CHAPTER ONE

Constitutional Basis and the Growth, Development and Impact of Mass Media in the US

United States is home to one of the most extensive networks of manufacturing, services, and media industries. US media since the days of Thomas Paine’s *Common Sense* and the time of partisan press, witnessed a fascinating era of progress. Media in United States comprises of: print, electronic (audio and visual media), and the internet communications network. Even during Colonial times, the press in the country, faced restrictions from the British Empire. The patriots and the intellectuals among them published clandestine publications to sensitize the citizens about the importance of revolting against the British Empire. (Bilven Jr 1991: 30) It was in these times that Thomas Paine published his works, *The Crisis,* “Rights of Man,” and the “Age of Reason.”

In one of his works, “The Rights of Man”, Thomas Paine initiated a protest against Edmund Burke’s castigation of the French Revolution. The work depicted the prejudice, which the English had spread in order to belittle the ideals of “liberty, equality and fraternity”.$^1$ This can be traced as a beginning of the US press, at it’s, freest best. During Louis XVI’s reign in France, the press was severely censored.

The King’s policies were beyond criticism. At the onset of the French Revolution, the press was given complete freedom, and the press introduced harsh critiques of the government through pamphleteering. Hired by powerful leaders of the court factions, the pamphleteers were often down-and-out writers, who cared less about politics and more about earning a quick franc. The printers and sellers of the pamphlets, operated outside the law and had no qualms about spreading rumours, often accompanied by lewd pictures. The French public, like the printers and the pamphleteers, had an unlimited distaste for Marie Antoinette, who became symbolic of all of France’s ills.

Printed secretly, the pamphlets were too plentiful to be tracked by the government. The graphically illustrated scandal sheets accused the Queen of

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crimes ranging from hopeless stupidity and all the way to adultery, sexual deviance, and treason. Despite the efforts of others who wrote French history in those times, these pamphlets continued to shape historical views of the French Queen, her society, and the aristocracy, as, they did for her contemporaries. (Stephens 2003: 30) The same was the case with the British rule in America, with the leaders finding it difficult to get their words across to the masses. Pamphlets like Public Occurrences (Heyes 2006: 44) made the people aware of the British excesses. Another newsletter which appeared during the colonial times, was the Boston newsletter.

Thus, in the colonial times, facing restrictions from the British Empire, the patriots and the intellectuals in the British American colonies published secretly to sensitize the citizens about the importance of revolting against the Empire. As mentioned earlier, in Rights of Man, Thomas Paine depicted the prejudice, which, the English had displayed to belittle the ideals of liberty, equality and fraternity, actually, inspired the French Revolution. He emphasized the legitimacy of citizens being allowed to revolt against an oppressive empire fight for freedom through public declarations in the press.

**Evolution and Growth of Print Media**

The origin of the American press, has, been linked to the growth of the American republic. The media and the United States, have a shared history that has synchronized with the growing and maturing of the nation. (Tocqueville 2004:70) As Alex De Tocqueville, who visited America, remarked, the typical newspaper was a weekly, but, there were already many dailies in the seaboard cities. (Heyes 2006: 44) In the year 1830, the country had 65 dailies and 650 weeklies, being printed in the country. The average circulation of a daily newspaper touched the figure of 2,000 copies and so the total daily circulation approximated to a small figure, as, compared to the newspapers in the present times.

An efficient mail service was a commonly used channel for liberal exchange of newspapers between the colonies. (Jenson 1968: 317) The spread of information about British moves and the patriots’ response, fostered a sense of oneness and identification with other colonies in opposition to England. (Weir 1980: 129) Once the stultifying role of the British had been uprooted from the country, the newspapers played an influential role in building consensus among the masses for the ratification
of the American constitution. Some of the widely distributed articles were written by Alexander Hamilton, James Madison and John Jay. These were later compiled as *The Federalist Papers.* (Doren 1948: 192)

The Federalist papers were interpreted by the American press as a line being drawn between the Federalists and Anti-Federalists. Drafting of the American Constitution in the year 1787 and its subsequent ratification by the thirteen colonies produced heated debate. Federalists like Alexander Hamilton and John Jay favored the existing draft of the constitution, while, the anti-federalists comprised of scholars who wrote under pseudonyms and they were of the view that the constitutional framework was flawed as it led to a tyranny of the Government. There was an inbuilt sentiment in the way America was founded. The press was expected to investigate in the processes of the Government and form questions on the functioning of the political system. The anti-federalists had more influence as they communicated through local newspapers and pamphlets, though Hamilton himself convinced the Congress into allowing a flexible interpretation of the constitution. A section of the New York press imparted celebrity status to Alexander Hamilton and James Madison, as they were able to argue through Federalist papers, numbered 17 and 45. (Strinebrickner 2006: 40)

The first American newspaper, *Publick Occurrences: Both Foreign and Domestick,* published on 25 September 1690, was suppressed by the colonial authorities on the first day of its publication. Other newspapers quickly sprang up and by 1730, the colonial press had gained sufficient stature to seriously challenge the British governors. Historians consider the birth of America’s free press tradition to have begun with the trial in 1734 of John Peter Zenger for seditious libel. After the revolutionary war (1775–1783), this concept found a home in the Bill of Rights and the first ten amendments to the US Constitution. The First Amendment states: “Congress shall make no law ... abridging the freedom of speech or of the Press ...” These fourteen words made it possible for a free press to develop over the next two centuries, as, one of America’s strongest watchdogs over government actions and protectors of individual rights. One of America’s greatest political journalists was,
Thomas Paine. (Paine 1998: 100) Paine’s stirring writings urging independence made him the most persuasive “media” figure of the American Revolution.²

