newsweek* from 22 per cent to 12 per cent (Hickey 1998). TV news follows the same trend. In the 1970s, 45 per cent of airtime was devoted to international coverage. By 1995 that percentage was down to 13.5 (Hickey 1998). Foreign correspondents and international news bureaus are expensive, and megamedia bottom-line journalism simply does without. As a former editor of the *New York Times* noted, the loss of foreign news is 'not so much a lack of the public's interest as it is a concentration of ownership that is profit-driven and a lack of inclination to meet responsibilities, except that to the bottom line' (Hickey 1998: 32).

Most disturbing is the habitual suppression of an entire body of information deemed unacceptable to corporate business interests. The responsibility of journalism and the public's right to know have been casualties of the corporate conglomeration of the media. Will a conglomerate such as Disney allow ABC news to report the conditions under which Teletubbies toys are made? How many investigative stories will be seen about Chinese workers toiling 16 hours a day, up to 112 hours a week, with an average wage of 13 cents an hour, to make the merchandise tied to the programme offered in Disney's 590 retail outlets? And with the interlocking directorships between Time Warner and Chevron Corp., it is no wonder that Chevron's role in the destruction of Nigerian wetlands made the censored news list for 1999. 'For decades, the people of the Niger Delta have been protesting the destruction of their wetlands. Discharges into the creeks and waterways have left the region a dead land, resulting in the Niger Delta becoming one of the most heavily polluted regions in the world' (Phillips 1999: 57).

From news about faulty and unhealthy products to the human and environmental consequences of corporate practices, from magazine feature stories to broadcast news programmes, information essential to a democratic society is becoming harder to find on the news agendas of the megacorporate media. Even though corporate media giants deny that *consolidation* of the industry influences news content, media mergers have created megacorporations whose business interests coincide with those of the rest of the corporate world. 'As the notion of journalistic autonomy from owners and advertisers weakens, the journalistic product will increasingly reflect the interests of the wealthy few that own and advertise in the news media' (McChesney 1998: 104). With such corporate bias in the news agenda, the need to present the appearance of authenticity and to assert legitimacy can account for the examples of independence that have become *exceptions to the rule*. But those exceptions must be *nurtured* and celebrated as ideals that must be *reinvigorated*.

### Making the Internet fit for consumption

As the twentieth century comes to an end and media transformations are tracked and the trajectory of democracy is assessed, discussions and *forums* considering freedom, information, and the *media* invariably point to the Internet as the cyber-space for democracy for the new millennium. Unfortunately, since 1997 the Internet has taken giant leaps towards becoming the quintessential commercial medium of the next century. Stock prices for high-tech and Internet companies skyrocketed at the beginning of 1999, as investors looked to the Internet for the next big windfall, buoyed no doubt by reports that one-quarter of American households were online, and that two-thirds of those had been connected over the previous two years. The 1998 Christmas shopping season on the Internet only *provided* more fuel in the rush to *commercialization*.

With 15 million members, America Online (AOL) is the predominant gateway to cyberspace. In less than a decade, from 1991 to 1998, AOL captured 42.6 per cent of market share, with more members than the next fifteen Internet service providers combined. While people go online primarily for *email*, to browse web sites and chat, online shopping is seen as the wave of the future. AOL seeks to 'drive the traffic' already on the Net onto a newly built e-commerce superhighway. At a frantic pace, AOL has been at the *forefront of the commercialization of the Internet*, developing e-commerce, seeking to provide the portal and the gateway to a brave new world of interactive consumption.

AOL's promotional material describes it as 'the world's leading provider of branded interactive services'. The term 'interactive', once evoked a range of practices by which media audiences, through new technologies, would be transformed into active participants, able to 'talk back' to the media. Once they were relegated to passive consumption, 'interactive' signified a coming *utopia* where readers of
electronic texts of all sorts would participate in any number of ways, from voting, to playing, to registering their opinions, to resolving fictional narratives according to their own creative design. But in the language that speaks of 'helping consumers benefit from the enormous power of the Internet', interactive now means 'shop'.

