

Political economy of communications essay sample

[Business](#), [Company](#)



Abstract

This article aims at analyzing the political economy of communications and the consciousness of industry approach. It further examines the US class structure and its control of income and wealth using Domhoff's framework to discuss how Big Media and Big Business make use of the government to promote and shape all the relevant public policies which promote all their short-term interest.

- Jhally's Argument about the Purposes of Media Today in Maintaining Shared Ideological Consensus in the General Public

Introduction

The political economy perspective is of much importance in the structure and process of communication. A great deal of scholars has over the past decades applied this approach in their work which have had varying outcome and ideologies. Comprehending this approach benefits three key parties that are involved, these includes the biggest player, the general public that is divided into three classes; the new middle class group that is responsible for labor and all its control, the working class that does not have responsibilities and controls nothing, and lastly the old middle class that controls only the capital goods. With all this development and progress in the economy and society in public communication, a lot of effect has been felt as the system is seemingly progressing into a thriving industry.

This study therefore attempts to introduce the critical political economy approach in a number of ways. It dwells on the market media system where it evaluates arguments accrued to the evidences found. It further

concentrates on the media and its operation under political and economic constraints. It begins by defining power as the potential groups or individuals to undertake various tasks and carry out their will over the other's opposition. Issues of national power arise and the three main theoretical perspectives that compete; class, elite and pluralist are examined. The elite perspective that is comprised of a few individuals with power, makes a sharp distinction between an unorganized majority and the organized minority that is in control of the industry.

The consciousness industry approach - is basically an institutional approach that is concerned with the basic role of the underlying institutions of the media and incentives as well. The Jhally's argument is based on the concept that the few wealthiest citizens who seemingly are the minority should always strive hard to maintain their status quo which is done by either gaining approval of the majority or by force. Jhally further explains that this concept can only be achieved by persuading the majority to support and identify the current system of power and rewards instead of opposing it. Ideally, The Consciousness Approach analyzes media as a formal concept. Seen as imperative for the operations of the capitalist economy, the media is seemingly not principally viewed as economic institutions (Vincent, 1990, p. 23). The need to invest in the media by the capitalist is to provide a scenario where all parties involved that is; the whole economy benefit by expanding their horizons and surviving in both hard and easy times, not really to make money.

Investing in media essentially is for the purposes of reaping huge returns, not just for the purposes of ideologies and ideological control. Jhally's

ideology is generally a focus on the formal assumption of the general media within a large structure in the society. The Consciousness Industry therefore focuses on the various ways in which media are used to enhance control of capital over output and media content directly. The big focus of The Conscious Industry Approach therefore is to gain the consent of the much dominated industry by the ruling class. Capitalism's nature alone may not assure its control, it pretty much requires ideologies to work in order to assure subordinate classes or the working classes that the whole system is not biased, that it is indeed natural and fair (Michael, 1992, p. 45).

The objective of the industry is to stress out the need for the ruling class to work to express the interests of the working class for the general interests of the public. However, the capitalist class has more advantages of the effort over the programs and policies formed in the interests of the public.

Nonetheless, the consciousness approach has seldom been criticized for its complexities and conspiracies though the media owners have worked through thick and thin to create coherent strategies to handle and contain 'potential troublemakers'. Sources also indicate that media owners greatly influence content in the media. It is alleged that these media owners influence public policy via media outlets in certain ways that end up benefiting their own companies. In addition to that, labor divisions precisely within the ruling class have an effect on media results. Capitalists continue to control and pursue ownership of media to influence public policy and public opinion. In the long run, media's much concentrated economic structure has resulted into marginalization opposing opposite voices, radical opinions and alternative visions (Sutjhally, 1989, p. 89).

