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Consent.

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A Propaganda Model

THE MASS MEDIA SERVE AS A SYSTEM FOR COMMUNICATING messages and symbols to the general populace. It is their function to amuse, entertain, and inform, and to inculcate individuals with the values, beliefs, and codes of behavior that will integrate them into the institutional structures of the larger society. In a world of concentrated wealth and major conflicts of class interest, to fulfil this role requires systematic propaganda.¹

In countries where the levers of power are in the hands of a state bureaucracy, the monopolistic control over the media, often supplemented by official censorship, makes it clear that the media serve the ends of a dominant elite. It is much more difficult to see a propaganda system at work where the media are private and formal censorship is absent. This is especially true where the media actively compete, periodically attack and expose corporate and governmental malfeasance, and aggressively portray themselves as spokesmen for free speech and the general community interest. What is not evident (and remains

undiscussed in the media) is the limited nature of such critiques, as well as the huge inequality in command of resources, and its effect both on access to a private media system and on its behavior and performance.

A propaganda model focuses on this inequality of wealth and power and its multilevel effects on mass-media interests and choices. It traces the routes by which money and power are able to filter out the news fit to print, marginalize dissent, and allow the government and dominant private interests to get their messages across to the public. The essential ingredients of our propaganda model, or set of news "filters," fall under the following headings: (1) the size, concentrated ownership, owner wealth, and profit orientation of the dominant mass-media firms; (2) advertising as the primary income source of the mass media; (3) the reliance of the media on information provided by government, business, and "experts" funded and approved by these primary sources and agents of power; (4) "flak" as a means of disciplining the media; and (5) "anticommunism" as a national religion and control mechanism. These elements interact with and reinforce one another. The raw material of news must pass through successive filters, leaving only the cleansed residue fit to print. They fix the premises of discourse and interpretation, and the definition of what is newsworthy in the first place, and they explain the basis and operations of what amount to propaganda campaigns.

The elite domination of the media and marginalization of dissidents that results from the operation of these filters occurs so naturally that media news people, frequently operating with complete integrity and goodwill, are able to convince themselves that they choose and interpret the news "objectively" and on the basis of professional news values. Within the limits of the filter constraints they often are objective; the constraints are so powerful, and are built into the system in such a fundamental way, that alternative bases of news choices are hardly imaginable. In assessing the newsworthiness of the U.S. government's urgent claims of a shipment of MIGs to Nicaragua on November 5, 1984, the media do not stop to ponder the bias that is inherent in the priority assigned to government-supplied raw material, or the possibility that the government might be manipulating the news,² imposing its own agenda, and deliberately diverting attention from other material.³ It requires a macro, alongside a micro- (story-by-story), view of media operations, to see the pattern of manipulation and systematic bias.

Let us turn now to a more detailed examination of the main constituents of the propaganda model, which will be applied and tested in the chapters that follow.

1.1. SIZE, OWNERSHIP, AND PROFIT ORIENTATION OF THE MASS MEDIA: THE FIRST FILTER

In their analysis of the evolution of the media in Great Britain, James Curran and Jean Seaton describe how, in the first half of the nineteenth century, a radical press emerged that reached a national working-class audience. This alternative press was effective in reinforcing class consciousness: it unified the workers because it fostered an alternative value system and framework for looking at the world, and because it "promoted a greater collective confidence by repeatedly emphasizing the potential power of working people to effect social change through the force of 'combination' and organized action."⁴ This was deemed a major threat by the ruling elites. One MP asserted that the working-class newspapers "inflame passions and awaken their selfishness, contrasting their current condition with what they contend to be their future condition—a condition incompatible with human nature, and those immutable laws which Providence has established for the regulation of civil society."⁵ The result was an attempt to squelch the working-class media by libel laws and prosecutions, by requiring an expensive security bond as a condition for publication, and by imposing various taxes designed to drive out radical media by raising their costs. These coercive efforts were not effective, and by mid-century they had been abandoned in favor of the liberal view that the market would enforce responsibility.