By the early 1800s, the United States, had entered a period of swift technological progress that marked the real beginning of the “modern media”. The inventions of the steamship, the railroad and telegraph brought communications out of the age of wind power and horses. The high-speed printing press was developed, decreasing the cost of printing. The expansion of the educational system taught more Americans to read. The publishers realized that a profitable future belonged to cheap newspapers with large readerships and increased advertising. The press went from a small upper-class readership to mass readership in just a few years. It was a time that shaped a breed of editors, who, set the standard for generations of American journalists. Many of these men were hard-headed reformers, who, openly sided with the common persons, opposed slavery and backed the expansion of the frontier. They combined idealism with national pride, and their papers became the means by which masses of new immigrants, were taught the American way of life.

Around this time, James Fennimore Cooper, highlighting a different perspective, warned about the tyrannous potential of the Press. He wrote:

If newspapers are useful in overthrowing tyrants, it is only to establish a tyranny of their own. The Press tyrannizes over public men, letters, the arts, the stage, and even over private life. With loud professions of freedom of opinion, there is no tolerance, with a parade of patriotism, no sacrifice of interests and with fulsome panegyrics on propriety, too frequently, no decency. (Cooper 1969: 40)

Cooper expressed deep anxiety about the negative influence of the press. It had, in the eyes of this author with an aristocratic background, the unwelcome characteristics of a middle-class institution: parochialism, and scant regard for the sanctity of private life and a grasping self-interest. He was of the opinion that, the press exercised enormous and unwarranted power over the shaping of public opinion.

Commercialization of the Press

In the early years of the Republic, some newspapers were primarily commercial and some were political. The political newspapers, gave importance to the news of national politics. They were financed by political parties, factions of

political parties, or candidates for office, who, dictated official and editorial policy and sometimes wrote the editorials personally. This was the accepted practice. This well entrenched pattern and the tradition of American newspapers, was, soon replaced by the tradition of “penny press” which arrived later, on the scene of American newspapers.

The movement away from “advertisers” to newspapers being named as Heralds and Suns in the 1830s, has been called as the commercial revolution in the American press. (Lippman 1931:441) These “penny newspapers” sold for a penny while others sold for six cents. Rather than selling by annual subscription, they were hawked in the streets each day by newsboys. The first penny paper, the New York Sun, first published on 3 September 1833, had the largest claimed circulation within New York City with, 5000 copies. Within two years, it was selling 15,000 copies a day. The Sun was quickly followed by the Evening Transcript and James Gordon Bennett’s, New York Herald. In June 1835, the combined circulation of these three papers was 44,000 copies. When the Sun began in 1833, the combined circulation of the city’s eleven dailies had been only 26,500. (Bleyer 1926: 126) With the advent of the penny press, advertising became a strictly commercial transaction. Some newspapers banned lottery advertising, but, penny newspapers were very clear about their choice of advertisers. According to some media scholars, the press had become all about being a large industry.

According to one view,

“some of our readers complained about the great number of patent medicines advertised in this newspaper. We have to include the advertisements under the criterion that the advertisements are paid for. One man has as good a right as another, to have his wares and his profession, published to the world in a newspaper, provided he pays for it”. (Mott 1962: 150)

The penny press also invented the modern “idea” of news. It was for the first time, that, the American newspaper made it a regular practice to print news about political developments and not just foreign, but, domestic and local issues, too. For the first time, the press printed reports from the police, from the courts and from private households. It was for the first time, that the newspapers also began publishing not only commercial and political, but, social news. (Aurbech 153: 40)

In literature, until the eighteenth century, aristocratic conventions had dictated that the common aspects of everyday life could receive only comic treatment, if they
were dealt with at all. The penny press also hired reporters and correspondents for the first time, in order to cover local news on a regular basis. The penny newspapers saw news in the ordinary events where no one had seen anything before. The penny press initiated certain significant changes in the American journalistic tradition, which, has become the commonly followed tradition of the newspapers, weeklies and magazines in the contemporary era.

In the middle of the 19th century, Horace Greeley, founded the New York Tribune in 1841, and it quickly became the most influential newspaper in America. Other important dailies, such as the New York Times, Baltimore Sun, and Chicago Tribune, were founded in the 1850's. Two media giants, Joseph Pulitzer and William Randolph Hearst, began building their newspaper empires after the Civil War (1861-1865). Their fierce competition produced "Yellow Journalism", which referred to sensational and often inaccurate reporting aimed at attracting readers. "Chain" newspapers, under the same ownership became a dominant feature in the early 20th century, which revolutionized the way media operated and spread its influence in the political system. In addition to the front-running "Hearst chain," "The Scripps-Howard" and "Cowles Chains", also became prominent after World War-I.

