Media ownership

Business, Marketing



Ownership and control in the media are highly important defining issues. The media are relied upon in democratic societies for the protection and promotion of human rights and democracy. Diversity of the media, accurate and honest reporting of the news is considered to be vital for guaranteeing diversity in public opinion, adequate political representation, and a person's participation in society.

A broad media is seen to meet the demands of democracy by providing people with a wide range of information and opinions; to reduce the possibility of conflict by increasing understanding between conflicting groups or interests; to contribute to overall cultural variety and to allow social and cultural change. Concentrated media ownership is widely considered to have a detrimental effect on opinion. The wide consensus on the view that media ownership is dangerous for democratic representation is reflected in many legislative documents.

The 1982 declaration on the freedom of expression and information states the importance of an " existence of a wide range of independent media, permitting the reflection of diversity of ideas and opinions". This concentrated ownership can occur in a number of different ways and for different reasons; through mergers, acquisitions and take-overs. Presently 'traditional media' (i. e. terrestrial TV, publishing, radio) is being joined by forms of media resulting from new technologies from the telecommunications field (cable, satellite, Internet etc.).

A process of market convergence is underway as broadcasting, print media and communications media combine through these mergers, acquisitions and alliances. As more alliances form between these different forms of media (i. e. BBC online, the Q music channel etc.), it could become quite easy for a party who had ownership in two separate media to become extremely powerful and influential. Media companies do not invest in other media merely to increase their influential power, but also to make more money. This may lead to a number of negative consequences.

Firstly mergers often mean cost cutting, staff layoffs, and less investment for new media ventures. Cost cutting usually leads to a reduction in media content, rather than any diversity. For example, if the BBC was bought out by a media superpower, they may not agree to costly research for a new, groundbreaking programme for BBC 1. Instead they would be extremely content with the current programming. This new owner of the BBC may not agree to an expensive new website that would enable online chatting with celebrities, but would be happier with the current information site.

Therefore, variety could be reduced due to this ownership. A second concern is about the concentration of media ownership is the fact that large market players can close the market to new entrants, independent producers or weaker competitors. A market monopoly could be the result. Where this is often accepted to an extent in other markets (i. e. Microsoft's domination of the software market) it could be seen to have negative social costs in the media market. These smaller competitors that are forced out could be bringing vital or revolutionary information to the people, but is being censored by these media superpowers. This concentration of ownership could also give a medium owner potential power to influence public opinion in their favour and prevent other views from reaching the public. Therefore leading to only one voice or opinion being heard, which could have negative consequences for peoples' point of view. However, there are laws and authorities to help prevent media ownership affecting the variety. Under UK competition law, market concentration is limited to 25% of a relevant market. This means that one power can only own a maximum of 25% of their specific media percentage. Thus encouraging other productions to enter the race.

In 1990 the Independent Television Commission was formed to 'ITC' that no one had an unfair advantage over the market. Keeping in line with fairness and preventing possible bribes, all decision-makers at the ITC are often rotated, with the Chairman being the only permanent member of staff. In conclusion, although certain people and companies may own and influence half the world. The world that they own and influence has never really been short of media representing a broad range of interests. And today, unless you want to watch Osama Bin Laden TV, there is ample media out there for every person to find what they want.

So while we are bombarded with re-runs of Friends and every possible reincarnation of Big Brother, we may think that variety has been stifled. But is this really the fault of the excessive media ownership. Perhaps not, as media companies are continually trying desperately to find something new that hasn't been done before. The sad truth is though, practically everything has been done. Big Brother was a huge success because it was new, it made money. Media is owned not to restrict variety and information, but for profit.