The U. S Class Structure and the Control of Wealth and Income

Jhally's approach to conscious industry argues that among the key purposes of media today is to sustain and generate a shared ideology seemingly in the public sphere. All societies have an irregular distribution of knowledge and wealth which assists and benefits a section of the society that is in control of all the wealth of the country. Like stated above, a similar scenario is achieved by The United States of America through the mass media. In the US the media basically is an industry that tries to create some form of consciousness among the audience that is aimed at benefiting the class which controls the industry and the media in general (Paul, 1953, p. 102). Ostensibly, most of the wealth is generated through unearned income not through the alleged majority; the wealth is therefore generated through certain ways of stock, assets, trusts and bonds. In 1995 for instance, 37. 9% of the net worth in assets was owned by the bottom 90% of the population as the 61. 1% was owned by the top 10%. In addition to that, out of the 90% assets, 66. 4% were held at the principal residence whereas 33. 6% a minute fraction of the top 5% and the top 10% is in control of an astonishing 24. 3 % of all the assets (Paul, 2004, p. 16).

Among the Forbes in the top 500 category, an analysis done by Collins shows that only 30% those who succeeded began the journey with very little wealth, while 14% a smaller fraction of that actually started with one million. For instance, Bill Gates of Microsoft in the 6% category, had a family with much wealth approximated at one million but not exceeding \$50 million and still did not appear among the four hundred Forbes then and while a dazing

43% had inherited sufficient wealth to appear on the Forbes 400 since they stepped foot in this world. A good example of this is the David Rockefeller, John D. Rockefeller's grandson of Standard Oil.

Krugman an analyst, elaborates more on the allegory of upward mobility noting that it is a general rule that once people reach their 30s, in most cases do not move down and up the ladder pretty much. He further posits that a myth by Horatio Alger is pretty much enhanced by the likes of Glenn Hubbard and Heritage Foundation renowned conservatives who analyze studies. This foundation points out the wealth that is misinterpreted such as; the shift from low-wage to high wage positions in life without critically analyzing and taking into account all the alteration taken during campus education. It is pointed out by Reich that it is only through borrowing that the middle class will boost its purchasing power (Samuel, 1993, p. 230). Personal wealth inheritance and inheritance are arguably not approaches of controlling income and wealth within the United States structure.

Informally by way of interlocking directories and trade associations, the capitalist class ties them together. First off, by way of stock ownership, financial ties or interlocking directorate's corporation groups all with each other. The third occurs when a number of corporations merge to form a team and the second happens precisely when a person is on the board of directors of a number of firms. The aim of these informal ties is to propel and hasten interests of the capitalist class while allowing them in many scenarios to alter and conspire to their advantage in the marketplace. The essence of this tactic by various corporations is to blind the media and themselves to each other. A largely overlooked fact by the public but is of much importance is

the fact that the media are corporate entities. In actual fact, on the Fortune 2009 Global 500 a large world exhibition, companies such as Times Warner appeared where personalities the likes of Sumner Redstone and Michael Bloomberg and Rupert Murdoch among others appeared in the list of Forbes 400 (Arthur, 1994, p. 36).

The capitalist uses interlocking directorates as methods to clinch to the media along with having a number of owners as members. CBS and Viacom Corporation board of directors for example, initiate members from insurances, philanthropies, banking, education, law firms, trade association, and the government among other corporations. Not only is the trend apparent in CBS but also in Viacom. After critically looking at the boards, Carson discovered that the boards had actually interlocked with a total of 321 links which was inclusive of 272 corporations. This accrues to media distortion on capitalist class issues a combined analysis of the structure of Edwards and Bowles (Ben, 1997, p. 3).

Conclusion

Jhally's concern basically clinches to the notion that the role of advertising lies entirely on the exchange value and the political economy of the commercial media. His application of political economy is a critical focus with a message-based model that advances the aims of materialist analysis. The consciousness industry approach studied by Jhally lights up a particular aspect and truth that is extremely important the US society. Though media were initially designed to be in the public's interest, they all have failed in their relevant fields and fallen into corporation pockets which now furthers a

rigid structure that is swallowing American society gradually.

The industrialization of culture stresses that there is little ideology in the expansion of the commodity while the consciousness industry approach stresses that media is ideally and principally an ideological institution. Jhally posits that the political economy of communication is a double submission to a great extent of the use-value aimed at exchanging value. He further depicts that it is arguably a central concept of advertising in the culture of consumers (William, 1992, p. 96).