Curran and Seaton show that the market *did* successfully accomplish what state intervention failed to do. Following the repeal of the punitive taxes on newspapers between 1853 and 1869, a new daily local press came into existence, but not one new local working-class daily was established through the rest of the nineteenth century. Curran and Seaton note that

Indeed, the eclipse of the national radical press was so total that when the Labour Party developed out of the working-class movement in the first decade of the twentieth century, it did not obtain the exclusive backing of a single national daily or Sunday paper.⁶

One important reason for this was the rise in scale of newspaper enterprise and the associated increase in capital costs from the mid-nineteenth century onward, which was based on technological

improvements along with the owners' increased stress on reaching large audiences. The expansion of the free market was accompanied by an "industrialization of the press." The total cost of establishing a national weekly on a profitable basis in 1837 was under a thousand pounds, with a break-even circulation of 6,200 copies. By 1867, the estimated start-up cost of a new London daily was 50,000 pounds. The *Sunday Express*, launched in 1918, spent over two million pounds before it broke even with a circulation of over 250,000.⁷

Similar processes were at work in the United States, where the start-up cost of a new paper in New York City in 1851 was \$69,000; the public sale of the *St. Louis Democrat* in 1872 yielded \$456,000; and city newspapers were selling at from \$6 to \$18 million in the 1920s.⁸ The cost of machinery alone, of even very small newspapers, has for many decades run into the hundreds of thousands of dollars; in 1945 it could be said that "Even small-newspaper publishing is big business . . . [and] is no longer a trade one takes up lightly even if he has substantial cash—or takes up at all if he doesn't."⁹

Thus the first filter—the limitation on ownership of media with any substantial outreach by the requisite large size of investment—was applicable a century or more ago, and it has become increasingly effective over time.¹⁰ In 1986 there were some 1,500 daily newspapers, 11,000 magazines, 9,000 radio and 1,500 TV stations, 2,400 book publishers, and seven movie studios in the United States—over 25,000 media entities in all. But a large proportion of those among this set who were news dispensers were very small and local, dependent on the large national companies and wire services for all but local news. Many more were subject to common ownership, sometimes extending through virtually the entire set of media variants.¹¹

Ben Bagdikian stresses the fact that despite the large media numbers, the twenty-nine largest media systems account for over half of the output of newspapers, and most of the sales and audiences in magazines, broadcasting, books, and movies. He contends that these "constitute a new Private Ministry of Information and Culture" that can set the national agenda.¹²

Actually, while suggesting a media autonomy from corporate and government power that we believe to be incompatible with structural facts (as we describe below), Bagdikian also may be understating the degree of effective concentration in news manufacture. It has long been noted that the media are tiered, with the top tier—as measured by prestige, resources, and outreach—comprising somewhere between ten and twenty-four systems.¹³ It is this top tier, along with the government and wire services, that defines the news agenda and supplies much of

the national and international news to the lower tiers of the media, and thus for the general public.¹⁴ Centralization within the top tier was substantially increased by the post-World War II rise of television and the national networking of this important medium. Pre-television news markets were local, even if heavily dependent on the higher tiers and a narrow set of sources for national and international news; the networks provide national and international news from three national sources, and television is now the principal source of news for the public.¹⁵ The maturing of cable, however, has resulted in a fragmentation of television audiences and a slow erosion of the market share and power of the networks.

Table 1-1 provides some basic financial data for the twenty-four media giants (or their controlling parent companies) that make up the top tier of media companies in the United States.¹⁶ This compilation includes: (1) the three television networks: ABC (through its parent, Capital Cities), CBS, and NBC (through its ultimate parent, General Electric [GE]); (2) the leading newspaper empires: *New York Times*, *Washington Post*, *Los Angeles Times* (Times-Mirror), *Wall Street Journal* (Dow Jones), Knight-Ridder, Gannett, Hearst, Scripps-Howard, Newhouse (Advance Publications), and the Tribune Company; (3) the major news and general-interest magazines: *Time*, *Newsweek* (subsumed under *Washington Post*), *Reader's Digest*, *TV Guide* (Triangle), and *U.S. News & World Report*; (4) a major book publisher (McGraw-Hill); and (5) other cable-TV systems of large and growing importance: those of Murdoch, Turner, Cox, General Corp., Taft, Storer,¹⁷ and Group W (Westinghouse). Many of these systems are prominent in more than one field and are only arbitrarily placed in a particular category (Time, Inc., is very important in cable as well as magazines; McGraw-Hill is a major publisher of magazines; the Tribune Company has become a large force in television as well as newspapers; Hearst is important in magazines as well as newspapers; and Murdoch has significant newspaper interests as well as television and movie holdings).