In a letter posted online to members, Steve Case (1998), chairman and chief executive of America Online, announced AOL's merger with Netscape. Case was impressed with 'how quickly Netscape has transformed its business—shifting its focus away from browsers and platforms and toward high-growth portal and e-commerce opportunities'. The merger would help broaden their global audience at home and at work. The same day it acquired Netscape, AOL formed a strategic alliance with Sun Microsystems, 'to accelerate the growth of enterprise-class e-commerce'. The three-year development and marketing alliance would help companies and internet providers rapidly enter the e-commerce market and scale their e-commerce operations by making it easier and faster for companies to set up shop online. Combining the strengths of Sun with AOL and its brands, would, in their words 'lead our customers into the electronic commerce marketplace of the future'. All this futuristic jargon describes little more than turning the Internet into the cybemall of America, through the development and application of business software. E-commerce is technology designed for online marketing, orders, billing, and payments. AOL will help provide companies with such software, and their corporate mergers will direct members onto the sites of their newly aligned corporate partners. Thus, AOL's corporate strategies mirror the merger/monopolization craze of the rest of the media industries, offering essentially a single dominant set of hardware, software, browsers, portals, and services.

Just as programming provided the audiences for television, e-mail, chat rooms and information services have connected people to the Internet. As people began to watch TV to be entertained and informed about current events, they were delivered to advertisers, allowing broadcasters to profit from advertising revenue. Now AOL members go online to communicate with friends, family, business associates (parents even talk to their children on e-mail), and just as TV audiences were sold to advertisers, Internet subscribers can now be delivered to online businesses, sold to AOL's e-commerce associates. What is heralded as the 'power of the Internet' a new wave of the future, is a repeat of broadcasting's commercial past. As members of the public seek to benefit from communication technologies, they are transformed into market shares.

You've Got Mail

America Online has embraced mergermania and the cultural productions that accompany it. This attitude is nowhere better communicated than in the film You've Got Mail. Billed as a quaint remake of The Shop around the Corner, with an Internet twist, the movie is much more a contemporary ode to monopolies, mergers, synergy and programming environments. The film opens with Manhattan pictured in the graphic style of a computer program, the city space rendered in the language of cyberspace. But that space is grounded to the geography of AOL. The menu and graphic design of AOL are featured throughout the movie during the chats between Meg Ryan and Tom Hanks. The film is very much a vehicle for the promotion of AOL and, in no small way, this commercial imperative affects its content.

As AOL completes one business merger after another in an attempt to transform the Internet to a tightly diversified marketing device, it comes as no surprise that it should cross-market a film that celebrates that process. You've Got Mail is a super-narrative designed for business synergy, this time over the Internet, whose content extols corporate centralization and monopolistic practices. On the surface, the film seems to venerate small businesses in the person of Kathleen, played by Meg Ryan, the creative, dedicated proprietor of a small children's bookstore. But, ironically, both main characters prefer to buy their coffee at Starbucks, instead of at a small boutique coffee house. In fact, the Starbucks chain is featured as a central cultural site.

It is primarily the acquiescence in monopolization and the corresponding loss of entrepreneurial enterprise that defines the movie's dominant signification. While it is clear that Kathleen's little book shop being put out of business is an injustice, the film's resolutions help both characters and viewers become accustomed to 'tight diversification' and business centralization. Kathleen's future will be rosy, as a children's book writer or editor. In addition, while the business practices of Joe Fox, the young book mogul played by Hanks, put Kathleen out of business, his romantic allure also saves her.

The promotion of the retail chains and business monopolization, be they bookstores chains representing Barnes and Noble or coffee shops, mirrors the centralization of Corporate America and the marketing priorities that drive it, the structures AOL is rapidly emulating. Towards the end of the movie, the stress of closing the shop has caused Kathleen to come down with the flu, and Fox arrives with a bouquet of daisies. Shortly after the movie's release, as Valentine's Day approached, AOL's home page featured the You've Got Mail Bouquet, and with a click of the mouse subscribers were sent to 1-800 flowers. Thus are merchandising and movie tie-ins fully incorporated into Internet consumer culture at the Internet becomes the primary marketing device of the twenty-first century.

Recreating the Internet in the image of existing industry structures, complete with mergers, synergy, and supernarratives, all fuelled by the mechanics of marketing, will serve to close down information, just as in the mainstream media. The new medium, in following the commercial imperative of the old, is replicating each of the steps that favour corporate profits over a democratic domain of free-flowing information. For example, AOL closed down the Irish Heritage discussion group for seventeen days, and wiped clean the discussion archives so that no trace of the contended discourse remains (Harmon 1999: 220). This action was only the most dramatic in a series of practices designed to circumvent freedom of speech in cyberspace. AOL deletes individual message-board postings, assigns 'demerit' marks to subscribers who are 'offensive', and bars individuals from logging on and accessing their e-mail. Some subscribers are forced to operate under 'mutual non-harassment notices' whereby they agree never to chat with each other online. AOL
says it looks for the ‘tone’ of discourse, such as threatening, harassing, profane, or vulgar speech. But such judgements are inherently insidious. One couple participating in an abortion debate was cited by AOL for posting the phrase ‘If you can’t stand the heat get out of the kitchen’ (Harmon 1999: A20). Members are cited when others complain to AOL. One woman taking part in a Women in Action discussion board had her account closed when she and others were ‘picked as targets for complaints by those who [disagreed] with their liberal views’ (Harmon 1999: A20).