In the days following World War-II, another development, paved the way for adherence to ethics, which, led to the survival of newspapers like The New York Times. As an aftermath of the World War-II, it became difficult for most of the newspapers to survive. (Ralph 1945: 376) Different strategies were sought for the purpose. In the middle of such a maelstrom, The New York Times, resisted a sell out at the hands of powerful advertising cartels and choose to neglect advertisements. The New York Times, followed the policy of reporting good and trustworthy "news". In the decades to follow, most of the competing newspapers succumbed to the market forces, but, The New York Times, still managed to stay afloat with encouraging circulation figures. The age of "populist press", brought forth the inadequacies of the Government and this tradition continued into the age of "objective and investigative reporting." Legendary investigative reporters like, Bob Woodward and Carl

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Bernstein, successfully exposed the biases and injustices of the Government in United States. (Kellner 1931: 38)

The Development of Media Monopolies

Another important development was the ushering in of cross ownership of a large number of media by a few corporate houses and a dwindling newspaper circulation. This brought the broadcast media into prominence. The trend accelerated after World War-II. In the year 1990, a total of 135 corporate groups owned 1,228 daily newspapers, which, accounted for about 75 percent of all US dailies. (Seth 2006)

In spite of the serious competition from television after World War-II, more than two-thirds of American adults read a daily newspaper on an average weekday. The top five daily newspapers in United States, by circulation are: the Wall Street Journal, “USA Today, the New York Times, Los Angeles Times, and Washington Post. The number of newspapers dropped from 1,763 in 1946 to 1,438 in 1999. The number of Sunday papers rose from, 497 in 1946 to 905 in 1999, bringing the total daily and Sunday papers to 2,388 copies. This figure represents the highest number of newspapers with the highest total circulation of 115 million for any country in the world. Today, American newspapers face competition not only from network TV, but, from a whole spectrum of targeted and specialized media, including personalized web services, local cable programming, interactive television, catalogs and other direct-mail initiatives. Newspapers, are, however, relying on new technology to meet the new challenges. Through the internet, they have started the electronic newspapers that can be transmitted to hand-held computers and printed using personal computers.

Broadcast Media: Development and Impact

The American newspapers have woken up to the threat of television and radio entertainment options fairly recently. This might be a negative way of describing the role of broadcast media in the society. Broadcast media (Bensman 2001: 260) may have brought in immense changes in the way media is run, but, still it is to be understood that newspapers change their “content” and style only to adapt to the public moods and the changing times. The television threat is at times overplayed. The “Federal Communications Commission”, allocates new stations, based both, on
the relative needs of communities for additional broadcast outlets and on engineering standards that prevent interference between stations. Whenever we look at an application, whether to build, modify, renew or sell a station, it must be determined if granting the permit would serve the public interest.5

This is one of the requirements of the Communications Act of 1934. Newspaper correspondent, Jules Witcover, has commented that newspapers and magazines took up the "investigative mould", in order to compete with the television's advantage of covering "spot news". Within a year, writing in Columbia Journalism Review, Jules Witcover complained that the argument of competing with television was more fashionable than a reliable survey of Washington news chiefs, which, indicated that most newspapers pay little attention to the "television threat". Newspapers are more concerned with the changing scope of news reporting, itself. Jules Witcover, added that "New York Times felt more pressure from the Washington Post and the Wall Street Journal than from the broadcast television. ((Witcover 1969: 65)

National security and the centralization of economic policy on the federal level, has made Washington a focal point for the mass media and television news itself has accentuated Washington's importance. The argument is that competition with television led newspapers to become more interpretive in the sixties. In the thirties, they had become more interpretative due to the ingress made by radio programming. In the late sixties, television itself moved away from direct news. "Editorials" appeared from local news programs and commentary, specially the work of Eric Sevareid, belonging to the Central Broadcasting Service, became a regular feature of network news. The introduction of the immensely popular, CBS news program, "60 Minutes", and the success of its magazine brand of television journalism, suggested that the "immediate sense" of news was a good competitive strategy. Television, also responded to the changing culture which welcomed "critical perspectives in journalism". (Moore 1965: 46) Those were the early days and experimentation continued with new methods of news making and reporting. People were getting used to the "immediacy" of news gathering, and quick and incisive interpretation.

Broadcast media, in the form of television was developing in the country, which, had made its humble beginnings in the form of radio broadcasting. Broadcast Media (Woods 1969:120) had humble beginnings along with the passage of the Federal Communications Act in the year 1934. Telegraphs and Morse codes, were, the initializing steps which the US media took in the late 1890’s and in the 20th century. It was radio, which initialized broadcasting as one knows it in the years during the wars.

The Technological Dimension: The speedy rapidity of News

One of the initial steps into radio broadcasting, was, made by Frank Conrad, who worked as a chief technician at the Westinghouse plant in East Pittsburgh. Conrad and his crew installed a transmitter on the top of East Pittsburgh Westinghouse plant. They famously strung a wire antennae between a steel pole on the roof and a nearby smokestack and began broadcasting news. Later, The US Department of Commerce licensed the station to operate on a frequency of 360 meters and awarded it the call letters, KDKA. KDKA, was not the first broadcasting station in the country, but, it was in more than one sense, a pioneer of sorts. KCBS, San Francisco, WHA, Madison, WWJ, Detroit and probably others stations, claimed to be the early commercially run radio stations. KDKA, was one of the first stations to be established in the country. It’s story reflected what happened elsewhere around the country. The technically minded professionals found themselves programming on a regular basis. The audience of these new radio broadcasts and radio stations, consisted mainly of people engaged in amateur radio transmission.