These twenty-four companies are large, profit-seeking corporations, owned and controlled by quite wealthy people. It can be seen in table 1-1 that all but one of the top companies for whom data are available have assets in excess of \$1 billion, and the median size (middle item by size) is \$2.6 billion. It can also be seen in the table that approximately three-quarters of these media giants had after-tax profits in excess of \$100 million, with the median at \$183 million.

Many of the large media companies are fully integrated into the market, and for the others, too, the pressures of stockholders, directors, and bankers to focus on the bottom line are powerful. These pressures

TABLE 1-1
Financial Data for Twenty-four
Large Media Corporations
(or Their Parent Firms),
December 1986

COMPANY	TOTAL ASSETS (\$ MILLIONS)	PROFITS BEFORE TAXES (\$ MILLIONS)	PROFITS AFTER TAXES (\$ MILLIONS)	TOTAL REVENUE (\$ MILLIONS)
Advance Publications (Newhouse) ¹	2,500	NA	NA	2,200
Capital Cities/ABC	5,191	688	448	4,124
CBS	3,370	470	370	4,754
Cox Communications ²	1,111	170	87	743
Dow Jones & Co.	1,236	331	183	1,135
Gannett	3,365	540	276	2,801
General Electric (NBC)	34,591	3,689	2,492	36,725
Hearst ³	4,040	NA	215 (1983)	2,100 (1983)
Knight-Ridder	1,947	267	140	1,911
McGraw-Hill	1,463	296	154	1,577
News Corp. (Murdoch) ⁴	8,460	377	170	3,822
New York Times	1,405	256	132	1,565
Reader's Digest ⁵	NA	75-110 (1985)	NA	1,400 (1985)
Scripps-Howard ⁶	NA	NA	NA	1,062
Storer ⁷	1,242	68	(-17)	537
Taft	1,257	(-11)	(-53)	500
Time, Inc.	4,230	626	376	3,762
Times-Mirror	2,929	680	408	2,948
Triangle ⁸	NA	NA	NA	730
Tribune Co.	2,589	523	293	2,030
Turner Broadcasting	1,904	(-185)	(-187)	570
U.S. News & World Report ⁹	200+	NA	NA	140

COMPANY	TOTAL ASSETS (\$ MILLIONS)	PROFITS BEFORE TAXES (\$ MILLIONS)	PROFITS AFTER TAXES (\$ MILLIONS)	TOTAL REVENUE (\$ MILLIONS)
Washington Post	1,145	205	100	1,215
Westinghouse	8,482	801	670	10,731

NA = not available

- The asset total is taken from *Forbes* magazine's wealth total for the Newhouse family for 1985; the total revenue is for media sales only, as reported in *Advertising Age*, June 29, 1987.
 - Cox Communications was publicly owned until 1985, when it was merged into another Cox family company, Cox Enterprises. The data presented here are for year-end 1984, the last year of public ownership and disclosure of substantial financial information.
 - Data compiled in William Barrett, "Citizens Rich," *Forbes*, Dec. 14, 1987.
 - These data are in Australian dollars and are for June 30, 1986; at that date the Australian dollar was worth 68/100 of a U.S. dollar.
 - Data for 1985, as presented in the *New York Times*, Feb. 9, 1986.
 - Total revenue for media sales only, as reported in *Advertising Age*, June 29, 1987.
 - Storer came under the control of the Wall Street firm Kohlberg Kravis Roberts & Co. in 1985; the data here are for December 1984, the last period of Storer autonomy and publicly available information.
 - Total revenue for media sales only; from *Advertising Age*, June 29, 1987.
 - Total assets as of 1984-85, based on "Mort Zuckerman, Media's New Mogul," *Fortune*, Oct. 14, 1985; total revenue from *Advertising Age*, June 29, 1987.
- have intensified in recent years as media stocks have become market favorites, and actual or prospective owners of newspapers and television properties have found it possible to capitalize increased audience size and advertising revenues into multiplied values of the media franchises—and great wealth.¹⁸ This has encouraged the entry of speculators and increased the pressure and temptation to focus more intensively on profitability. Family owners have been increasingly divided between those wanting to take advantage of the new opportunities and those desiring a continuation of family control, and their splits

