

Time warner

[Media](#), [Advertising](#)



Time Warner In 1989, the largest Media Corporation was formed. The integration of Time Inc. and Warner communications produced Time Warner, which in 1996 with the acquisition of Turner broadcasting, regained it's status from Disney as the largest media corporation in the world. The company right now, with over 200 subsidiaries world- wide, is becoming fully global with it's profits from the USA falling, and it's profits throughout the world rising. Globalisation is proving to be Time Warner's major asset in beating other competition to the World market. Currently, Time Warner has interests in many different business fields. Music accounts for a large proportion of its income, while not far behind are its cable systems, entertainment, films, video and television holdings. But, the company has also centred its resources and invested in the global media, producing programmes and channels for countries around the world, which in turn has proven to be a very lucrative area of growth. Time Warner in general has become a " major force in virtually every medium and on every continent" So then, why should a company like Time Warner be a threat to the public, and something which all of us citizens around the World should be aware of ? Isn't Time Warner just a success of capitalism ? A successful company, which employs thousands of people and makes massive turnovers, while at the same time advancing the cause of the global market and promoting commercialism doesn't seem like a thing of public concern. In the World village today, why should we need thousand's upon thousand's of small independent company's and tv stations and newspaper's, when we could have ten large conglomerates who would control everything from production to sales to distribution ? The way in which thing's have developed over the

past ten years, that scenario or fiction might even become fact or reality. So why should it bother the people of the World ? To begin answering that question, we need to go back a hundred years or so and look at the work of Karl Marx and his interpretations of “ socio-economic order produced by industrial capitalism” . Marx believed that the unequal distribution of wealth and the way in which the capitalist class controlled this wealth through the possession of raw materials, means of distribution and labour, enabled them to make huge profits and further their interests. This in turn control over production consolidated their position as the dominant class. As Marx saw it “...the owners of the new communication companies were members of the general capitalist class and they used their control over cultural production to ensure that the dominant images and representations supported the existing social arrangements...” He proved his point at the height of the American Civil War, when he pointed out the connection between the British newspapers insistence on supporting the South and the government in power. Marx realised that there was profit to be made for the ruling class that owned many of the leading newspapers and in the interests of the Prime Minister as well. So what does ownership of the means of cultural production have to do with concentration, oligopoly and vertical integration ? In the process of answering that question, we need to look at the terms involved. To maximise a company profits the same company has to maximise its reach with the public. So, instead of owning only the sales of a product, the company owns the production and distribution of that same product. To make it more simple, instead of owning just a film, the media company owns the studio in which the film was shot, the cinemas where people can go and

see the movie, the stores where people can go and rent the movie, the record company which releases the soundtrack and the stores which sell them, and the company which produces all the essential memorabilia (such as T-shirts, coffee mugs, calendars...). The list does not stop at movies. Ownership can cover more important fields of cultural production like newspapers, TV stations, satellite and digital broadcasters, book publishers' etc. That process is known as vertical integration. Monopoly is when there is only one company that owns all the means and oligopoly is when there are only a few companies that compete between each other, squeezing out all other potential competition. By explaining these terms we can now go back to the point of ownership and who controls the media and what that essentially means for the public. During the 1980s in the USA pressure from the government, the World Bank and the IMF to deregulate and privatise media and communication systems resulted in the rise of oligopolys . The price the American public is paying now is a media system spinning out of control in a hyper- commercialised frenzy. Everything from sports to arts to entertainment and children programmes is turning to full- scale commercialisation, with every aspect of human life carpetbombed. Breakfast talk shows, sitcoms and feature films are " in", while Classical concerts documentaries and educational programmes are " out". On one hand there are the " critics of the critics" who insist that ultimately the audiences are the ones who decide what is shown on commercial television. On the other hand there are the critics who insist that powerful economic and political interests use television as an instrument of control. Let me elaborate. As the competition grew stronger on the American media market, the result was