Another type of radio hobbyist, was part of the audience. For the most part, “the listen-in hobbyist”, had to be content with receiving the conversation of others, usually in Morse code. These early listeners responded with a lot of enthusiasm when Conrad and others transmitted through the media of both, voice and music. The content seemed to be aimed at the listeners elevating their status from eavesdroppers to full fledged listeners. This was a landmark achieved as a result of the technological innovations in transmission technology. The more successful radio stations increased their facilities and also incremented their transmission power. They added studios and rooms for performers. The studios were well decorated and equipped. They usually
had heavy drapes on ceilings and high walls to cut down reverberation. (Woods 1999: 120)

In the year, 1922, AT & T opened a radio station, called as, WEAF, in New York, based on a novel concept called as, “toll broadcasting.” Performers in the early years of broadcasting used the opportunities provided by novel methods of entertainment (such as talk programs, soap operas, comedies or drama series) to carve out their own unique niches within the new media. With the rise of radio and television, many singers, actresses and entertainers, chose to adapt their talents to suit the new formats and technologies. Some of these women went on to become producers or executives, while, others remained faithful to their artistic crafts throughout their careers.6

AT& T, saw the service of WEAF, as, an extension of the telephone service. The company provided no programming, but, only facilities. The person who, wanted to address the audience, had to pay a toll or a cess. It could have been called as a “telephone booth” on the air waves. A regular schedule of programming was needed to create and hold an audience, if, people were expected to pay tolls. On August 28, 1922, at 5:00 p.m, WEAF, aired its first toll broadcast. In this toll broadcast, one person named Mr. Blackwill, spoke for ten minutes on the Queensboro corporations, Hawthorne Court channel. The toll for the broadcast was $ 50 dollars. The first commercial in history had been broadcast. (Smith 1990: 19)

In another important development, David Sarnoff belonging to the National Broadcasting Company, and Owen Young, the RCA Board Chairman, opened negotiations with AT & T. David Sarnoff, born in Czarist Russia, had emigrated to United States in the year 1900 at the age of nine. At the age of 15, he went to work for “American Marcconi,” and at the age of 17, the company made him a wireless telegraphy operator. In 1916, Sarnoff, wrote a memo to his superior, suggesting the development of what he called a “radio music box”. The company, American Marcconi, ignored the idea of Mr. Sarnoff. When RCA was formed, Sarnoff moved to the new company as a commercial manager and renewed his radio music box idea, passing it on to Owen Young. (Smith 1990: 19) The idea was almost ignored again, but, by this time KDKA had made the debut and RCA radio receivers began moving

into wares. David Sarnoff’s star, was ascending. He became the general manager of RCA in the year, 1921. (Walker 2001:40) Thus, radio began its odyssey in the broadcast history and progress of the country’s media industry. This beginning had several commercial underpinnings to it. Broadcasting was established in the country, with, a strong support of the corporate arm. However, this was limited to radio at this time.

The Advent of Television in United States

The technical process, on which modern television is founded, is known as “scansion”. “Scansion” is the systematic and continuous transmission of minute parts of an image into specific electric charges suitable for transmission and retranslation into a series of pictures that give the illusion of motion. In the year, 1884, Paul Nipkow, a German developed a device that could scan a picture. The Federal Communications Commission (FCC) adopted technical standards in 1941, and commercial television operations began in July of that year. (Yoffe 1997: 120) A wartime stoppage on the television station was imposed by the authorities in the year, 1942. Of the ten pioneer television stations, only six were able to continue throughout the war. They broadcast four hours per week.

Even after the restrictions were lifted in the year 1945, shortage of materials continued. Since 1947, television began to grow at a phenomenal rate. Sales of receivers in the country soared. Television station license applications flooded the Federal Communications Commission. It soon became evident that there would be many more applications than channels. In the year 1947, the commission ordered a freeze on processing station applications to allow time for the process to develop to fruition. Television journalism bears the ideals of rationality, objectivity and utility. The profession embraces technology in pursuit of speed and machine vision. It aspires for editorial and technical transparence. The visual vocabulary of television news was established early and remains durable, constituting an “internationally recognized style.” (Tobias 2005: 2)

In the early days of television, there was no large backlog of syndicated programs to fill a station schedule. For much local programming, local stations used to broadcast old feature films. These were the only films Hollywood, had made available to its young rival medium, so television acquired “old movies” reputation.
Somewhere between the summer of 1946, when RCA introduced their first black-and-white television sets on the market, and in 1951, when "I Love Lucy", appeared in American living rooms, television in the country began to establish itself as a worthy medium of communication. The penetration of the technology was breathtaking, which arose from a figure of 4.4 million families with televisions in 1950 to over 50 million just ten years later (over 85 percent of all American homes).