- Using Domhoff's Framework to Discuss how Big Media and Big Businesses use the Government to Promote and Shape Policies of the Public to Benefit Short-term Interests

Introduction

The term Capitalist refers to the class that controls the media. Though very few in number, they play a critical role of controlling the majority of the power in the US. Sweezy a strategist divides the class system in America precisely into two significant classes; the wage laborers whose work is to set the motion's means of production and the owners (the capitalist class) of the primary means of production.

The capital goods that are used in production are owned by members of the capitalist who also are controllers of other's labor. Ideally, it is a comparison of the middle class which essentially controls labor, the working class that owns nothing and lastly the old middle class group which controls only the capital group. Notably, the middle classes consist of only 25% of the population in The US; the capitalist class consists of only 2% and lastly the working class consists of 73% of the population. Zeitlin posits that the seats

of Rose Bowl would still not be fully occupied if at all adults in the U. S particularly those that are in possession of corporate stock market; owning a million or more (Daniel, 1988, p. 78). In the US, a big chunk of the US economic system is controlled by the alleged class which is the 2%. The biggest percentage which is at the bottom is in control of only 28% of the wealth in the US while the 37% percent which is actually the top 1% of the population controls the biggest section. In a real sense, a considerable amount of the section of the working class essentially generates 18% a negative net worth, thereby enlarging the gap more and more (Maurice, 1989, p. 11).

A research done by the World Institute for Development Economics depicts that in the US, the largest 500 conglomerates employ 2/3 of the industrial workers; control over 2/3 of the business resources, collect over 70% of the profits and account for 60% of the sales. Edwards and Bowles further divide into either periphery or core the firms in the American capitalist system (Robert, 1999, p. 11). Main forums are recording billions of dollars in sales and having numerous employees, actually thousands. Though no exact limit can seemingly be drawn between primary firms and the rest of the firm, the largest 1200 corporations could be taken out of eighteen million businesses in America despite the periphery sector incorporates all firms that are not in the core.

Lobbying

Media owners are found to indulge in lobbying activities with senior government officials to support their personalities in various communication

activities and engagement. Any director or employee can obtain relevant guidance from their government officials and local policy. Big media companies have been found to lobby official in need of favors to particularly expand the market and maximize profits with their involvement in media activities. There is a close relationship between corruptions and lobbying, as ways of obtaining assistance from the public sector, media personalities have greatly benefited from this activity and have acquired favors in return. Aimed at policy-making rather than bureaucracy, lobbying creates a huge difference in the activities of the media and communication as it acts as a complement to a large extent.

At the expense of the periphery, this projected core grows by diversification, monopoly, integration, and advertising, development, pricing and marketing through the ability to lower wages, use of markets and political power and control of both international and national markets. Seemingly, these approaches enable the core firms to enlarge taking the little amounts of power and wealth the sideline firms have. The concept of shared monopoly shapes competition among the core firm where all firms in monopoly have had the experience of living within particular ways or rules of conducting business that all partners sharing the monopoly accept. Unwritten rules of these firms state that a firm ought to agree on a price where profits do not fall and that they should avoid competition. Price fixing conspiracy between Westinghouse and General Electric is a good example that was experienced between 1951 and 1958 a time when they met often in golf courses and in hotels to agree on dividing profits and split up of the market. Eventually, they were prosecuted resulting in a number of short term jail terms and 2

million dollar fines for executives (G, 1978, p. 32). Like earlier noted, a great deal of companies falls into such sagas like falling into the realm of the core however, they are not free from these practices.

Gannett is an example of a core firm recorded in the papers which exercised monopolistic tactics. Two of Gannett's newspapers were shut down by Gannett in New York, Albany gives William Randolph Hearst's newspapers a monopoly in the city. Hearst at that very time killed 2 newspapers in New York and Rochester offers Gannett full monopoly. This trend however, did not end at that, it continued with the tremendous growth of the chain enabling it to expand its horizons and go public. Using their market power to shut down competition and intimidate advertisers, these monopolies went beyond borders at the expense of local papers in the same market. In addition, these companies took classes and partnered with other senior competitors to assure control (Ben, 2004, p. 54).