The Telecommunication Act of 1996 designated Internet providers common carriers, making them immune from legal prosecution for content. As a common carrier, like a telephone line, AOL provides the technology for carrying information, and is not responsible for information content itself. Its censorious practices, it claims, are motivated by a desire to provide a ‘family-oriented’ service and make the Internet a safe place for subscribers. But such claims frequently belie business motivations. Controversy, especially political contentions, is routinely considered to be antithetical to commercial media environments.

As we have seen with You’ve Got Mail, romantic comedy extolling business centralization is content fit for consumption. But, as Andrew Shapiro points out, ‘We’ve moved distressingly close to the model that the Internet was supposed to replace, which is a couple of big companies having a disproportionate amount of control over the information market. A good argument can be made that AOL needs to take on more responsibility for protecting free speech’ (Harmon 1999: A20). At AOL corporate dominance and commercial pressures have created a new institution with incredible social and political power, but one that is immune from first amendment requirements.

Bots ‘reassessed’

Studies show that a key attraction for people who make purchases on the Internet is the availability of information about product options and comparative pricing. To date most portal sites have featured ‘bots’, or ‘shopping agents’, that search the Net for the lowest price on a particular item. But as retailers pay millions of dollars for portal real estate, they will not sit idly by as consumers are allowed to make choices based on price. Portals are ‘re-evaluating’ their retail strategies and the way they balance the needs of consumers with those of their retail/advertising partners’ (Riedman 1999: 28). As one Net marketing director noted, ‘it trains the customer to think that pricing is foremost [sic] important, not value and brand’ (Riedman 1999: 28). Excite, the company that owns NetBot is ‘improving’ its Product Finder so that a search will also bring relevant advertising. As Lycos continues to develop its e-commerce software, it will not be ‘deeply integrating the bot into the buying process. We don’t think that’s a good proposition for us or our merchant partners’ (Riedman 1999: 28). The profoundly anti-competitive nature of corporate media, and now new media, seems to prove once again that marketing and promotions are anathema to information.

Some critics have pointed out that anti-competitive practices have led to cartel-like tendencies of the largest US media firms. Increasingly, media giants are entering into ‘equity joint ventures’ with their ‘competitors’, whereby two or more media giants share the ownership between them. Industry claims that centralization and business mergers are necessary to compete in the global marketplace, and that only such business success can offer consumers more choice and lower rates, do not withstand scrutiny. Corporate monopolies are formed to stifle competition, not to encourage it. Take the 1996 Telecommunication Act, for example. The cable industry was deregulated because, it was argued, that would increase competition. Phone companies would compete with cable companies, providing consumers with alternatives to cable and Internet services. The result would be a reduction of rates. In fact the opposite occurred. In the three years 1996–9, cable rates rose by 20 per cent. The cap on rates established then was lifted, and it is predicted that cable rates will increase dramatically. What the law did allow was increased monopolization of the entire telecommunications industry, and the acceleration of a unified media voice. As word of the merger between AOL and Time Warner circulates, the swelling of a huge market share with convergent technology does not bode well for a technologically or economically diverse digital environment for the future. The AOL/Time Warner service will deliver Internet and television and acquire a huge market share. Only e-commerce businesses willing to pay for Internet real estate will be included, closing down the last technological information frontier.

Let’s return to the HBO TV advertisement we started with that features cute chimpanzees mimicking the dramatic dialogue of American movies. The charming commercial and its production illustrate a now monolithic discourse in which science, nature, information, and human activity are marshalled and commodified under the rubric of entertainment, employed with the purpose of creating the ultimate sales pitch. We know little about the global corporate behaviours that now endanger primate habitats, and precious little information critical of corporate practices is available outside the endangered space of the Internet. But images of the chimps, subsumed under the aegis of media marketing, are used to promote corporate monopolies that control information. In a cynical bid to create profits out of curiosity, imagination and science, the megamedia industry hopes that the public can be subdued, enjoined to shut up and shop, or, like the chimps in the HBO ad, persuaded to mimic mindlessly the media fare acceptable to corporate owners.

We hope to demonstrate that the end of media history will be characterized by the triumph of media commercialism. We offer this book to help establish the parameters of that process, and as a critical unmasking that seeks to illuminate the real threats to democracy. We offer analysis from a variety of perspectives and a discussion of possible pathways to take in hopes of arresting such a process.

References