have often precipitated crises leading finally to the sale of the family interest.¹⁹

This trend toward greater integration of the media into the market system has been accelerated by the loosening of rules limiting media concentration, cross-ownership, and control by non-media companies.²⁰ There has also been an abandonment of restrictions—previously quite feeble anyway—on radio-TV commercials, entertainment-mayhem programming, and “fairness doctrine” threats, opening the door to the unrestrained commercial use of the airwaves.²¹

The greater profitability of the media in a deregulated environment has also led to an increase in takeovers and takeover threats, with even giants like CBS and Time, Inc., directly attacked or threatened. This has forced the managements of the media giants to incur greater debt and to focus ever more aggressively and unequivocally on profitability, in order to placate owners and reduce the attractiveness of their properties to outsiders.²² They have lost some of their limited autonomy to bankers, institutional investors, and large individual investors whom they have had to solicit as potential “white knights.”²³

While the stock of the great majority of large media firms is traded on the securities markets, approximately two-thirds of these companies are either closely held or still controlled by members of the originating family who retain large blocks of stock. This situation is changing as family ownership becomes diffused among larger numbers of heirs and the market opportunities for selling media properties continue to improve, but the persistence of family control is evident in the data shown in table 1-2. Also evident in the table is the enormous wealth possessed by the controlling families of the top media firms. For seven of the twenty-four, the market value of the media properties owned by the controlling families in the mid-1980s exceeded a billion dollars, and the median value was close to half a billion dollars.²⁴ These control groups obviously have a special stake in the status quo by virtue of their wealth and their strategic position in one of the great institutions of society. And they exercise the power of this strategic position, if only by establishing the general aims of the company and choosing its top management.²⁵

The control groups of the media giants are also brought into close relationships with the mainstream of the corporate community through boards of directors and social links. In the cases of NBC and the Group W television and cable systems, their respective parents, GE and Westinghouse, are themselves mainstream corporate giants, with boards of directors that are dominated by corporate and banking executives. Many of the other large media firms have boards made up predomi-

TABLE 1-2
Wealth of the Control Groups of
Twenty-four Large Media
Corporations (or Their Parent
Companies), February 1986

COMPANY	CONTROLLING FAMILY OR GROUP	PERCENTAGE OF VOTING STOCK HELD BY CONTROL GROUP (%)	VALUE OF CONTROLLING STOCK INTEREST (\$ MILLIONS)
Advance Publications	Newhouse family	Closely held	2,200 ^F
Capital Cities	Officers and directors (ODs)	20.7 (Warren Buffett, 17.8)	711 ^P
CBS	ODs	20.6 ¹	551 ^P
Cox Communications	Cox family	36	1,900 ^F
Dow Jones & Co.	Bancroft-Cox families	54	1,500 ^P
Gannett	ODs	1.9	95 ^P
General Electric	ODs	Under 1	171 ^P
Hearst	Hearst family	33	1,500 ^F
Knight-Ridder	Knight and Ridder families	18	447 ^P
McGraw-Hill	McGraw family	c.20	450 ^F
News Corp.	Murdoch family	49	300 ^F
New York Times	Sulzberger family	80	450 ^F
Reader's Digest	Wallace estate managed by trustees; no personal beneficiaries	NA	NA
Scripps-Howard	Scripps heirs	NA	1,400 ^F
Storer	ODs	8.4	143 ^P
Taft	ODs	4.8	37 ^P
Time, Inc.	ODs	10.7 (Luce 4.6, Temple 3.2)	406 ^P
Times-Mirror	Chandlers	35	1,200 ^P
Triangle	Annenbergs	Closely held	1,600 ^F
Tribune Co.	McCormick heirs	16.6	273 ^P
Turner	Turner	80	222 ^P
Broadcasting			