Some stations, broadcasted silent films, which, added narration and sound tracks to these programs. Some stations used short musical films, well known bands, vocalists, singing groups and combined them together in the form of a visual disc Jockey shows. This prepared a video format that, Music Television (MTV) would reinvent 30 years later in the country. Most stations, ran a lot of film travelogues. When the networks were not feeding programs and all the old movies and the travelogues had been aired, a station had little choice other then to devise and air its own programs. There was no existence of videotapes, so, the tradition of live programming became the established practice.

Among all professionals, Bristol Meyers, became the first advertiser to sponsor a network television series. The series was titled as, “Geographically speaking” and was begun in October, 1946 on the NBC station. At that time, NBC was a two station network. During the early 1950’s, another type of dramatic program developed, which was the Anthology Series. Here, the program title, remained the same, but, each program featured completely different characters, actors, stories, and situations. The programs included, Philco playhouse, Kraft Television Theater, Playhouse 90 and Studio 1. The anthology series reached their peak in the year, 1953. By the year, 1956, they ceased to be popular and became easy victims of changing audience taste and the economics of syndication. This brief period of live anthology drama series, is also referred to as the golden age of television. It was here that NBC’s programming reflected the thinking of one prominent professional, named as, Sylvester L. Pat Weaver. Weaver, a former advertising executive, joined the NBC, in

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1949, as Vice President in charge of television. He wanted to introduce the new programming form, in the magazine format on television.


**National Broadcasting Corporation (NBC):** NBC, was a wholly owned subsidiary of Radio Corporation of America (RCA). Radio corporation of America, was one of the largest manufacturers of electronics equipment in the US. The RCA manufactured transmitters and receivers for all the broadcasting services. As per its significant role in the whole broadcasting industry, it is imperative to discuss about the operations of RCA. RCA, was one of the leading producers of phonograph records. Initially, it owned AM and FM radio stations in New York, Chicago, Cleveland, Pittsburgh and San Francisco. NBC operated a nation wide radio network of 221 stations with a broadcast coverage unsurpassed by any of its competitors. The NBC also began its broadcasts, with VHF television stations in cities like, New York, Chicago, Los Angeles, Washington and Cleveland. At one point of time, it also owned UHF television stations, but, disposed them when their operations proved to be an unprofitable venture. (Christopher and John 1948: 450) The technical term, VHF referred to, "Very High Frequency". This is the meter band at which most of the radio-television broadcasts and two way communications in police mobile vans were undertaken quite conveniently. Messaging through VHF was least disturbed by environmental disturbances or noise producing factors. While UHF, is a highly inconvenient medium for transmitting radio and television signals. (Walke 2002: 100)

**The Columbia Broadcasting System (CBS):** CBS in its initial forays into broadcasting owned and operated AM and FM radio stations, in New York, Chicago, Los Angeles, San Francisco, Philadelphia and St. Louis, and had a nation wide radio

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network of 246 radio stations. CBS owned VHF television stations, in the cities of New York, Chicago, St. Louis, Los Angeles and Philadelphia. Similar to the operations of NBC, it also gave up the ownership of UHF television stations. CBS was also a leading producer of phonograph records, thus, competing with Radio Corporation of America in this field.

The American Broadcasting Company (ABC): ABC, was established in the year, 1943, when RCA, was forced to divest itself of the blue network. Until 1953, ABC’s sole business was broadcasting, but, in that year it was merged with United Paramount Theatres, which was one of the largest owners of theatres in US with the combined assets of $150 million. The ABC owned AM, FM and VHF television stations in the cities of New York, Detroit, Los Angeles, Chicago and San Francisco. (Giraud and Edgar 1971: 282)

The Mutual Broadcasting System (MBC): MBC operated a radio network of 47 FM stations and 535 AM stations, many of which were low powered. Prior to the introduction of ABC’s four networks, Mutual Inc. often provided exclusive radio service in small towns and areas with sparse populations, which, was one of its chief advantages. As the Mutual company, was established by a group of independent stations, it did not own and operate radio stations as other networks did in the industry.

Independent Television and Radio Stations: The smaller television stations also played a role in the expansion of broadcasting. (Hilmes 1989: 100) Most of these entities operated without any specific network affiliation and were found in cities, with more than four radio stations or three television stations. As a rule, radio stations operated independently only when they were unable to obtain a network affiliation. Independent stations had succeeded in making a virtue out of necessity and many were more successful than their network affiliated rivals. These stations were drawing all their revenue from local and national spot advertising. They have to produce all the programs and competed with network affiliated stations faced with great challenges, both technological and financial in nature. In some markets, such as New York, Los Angeles and San Francisco, some of these stations had been extremely successful.
The Rise of Cable Television in United States

In the year 1971, the Sloan Commission on Cable Communications, drew a comparison between the ongoing developments in cable television to the first uses of movable type along with the invention of the telephone. This was a very appropriate observation to be made by the commission. Cable television’s proponents in the late 1960s and early 1970s, hoped that it would eventually remedy all the perceived ills of broadcast television, including the lowest-common-denominator programming and failure to recognize the needs of cultural minorities. (Mullen 2003: 100)

In the year 1949, the people of the locality of Astoria in Oregon, could not receive regular broadcasts, as, it was blocked by an intervening mountain. The people of the community began an experiment. They established an antennae on a high mountain, and fed the community homes with signals which were received through the methods of wire and cable. Soon after in Lansford, Pennsylvania, a commercial company began operations providing the same kind of service. This transmission mechanism was later referred to as “Cable television” or “CATV.” The new industry expanded rapidly and by the start of the seventies, more than 2,000 cable television companies provided service to more than 45 million subscribers. This paved the way for a quick and speedy development of the media industry.