only a few media companies owning all them means of cultural capitol. In the process, the usual democratic expectation for the media, diversity and ownership and ideas, disappeared as the goal of official policy, and worse, as a daily experience of a generation of American readers and viewers. It must be understood that the safest way to ensure diversity of opinion is the diversity of ideas. Unfortunately, in America that diversity has been sacrificed in the name of free market economics, with the result of oligopolys, concentration and vertical integration. But what is most worrying, is what that effect has had on the American democracy (And democracy around the World). It is well known that the media perform political, social and cultural roles in a modern democratic society. They offer access to the general public with information, public debate and a wide range of opinions and debate on important issues. The media also represents the views of the ruling party and the opposition, which is essential to a democracy. In turn, if media holds the central position in informing the citizenry, then issues about ownership should also be important because patterns of media ownership is a central determinant of media content. Now if only a few companies own the means to distribute information, then diversity is affected, and effectively so is democracy. For decades many Americans have believed that corporate ownership and the dependence on advertising, does not effect the content because the people eventually “ get what they want” and that journalistic integrity prevented certain biases. Now some people are beginning to question those views. If a company like Time Warner owns practically everything, and shares that wealth with only 5 or 6 competitors, then Time Warner has the ability to dictate the content that is most

profitable to them. The profit would obviously come from more and more advertising, which would lead to less and less non-commercial programmes. I perfectly remember, while I was in the USA a couple of months ago, watching the news, and the first thing the reporter said was "...Welcome to the nine o'clock news sponsored by GODZILLA...". In such an uncompetitive market the public has little or no say what so ever, because they might not like the ads but the ads are profit and they stay. It is common knowledge that even little children are not spared, with commercials offering Batman toys or Power Ranger figures every fifteen minutes or so (The toy companies being owned by the media oligopolys). At the same time not even journalistic integrity is spared with their autonomy and ideological diversity reduced making way for a more pro-business direction. News broadcasting in the USA has been snatched away from the journalists and handed over to the corporate chiefs and advertisers (Godzilla example). As you walk into any news store today all you see are fashion, gossip, music and teeny magazines which are over half full of adverts offering new images, smells and escapes from your everyday life, while bookstores offer SAS, crime and love interests. All this has reduced the significance of public service of the notion that there is any purpose to the media except to make money for the shareholders. On a more global scale the same oligopolies have been accused of "cultural imperialism". Herbert Schiller explains his point by pointing out that instead of using military force or repression as a way to influence a country, the USA has used mass media as a weapon reaping benefits for both the companies and the government. "...the easy availability of American movies, music and television programmes subtitled or dubbed in

local languages has been drowning the cultural voices of their societies..." At the same time the US government and the large media firms have encouraged the way in which smaller media companies operate and manage their structure, to follow a more "materialistic" approach. Specifically, including advertisements in their magazines and television programmes. Inevitably this leads to consumption of American products, which undermines the smaller countries economic stability. In Europe, a bit closer to home, intellectuals know fully well that American programmes and films flood the airways and magazines on a daily basis. So, to counter the reach of the oligopolies, in 1990 the Ministers at the European Council approved a £250 mil project called MEDIA, which would develop the European media industry and offer its products to the rest of the World, while at the same time providing competition for the conglomerates. What can be done to stem the tide then ? By establishing non-profit and non-commercial media a lot of the problems would be solved. In the UK for example, the BBC should be helped in maintaining its role as a public broadcaster, and given more financial aid from the government. Advertising could be controlled more vigorously and regulated, particularly during children's programming (As in Sweden). A more drastic approach would be the breaking up of the vertically integrated oligopolies, and establishing more competitive markets. In general, any change must strive to serve all of societies needs and interests, which includes audiences and broadcasters, and not only advertisers and media moguls. So, in the end are oligopolies, vertical integration and concentration matters of public concern ? Of course they are. Matters of ownership of the media and the means of production, distribution and sales

are too important to be ignored. In the interests of holding on to a healthy democracy, diversity has to be achieved and maintained. As I have tried to show oligopolies and vertically integrated media industries are just as dangerous as state run ministries that have a monopoly over information. “ Concentrated media power is political and social power”. Thankfully, the World hasn’t yet become like the latest offering from James Bond “ Goldeneye”.