Powerful organizations

Business, Organization



Conflicts of interest occur in all environments and industries, not just in the media. And due to the complications and anomalies that have resulted to acts of bias, certain solutions and measures have been imposed. An example of these measures is the ratification of the Sarbanes-Oxley Act by the US Congress in 2002, which disallows accounting firms to provide consultancy and audit services to clients at the same time. There are several other solutions proposed and enacted, and the common element governing these measures is transparency or the disclosure of pertinent information.

While some parties may be ruffled by such measures, some have taken it as an escape from liabilities that could be brought about by unfavorable outcomes (Cain, Loewenstein and Moore 2005). So in a way, certain influential bodies were able to use these measures to their advantage by retaining the status quo of acting based on utilitarian purposes, but washing their hands clean in the process by subtly declaring their interests.

Thus in cases when there are significant turnouts that other parties may disapprove of, the influential bodies are protected by justifications on how they were operating to achieve theirgoalsand that any resulting direct or indirect influence on other matters is not a primary concern. Vigna (2009) has conducted experiments on media bias and among his findings are rationalizations on why it is carried out in society. According to him, benefits to media producers may vary between 'Aligned Incentives' and 'Mis-aligned Incentives'.

Aligned incentives are those that media producers gain when the information that they feed to the users create the exact results that they wanted, such as in the case of advisors and subjects wherein advisors gain more on the

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accuracy of the subject's guesses. On the other hand, Mis-aligned incentives are those gained by media producers when the information they feed to users create heightened or exaggerated results, such as in the case of advisors gaining more the higher the subject's estimate goes. News and Voting Behavior In the context media, one form by which the above mentioned types of incentives are gained is through the news.

And an event in which the news is most exploited by influential bodies and most consumed by viewers is during the elections. Years and months before the actual elections, candidates' faces could already be found in advertisements on television, print, the internet, and other such portals. Articles and other forms of literature discussing their credentials, platforms and promises could already become widespread. Such approaches can either be subtle, almost working on the subconscious of voters, while some are outright appeals to the public.

But the most exploited form of media is the news, where stations are able to feature campaigns, interactions of the candidates with the public, as well as actual interviews with the candidates. Vigna's (2009)case studyon Fox News' coverage of the elections show how media bias was manifested with politicians partly controlling what is fed to the public through the news. Source: The Economics of the Media: A Behavioral Take by Stefano Della Vigna (2009) The above image shows how Fox News has started the takeover of cable television in several states from 1996 to 2000.

Moreover, it has to be noted that the rate of expansion among towns vary even within the same county and that the media content in its production are notably conservative (Vigna 2009). Taking into consideration the type

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and manner by which Fox News is reporting to the public, it is quite clear that they are biased towards Republicans. Results of Vigna's (2009) study show that Fox News had an effect on the Senatorial Race, despite not directly covering it and more Republicans even in the predominantly Democratic areas came out to exercise their right to vote.

The effect on the outcome of the elections, however, is a different story. Fox News may have benefitted economically from areas with well-off Republicans, but not in terms of political stronghold as the vote share of the latter did not change in the 1996 elections. Moreover, the public awareness of Fox News' bias combined with the presence of a large voting population outside Fox News' reach have evened out the competition on media influence between Republican and Democratic parties.

This goes to show that powerful organizations may be able to manipulate the information shown by the media to the general public but their reach is cut short by the public's level of awareness in terms of their own political beliefs and preferences. With this awareness, they are able to effectively filter out biased information from the media and decide based on their own knowledge and intuition. Such a behavior may be perceived as a deviation to the expected behavior of subjects when exposed to the influence of media. And this is what Vigna (2007) explains in his study,