A number of reasons explain the explosive growth of CATV. (Taylor 1984: 238) A cable could telecast television programmes to communities, which, were denied to them either because of natural obstacles or because the population was too small to sustain a station. Communities with limited television service, could expand the range of television offerings by utilizing a cable. In most of the cases, cable service improved the quality of reception. Apart from the regular coverage, cable companies provided other special services like, weather information, minute by minute reports, a continuous running news ticker, stock market reports, and reports of local, national sports events along with reports of city council meetings.

The question of who was to operate the news industry, arose quite early. Where cable companies used microwave relay connections, then regulation was clearly the preserve of FCC.\textsuperscript{11} The Federal Communications Commission, decided

that it did not seek specific authority, from the Congress or to regulate the CATV.\textsuperscript{12} The US Congress proved to be unresponsive in this regard, however, in the year 1962, the Federal Communications Commission (Brinson 2004:40) began a tentative exploration of its powers in this new minefield of laws and regulations. In the years, 1965 and 1966, it issued new regulations to govern the CATV operations in United States. Networks, stations and CATV constituted the second pillar of American broadcasting. Stations varied in modes of operation depending upon their power, location, and network affiliation.

Coming on the footprints of broadcast media, today's world is faced with the influx of new media in the form of the "internet and the digital revolution". Internet began as an unintended consequence of the defense department. Internet emerged as an improvement upon interactive television. It was developed in the form of large subsidies from the defense department, since, the late 1960's. By the early 1990's, it's use became common on campuses and it generated an alternative culture of cyberspace. (Reheingold 1993:40) Two factors contributed to the increased activity of internet. First, the establishment of the world wide web, which was the easier-to-use multimedia portion of the internet along with browser software by the mid-1990's. This was decisive in bringing internet closer to the mainstream media and other information consumption.

A cable could bring television programmes to communities which were denied to them either because of natural obstacles or because the population was too small to sustain a station. Communities with limited TV service could expand the range of TV offerings by importing through a cable. In most cases, cable service improved the quality of reception, too. Apart from the regular coverage, cable companies provided other special services like weather information, minute-by-minute reports, a continuous running news ticker, stock market reports, reports of local and reports of city council meetings. Networks, stations and cable TV constituted the second pillar of broadcasting in the country.

\textsuperscript{12} Ibid.
The Pervasive influence of Internet

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Circulation and Survival of Newspapers

United States media industry is home to a large number of newspapers, magazines and journals. Newspapers do more than provide mere simplistic information. They enter into the process of forming communities, from voluntary associations to cities and to nation-states. According to one estimate, the newspaper circulation in United States emerges a clear third, with a daily circulation of 48.3 million after India and Japan. The Japanese Youmiri Shinbum is the largest selling newspaper of the World. According to some sources, The Audit Bureau of Circulation is an old and renowned auditing organization, which is a leading platform for all kinds of media in United States. The newspapers have their political economy aspect attached to their survival, circulation and advertising revenues. Some of them, by name, are as follows:

- The Wall Street Journal,
- The New York Times,
- The Washington Post,
- USA today,
- Christian Science Monitor,
- Financial Times (U S Edition),
The circulation of the nation's largest daily newspapers, declined by the count of 1.9 percent, over the six months in a sample year. The decline continued a 20-year trend in the newspaper industry, as people increasingly turned to other media such as the internet and 24-hour cable news networks for information. Newspaper industry officials also blamed "The National Do Not Call Registry," which has forced newspapers to rely less on telemarketing to secure subscribers. There has been a shift in strategy among major newspapers away from using short-term promotions to acquire new readers.