COMPANY	CONTROLLING FAMILY OR GROUP	PERCENTAGE OF VOTING STOCK HELD BY CONTROL GROUP (%)	VALUE OF CONTROLLING STOCK INTEREST (\$ MILLIONS)
U.S. News & World Report	Zuckerman	Closely held	176 ²
Washington Post	Graham family	50+	350 ^F
Westinghouse	ODs	Under 1	42 ^P

Sources: P means taken from proxy statements and computed from stock values as of February 1986; F means taken from *Forbes* magazine's annual estimate of wealth holdings of the very rich.

1. These holdings include William Paley's 8.1 percent and a 12.2 percent holding of Laurence Tisch through an investment by Loews. Later in the year, Loews increased its investment to 24.9 percent, and Laurence Tisch soon thereafter became acting chief executive officer.
2. This is the price paid by Zuckerman when he bought *U.S. News* in 1984. See Gwen Kinkead, "Mort Zuckerman, Media's New Mogul," *Fortune*, Oct. 14, 1985, p. 196.

nantly of insiders, a general characteristic of relatively small and owner-dominated companies. The larger the firm and the more widely distributed the stock, the larger the number and proportion of outside directors. The composition of the outside directors of the media giants is very similar to that of large non-media corporations. Table 1-3 shows that active corporate executives and bankers together account for a little over half the total of the outside directors of ten media giants; and the lawyers and corporate-banker retirees (who account for nine of the thirteen under "Retired") push the corporate total to about two-thirds of the outside-director aggregate. These 95 outside directors had directorships in an additional 36 banks and 255 other companies (aside from the media company and their own firm of primary affiliation).²⁶

In addition to these board linkages, the large media companies all do business with commercial and investment bankers, obtaining lines of credit and loans, and receiving advice and service in selling stock and bond issues and in dealing with acquisition opportunities and takeover threats. Banks and other institutional investors are also large owners of media stock. In the early 1980s, such institutions held 44 percent of the stock of publicly owned newspapers and 35 percent of the stock of

TABLE 1-3
AFFILIATIONS OF THE OUTSIDE DIRECTORS OF TEN LARGE MEDIA COMPANIES (OR THEIR PARENTS) IN 1986*

PRIMARY AFFILIATION	NUMBER	PERCENT
Corporate executive	39	41.1
Lawyer	8	8.4
Retired (former corporate executive or banker)	13 (9)	13.7 (9.5)
Banker	8	8.4
Consultant	4	4.2
Nonprofit organization	15	15.8
Other	8	8.4
Total	95	100.0

OTHER RELATIONSHIPS

Other directorships (bank directorships)	255 (36)
Former government officials	15
Member of Council on Foreign Relations	20

* Dow Jones & Co.; Washington Post; New York Times; Time, Inc.; CBS; Times-Mirror; Capital Cities; General Electric; Gannett; and Knight-Ridder.

publicly owned broadcasting companies.²⁷ These investors are also frequently among the largest stockholders of individual companies. For example, in 1980-81, the Capital Group, an investment company system, held 7.1 percent of the stock of ABC, 6.6 percent of Knight-Ridder, 6 percent of Time, Inc., and 2.8 percent of Westinghouse.²⁸ These holdings, individually and collectively, do not convey control, but these large investors can make themselves heard, and their actions can affect the welfare of the companies and their managers.²⁹ If the managers fail to pursue actions that favor shareholder returns, institutional investors will be inclined to sell the stock (depressing its price), or to listen sympathetically to outsiders contemplating takeovers. These

investors are a force helping press media companies toward strictly market (profitability) objectives.