Ideally, these numerous, monopolistic corporate interests and core tactics lead to silence and media distortion on a variety of issues. In the real sense, distortion of the energy policy is aimed at favoring the fossil fuel industry to a great extent since majority of the directors are representatives on media boards of energy and oil companies. Nonetheless, due to direct ownership and interlocking directories, defense spending is greatly unexamined. For instance, General Electric owns majority of stake in NBC and is among the largest contractors of defense for America.

Largely, due to the gains of the companies, the financial system is biased to a large extent. Also the fact that Big Media comprises of companies that are publicly-traded, who have a word in the events of the financial system, affirm

and stand for by portraying or repeating the myth of Horatio Alger. Income ownership and wealth is not only silenced because their biggest advertisers are senior people in the board but also due to the fact that a great deal of media owners are committed members of the capitalist class (Thomas, 1985, p. 61). Apparently, this distortion, silencing and bias exceed and furthers the ideological consensus of the capitalist class that is shared, guiding them in acquiring the consent of the majority which results to furthering the continuity of their status quo and their reign also over the working and the middle classes.

Conclusion

Global capitalization has today has resulted in holes, fissures and cracks of the logic Co modify everything. A phase of uncertainty is seen as neoliberalism is ended. Communication and media studies ought to build a strong focus on capitalism and class. The political economy of communication theory has both been supported and criticized for being one-sided. In addition to that, Krugman's approach in expanding the myth of upward mobility is quite comprehensive as he notes that the seniors in the media industry are not transparent and that their aim is to show false interpretations of wealth. Through informal ties, interests of the capitalist class are furthered allowing them to distort thereby hastening the market to their advantage. However, development of this argument is a contrast of two different approaches based on the study of culture.

References

Vincent Norris, " The Political Economy of Communications: An Exploration of Fundamental Concepts, " In *Circulation: Working Papers School of Communications*, Penn State, 1990

Michael Albert, " Conspiracy? Not!" *Z Magazine*, January 1992

Sutjally, CH. 5: " The Political Economy of Culture," in I. Angus & S. Jhally (eds.), *Cultural Politics in Contemporary America*, New York: Routledge, 1989

Paul M. Sweezy, Ch. 9: " The American Ruling Class," *The Present As History*, New York: Monthly Review Press, 1953

Daniel Fusfeld, Ch. 21: " Big Business in the American Economy," pp. 415-421, *Economics: Principles of Political Economy* (3rd ed.), Glenview, IL : Scott, Foresman, 1988

Maurice Zeitlin, Ch. 5: " Who Owns America? The Same Old Gang," *The Large Corporation and Contemporary Classes*, Cambridge: Polity Press, 1989

Paul Krugman, " The Death of Horatio Alger," *Nation*, Jan. 5, 2004, pp. 16-17

Samuel Bowles & Richard Edwards, Ch. 12 " American Capitalism: Transition in the Microeconomic Structure," pp. 229-238, *Understanding Capitalism* (2nd ed.), New York: Harper & Row, 1993

Arthur MacEwan, " Markets Unbound: The Heavy Price of Globalization," *Dollars & Sense*, Sept. 1994, pp. 8-9, 35-37

Robert McChesney, " The New Global Media," *The Nation*, November 29, 1999, pp. 11-15 (HO)

Martin Donohoe, " Combating Corporate Control," *Z Magazine*, September 2009, pp. 37-42

G. William Domhoff, Ch. 6. 4: “ Capitalist Control of the State,” in Edwards et al. (eds.), *The Capitalist System* (2nd ed.), Englewood Cliffs, NJ: Prentice-Hall, 1978

Ben Bagdikian, Ch. 8: “ Won’t They Ever Learn?” *New Media Monopoly*, Boston: Beacon, 2004

Thomas Edsall, Ch. 3: *The Politicization of the Business Community*, *The New Politics of Inequality*, W. W. Norton, 1985

William Greider, “ Citizen GE: Multinationals Like General Electric Have Seized Power in the United States,” *Rolling Stone*, April 16, 1992

Ben Bagdikian, Ch. 10: “ Dear Mr. President,” *New Media Monopoly*