Daily Circulation

As we are investigating the fall in circulation of the eminent and other newspapers in the country, it is pertinent to know about the present circulation figures of a few newspapers. As counted in, November, 2007, the total daily paid circulation of the prominent newspapers is as follows, according to an Editor and Publisher Estimate:
<table>
<thead>
<tr>
<th>Newspaper</th>
<th>Current number</th>
<th>last year</th>
<th>Percentage of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA TODAY</td>
<td>2,293,137</td>
<td>2,269,509</td>
<td>(+1.04%)</td>
</tr>
<tr>
<td>THE WALL STREET JOURNAL</td>
<td>2,011,882</td>
<td>2,043,235</td>
<td>(-1.53%)</td>
</tr>
<tr>
<td>THE NEW YORK TIMES</td>
<td>1,037,828</td>
<td>1,086,797</td>
<td>(-4.51%)</td>
</tr>
<tr>
<td>LOS ANGELES TIMES</td>
<td>779,682</td>
<td>775,765</td>
<td>(+0.50%)</td>
</tr>
<tr>
<td>DAILY NEWS, NEW YORK</td>
<td>681,415</td>
<td>693,423</td>
<td>(-1.73%)</td>
</tr>
<tr>
<td>NEW YORK POST</td>
<td>667,119</td>
<td>704,011</td>
<td>(-5.24%)</td>
</tr>
<tr>
<td>THE WASHINGTON POST</td>
<td>635,087</td>
<td>656,298</td>
<td>(-3.23%)</td>
</tr>
<tr>
<td>CHICAGO TRIBUNE</td>
<td>559,404</td>
<td>576,131</td>
<td>(-2.90%)</td>
</tr>
<tr>
<td>HOUSTON CHRONICLE</td>
<td>507,437</td>
<td>508,091</td>
<td>(-0.13%)</td>
</tr>
<tr>
<td>NEWSDAY</td>
<td>387,503</td>
<td>410,578</td>
<td>(-5.62%)</td>
</tr>
<tr>
<td>THE ARIZONA REPUBLIC</td>
<td>382,414</td>
<td>397,295</td>
<td>(-3.75%)</td>
</tr>
<tr>
<td>THE DALLAS MORNING NEWS</td>
<td>373,586</td>
<td>404,652</td>
<td>(-7.68%)</td>
</tr>
<tr>
<td>SAN FRANCISCO CHRONICLE</td>
<td>365,234</td>
<td>373,805</td>
<td>(-2.29%)</td>
</tr>
<tr>
<td>BOSTON GLOBE</td>
<td>360,695</td>
<td>386,417</td>
<td>(-6.66%)</td>
</tr>
<tr>
<td>THE STAR-LEDGER, NEWARK, N.J.</td>
<td>353,003</td>
<td>363,100</td>
<td>(-2.78%)</td>
</tr>
<tr>
<td>THE PHILADELPHIA INQUIRER</td>
<td>338,260</td>
<td>330,622</td>
<td>(+2.31%)</td>
</tr>
<tr>
<td>STAR TRIBUNE, MINNEAPOLIS</td>
<td>335,443</td>
<td>358,887</td>
<td>(-6.53%)</td>
</tr>
<tr>
<td>THE PLAIN DEALER, CLEVELAND</td>
<td>334,195</td>
<td>336,940</td>
<td>(-0.81%)</td>
</tr>
<tr>
<td>DETROIT FREE PRESS</td>
<td>320,125</td>
<td>328,719</td>
<td>(-2.61%)</td>
</tr>
<tr>
<td>THE ATLANTA JOURNAL-CONSTITUTION</td>
<td>318,350</td>
<td>350,159</td>
<td>(-9.08%)</td>
</tr>
<tr>
<td>THE OREGONIAN, PORTLAND</td>
<td>309,467</td>
<td>310,805</td>
<td>(-0.43%)</td>
</tr>
<tr>
<td>ST. PETERSBURG (FLA.) TIMES</td>
<td>288,807</td>
<td>288,679</td>
<td>0.04%</td>
</tr>
<tr>
<td>THE ORANGE COUNTY REGISTER</td>
<td>278,507</td>
<td>287,204</td>
<td>(-3.03%)</td>
</tr>
<tr>
<td>SAN DIEGO UNION-TRIBUNE</td>
<td>278,379</td>
<td>304,334</td>
<td>(-8.53%)</td>
</tr>
<tr>
<td>ST. LOUIS POST-DISPATCH</td>
<td>265,111</td>
<td>276,677</td>
<td>(-4.18%)</td>
</tr>
</tbody>
</table>

Such an analysis would lead us to believe, that, *Wall Street Journal* with over, 22 lakhs and 92 thousand of copies is the newspaper with the largest circulation in United States. The next two in the list according to a decreasing order of circulation figures are: *The New York Times* and *the Los Angeles Times*. The newspapers have

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entered a stage of "protracted decline" as noted by agencies in the year, 2007. *The Wall Street Journal*, adopted an analytical approach, which, led to most of the newspapers emulating the newspaper since January, 2007.\(^{14}\) Most of the American newspapers have spruced up their circulations, by enhancing their online editions and other related features.

One can analyze the trend in the decrease of circulation, by having a look at the chart depicting the fall in circulation from, 2002 to 2006, as seen by Newsdesigner, an internet source. The chart follows:\(^ {15}\)

![Seattle Times Weekday circulation chart](chart.png)

The chart clearly shows the decline in circulation from a healthy 240,000 copies per day in the year 2003, to a much reduced figure of, 210,000 copies daily. The fall in circulation has been depicted as being, a loss for *Seattle Times*. An analysis of the circulation figures of newspapers shows a fall in the circulation figures, over the years. The following chart showcases the trend in the decline of the newspaper circulation.


In some ways, it is remarkable that how long newspaper circulations remained so stable. Since the World War II until 1970, as the United States saw tremendous economic growth, a rising and changing population, a move to suburbia, and with the advent of television, the number of newspapers sold each day in the country was still growing. During this time, a smaller percentage of Americans read a newspaper every day, especially after the evolution of “TV news” in the 1960’s.\textsuperscript{16} The erosion,

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{16}“Facts About Newspapers: A Statistical Summary of the Newspaper Industry,” (Online: Web), Accessed on 11 May, 2007. URL: \url{http://www.naa.org/info/facts04/circulation-daily.html}.
\end{itemize}
\end{footnotesize}
however, was outpaced by population growth—a nearly 50 percent increase in the number of US households, between the year, 1970 and the year, 1990. By the year, 1970, indeed, newspaper reading in the United States had reached a new peak. Some 62 million newspapers were sold in the country every day. The daily circulation in United States in 1970's, was too big for studies to be contemplated on reasons why more people were moving away from the medium of newspapers, magazines books and other publications.