So is the diversification and geographic spread of the great media companies. Many of them have diversified out of particular media fields into others that seemed like growth areas. Many older newspaper-based media companies, fearful of the power of television and its effects on advertising revenue, moved as rapidly as they could into broadcasting and cable TV. Time, Inc., also, made a major diversification move into cable TV, which now accounts for more than half its profits. Only a small minority of the twenty-four largest media giants remain in a single media sector.³⁰

The large media companies have also diversified beyond the media field, and non-media companies have established a strong presence in the mass media. The most important cases of the latter are GE, owning RCA, which owns the NBC network, and Westinghouse, which owns major television-broadcasting stations, a cable network, and a radio-station network. GE and Westinghouse are both huge, diversified multinational companies heavily involved in the controversial areas of weapons production and nuclear power. It may be recalled that from 1965 to 1967, an attempt by International Telephone and Telegraph (ITT) to acquire ABC was frustrated following a huge outcry that focused on the dangers of allowing a great multinational corporation with extensive foreign investments and business activities to control a major media outlet.³¹ The fear was that ITT control "could compromise the independence of ABC's news coverage of political events in countries where ITT has interests."³² The soundness of the decision disallowing the acquisition seemed to have been vindicated by the later revelations of ITT's political bribery and involvement in attempts to overthrow the government of Chile. RCA and Westinghouse, however, had been permitted to control media companies long before the ITT case, although some of the objections applicable to ITT would seem to apply to them as well. GE is a more powerful company than ITT, with an extensive international reach, deeply involved in the nuclear power business, and far more important than ITT in the arms industry. It is a highly centralized and quite secretive organization, but one with a vast stake in "political" decisions.³³ GE has contributed to the funding of the American Enterprise Institute, a right-wing think tank that supports intellectuals who will get the business message across. With the acquisition of ABC, GE should be in a far better position to assure that sound views are given proper attention.³⁴ The lack of outcry over its takeover of RCA and NBC resulted in part from the fact that RCA control over NBC had already breached the gate of separateness, but

it also reflected the more pro-business and *laissez-faire* environment of the Reagan era.

The non-media interests of most of the media giants are not large, and, excluding the GE and Westinghouse systems, they account for only a small fraction of their total revenue. Their multinational outreach, however, is more significant. The television networks, television syndicators, major news magazines, and motion-picture studios all do extensive business abroad, and they derive a substantial fraction of their revenues from foreign sales and the operation of foreign affiliates. *Reader's Digest* is printed in seventeen languages and is available in over 160 countries. The Murdoch empire was originally based in Australia, and the controlling parent company is still an Australian corporation; its expansion in the United States is funded by profits from Australian and British affiliates.³⁵

Another structural relationship of importance is the media companies' dependence on and ties with government. The radio-TV companies and networks all require government licenses and franchises and are thus potentially subject to government control or harassment. This technical legal dependency has been used as a club to discipline the media, and media policies that stray too often from an establishment orientation could activate this threat.³⁶ The media protect themselves from this contingency by lobbying and other political expenditures, the cultivation of political relationships, and care in policy. The political ties of the media have been impressive. Table 1-3 shows that fifteen of ninety-five outside directors of ten of the media giants are former government officials, and Peter Dreier gives a similar proportion in his study of large newspapers.³⁷ In television, the revolving-door flow of personnel between regulators and the regulated firms was massive during the years when the oligopolistic structure of the media and networks was being established.³⁸

The great media also depend on the government for more general policy support. All business firms are interested in business taxes, interest rates, labor policies, and enforcement and nonenforcement of the antitrust laws. GE and Westinghouse depend on the government to subsidize their nuclear power and military research and development, and to create a favorable climate for their overseas sales. The *Reader's Digest*, *Time*, *Newsweek*, and movie- and television-syndication sellers also depend on diplomatic support for their rights to penetrate foreign cultures with U.S. commercial and value messages and interpretations of current affairs. The media giants, advertising agencies, and great multinational corporations have a joint and close interest in a favorable climate of investment in the Third World, and their interconnections

and relationships with the government in these policies are symbiotic.³⁹

In sum, the dominant media firms are quite large businesses; they are controlled by very wealthy people or by managers who are subject to sharp constraints by owners and other market-profit-oriented forces;⁴⁰ and they are closely interlocked, and have important common interests, with other major corporations, banks, and government. This is the first powerful filter that will affect news choices.

1.2. THE ADVERTISING LICENSE TO DO BUSINESS: THE SECOND FILTER

In arguing for the benefits of the free market as a means of controlling dissident opinion in the mid-nineteenth century, the Liberal chancellor of the British exchequer, Sir George Lewis, noted that the market would promote those papers "enjoying the preference of the advertising public."⁴¹ Advertising did, in fact, serve as a powerful mechanism weakening the working-class press. Curran and Seaton give the growth of advertising a status comparable with the increase in capital costs as a factor allowing the market to accomplish what state taxes and harassment failed to do, noting that these "advertisers thus acquired a de facto licensing authority since, without their support, newspapers ceased to be economically viable."⁴²

Before advertising became prominent, the price of a newspaper had to cover the costs of doing business. With the growth of advertising, papers that attracted ads could afford a copy price well below production costs. This put papers lacking in advertising at a serious disadvantage: their prices would tend to be higher, curtailing sales, and they would have less surplus to invest in improving the salability of the paper (features, attractive format, promotion, etc.). For this reason, an advertising-based system will tend to drive out of existence or into marginality the media companies and types that depend on revenue from sales alone. With advertising, the free market does not yield a neutral system in which final buyer choice decides. The *advertisers'* choices influence media prosperity and survival.⁴³ The ad-based media receive an advertising subsidy that gives them a price-marketing-quality edge, which allows them to encroach on and further weaken their ad-free (or ad-disadvantaged) rivals.⁴⁴ Even if ad-based media cater to an affluent ("upscale") audience, they easily pick up a large part of the "down-

scale" audience, and their rivals lose market share and are eventually driven out or marginalized.

In fact, advertising has played a potent role in increasing concentration even among rivals that focus with equal energy on seeking advertising revenue. A market share and advertising edge on the part of one paper or television station will give it additional revenue to compete more effectively—promote more aggressively, buy more salable features and programs—and the disadvantaged rival must add expenses it cannot afford to try to stem the cumulative process of dwindling market (and revenue) share. The crunch is often fatal, and it helps explain the death of many large-circulation papers and magazines and the attrition in the number of newspapers.⁴⁵

From the time of the introduction of press advertising, therefore, working-class and radical papers have been at a serious disadvantage. Their readers have tended to be of modest means, a factor that has always affected advertiser interest. One advertising executive stated in 1856 that some journals are poor vehicles because "their readers are not purchasers, and any money thrown upon them is so much thrown away."⁴⁶ The same force took a heavy toll of the post-World War II social-democratic press in Great Britain, with the *Daily Herald*, *News Chronicle*, and *Sunday Citizen* failing or absorbed into establishment systems between 1960 and 1967, despite a collective average daily readership of 9.3 million. As James Curran points out, with 4.7 million readers in its last year, "the *Daily Herald* actually had almost double the readership of *The Times*, the *Financial Times* and the *Guardian* combined." What is more, surveys showed that its readers "thought more highly of their paper than the regular readers of any other popular newspaper," and "they also read more in their paper than the readers of other popular papers despite being overwhelmingly working class. . . ."⁴⁷ The death of the *Herald*, as well as of the *News Chronicle* and *Sunday Citizen*, was in large measure a result of progressive strangulation by lack of advertising support. The *Herald*, with 8.1 percent of national daily circulation, got 3.5 percent of net advertising revenue; the *Sunday Citizen* got one-tenth of the net advertising revenue of the *Sunday Times* and one-seventh that of the *Observer* (on a per-thousand-copies basis). Curran argues persuasively that the loss of these three papers was an important contribution to the declining fortunes of the Labor party, in the case of the *Herald* specifically removing a mass-circulation institution that provided "an alternative framework of analysis and understanding that contested the dominant systems of representation in both broadcasting and the mainstream press."⁴⁸ A mass movement without any major media support, and subject to a

great deal of active press hostility, suffers a serious disability, and struggles against grave odds.

The successful media today are fully attuned to the crucial importance of audience "quality": CBS proudly tells its shareholders that while it "continuously seeks to maximize audience delivery," it has developed a new "sales tool" with which it approaches advertisers: "Client Audience Profile, or CAP, will help advertisers optimize the effectiveness of their network television schedules by evaluating audience segments in proportion to usage levels of advertisers' products and services."⁴⁹ In short, the mass media are interested in attracting audiences with buying power, not audiences per se; it is affluent audiences that spark advertiser interest today, as in the nineteenth century. The idea that the drive for large audiences makes the mass media "democratic" thus suffers from the initial weakness that its political analogue is a voting system weighted by income!

The power of advertisers over television programming stems from the simple fact that they buy and pay for the programs—they are the "patrons" who provide the media subsidy. As such, the media compete for their patronage, developing specialized staff to solicit advertisers and necessarily having to explain how their programs serve advertisers' needs. The choices of these patrons greatly affect the welfare of the media, and the patrons become what William Evan calls "normative reference organizations,"⁵⁰ whose requirements and demands the media must accommodate if they are to succeed.⁵¹

For a television network, an audience gain or loss of one percentage point in the Nielsen ratings translates into a change in advertising revenue of from \$80 to \$100 million a year, with some variation depending on measures of audience "quality." The stakes in audience size and affluence are thus extremely large, and in a market system there is a strong tendency for such considerations to affect policy profoundly. This is partly a matter of institutional pressures to focus on the bottom line, partly a matter of the continuous interaction of the media organization with patrons who supply the revenue dollars. As Grant Tinker, then head of NBC-TV, observed, television "is an advertising-supported medium, and to the extent that support falls out, programming will change."⁵²

Working-class and radical media also suffer from the political discrimination of advertisers. Political discrimination is structured into advertising allocations by the stress on people with money to buy. But many firms will always refuse to patronize ideological enemies and those whom they perceive as damaging their interests, and cases of

overt discrimination add to the force of the voting system weighted by income. Public-television station WNET lost its corporate funding from Gulf + Western in 1985 after the station showed the documentary "Hungry for Profit," which contains material critical of multinational corporate activities in the Third World. Even before the program was shown, in anticipation of negative corporate reaction, station officials "did all we could to get the program sanitized" (according to one station source).⁵³ The chief executive of Gulf + Western complained to the station that the program was "virulently anti-business if not anti-American," and that the station's carrying the program was not the behavior "of a friend" of the corporation. The London *Economist* says that "Most people believe that WNET would not make the same mistake again."⁵⁴

In addition to discrimination against unfriendly media institutions, advertisers also choose selectively among programs on the basis of their own principles. With rare exceptions these are culturally and politically conservative.⁵⁵ Large corporate advertisers on television will rarely sponsor programs that engage in serious criticisms of corporate activities, such as the problem of environmental degradation, the workings of the military-industrial complex, or corporate support of and benefits from Third World tyrannies. Erik Barnouw recounts the history of a proposed documentary series on environmental problems by NBC at a time of great interest in these issues. Barnouw notes that although at that time a great many large companies were spending money on commercials and other publicity regarding environmental problems, the documentary series failed for want of sponsors. The problem was one of excessive objectivity in the series, which included suggestions of corporate or systemic failure, whereas the corporate message "was one of reassurance."⁵⁶

Television networks learn over time that such programs will not sell and would have to be carried at a financial sacrifice, and that, in addition, they may offend powerful advertisers.⁵⁷ With the rise in the price of advertising spots, the forgone revenue increases; and with increasing market pressure for financial performance and the diminishing constraints from regulation, an advertising-based media system will gradually increase advertising time and marginalize or eliminate altogether programming that has significant public-affairs content.⁵⁸

Advertisers will want, more generally, to avoid programs with serious complexities and disturbing controversies that interfere with the "buying mood." They seek programs that will lightly entertain and thus fit in with the spirit of the primary purpose of program purchases—the