In the year 1990, even the boost from a growing population was not enough to maintain how many newspapers were sold each day. Circulation was observed to fall at the rate of 1 percent every year, from the year, 1990 to the year, 2002. By the year, 2002, the weekday circulation of US newspapers, had dropped to an abysmal 11 percent in twelve years. The real rate of circulation decline could be even greater. The Audit Bureau of Circulations, changed the way it counted circulation to include bulk sales of papers to places like airlines and hotels for free distribution. These sales are technically “bought” by the hotel or airline, often through a barter exchange, but, can make up for a significant part of total circulation. The daily circulation of newspapers continued to slide during the six-month period that ended in March, 2007, falling 2.5 percent in the late nineties, according to figures released yesterday by the Audit Bureau of Circulations. Newspaper circulation on Sundays fared even worse, falling by a figure of 3.1 percent. (Katherine 2006: 12)

As an example, 46 percent of USA Today’s circulation of about 987,670 papers is from the bulk sales of the newspaper. According to Rick Edmonds at the Poynter Institute, the ABC rules have been liberalized in other smaller ways through the years, further hiding the true extent of loss in circulation.

Ownership Trends in United States Media

Time Warner\footnote{“Who Owns What Columbia Journalism Review,”(Online:Web) Accessed on 10 March, 2007, URL: www.aoltimewarner.com.} is the largest media corporation in the world with its sales in the year, 1997, approaching $25 billion. It was formed in 1989 through the merger of Time inc. and Warner Communications Inc. In 1992, Time Warner split off its entertainment group and sold 25 percent of it to a new company, US West, and 5.6 percent of it to each of the Japanese companies namely, Itochu and Toshiba. Time
Warner regained its position as the world’s largest media firm from Disney with the 1996 acquisition of Turner Broadcasting, which too is not a small player in the US Media industry. Time Warner is a big business player in the media industry with the presence of 200 subsidiaries worldwide.

In 1996, though Time Warner was very much America centric, with, about two-thirds of the annual sales income of the large media company arriving out of it’s holdings and proceedings in the nation’s market. (Bunting 2001: 209) Time Warner’s growth and development, has been in leaps and bounds, and, it has much to be thankful to the all pervading process of Globalization, which, has seen the profit and other graphs of some of the larger media houses like, Time Warner, reach enviable proportions. It was projected in the early nineties that Time Warner’s growth rate in the annual estimate would be somewhere near 14% and the same impressive growth rate would witness an increment of around 20% in the year nearing the turn of the century. (Mermigas 1995: 21) The music industry accounts for a mere 20 percent of Time Warner’s business as does the news division of magazine and book publishing and cable television news. Time Warner’s US cable systems account for around 10 percent of the annual income of the business group. The remainder of the profit margins and holdings are marked by other lucrative sections such as, extensive entertainment, film, video, and television holdings. Time Warner is a major force in virtually every medium of the media industry and on every continent and in the nation. (Martin 1995: 30)

Time Warner, along with other larger media houses like Disney, Viacom, News Corporation, Sony and Bertelsmann, have a record of holding subsidiaries and owning up to astronomical profits in subsidiaries in nearly all the continents. These

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19 The excerpt is: The largest media company in the world is the standard bearer of synergy and vertical integration in the modern digital age. The marriage between "old" media Time Warner and "new" media AOL in 2000 was heralded by many experts as a sign of a new era. The belief was that traditional media companies had to align themselves with online partners or risk the chance of finding their business model and methods obsolete. A weak ad market, subscriptions for new online users hitting a plateau, and a less than expected demand for broadband Internet service are just some of the reasons why AOL Time Warner never jumped started an overhaul of the entire media industry as first predicted. The company dropped AOL from its corporate name in 2003 in an effort to show Wall Street that it still valued its core assets. With such influential brands as CNN, Warner Brothers studio, Sports Illustrated and AOL Instant Messaging, a Time Warner property is never too far away from any consumer’s fingertips.
companies have since the rise of predatory capitalism, followed the trajectory and strategy of cross ownership-meaning ownership of media. This strategy has been resisted by the Governmental authorities in the form of the directives of the Federal Communications Commission since it’s inception in the year 1934 as an instrument to ward off chances of media being monopolized by a few big and influential industry players. Another objective of the FCC is that some responsibility ought to be placed on the shoulders of the privately owned media so that it does not relegate the public interest orientated programming, to the sidelines. In the domain of the publicly owned media such as the National Public Radio and others have been far more true to their vocation of public services broadcasting.  

In order to analyze the way the concept of cross ownership functions, one can concentrate on the companies owned by Time Warner in various media. Time Warner owns:

- Twenty Four Magazines, including Time, People and Sports Illustrated.
- The second largest book publishing business in the World, including Time Life Books( 42 percent of sales outside of United States and the Book of the Month Club.
- Warner Music Group, one of the larger global music businesses with nearly sixty percent of revenues from outside the United States, Warner Brothers Film Studios, also a major producer of television programs.
- Time Warner owns fifty percent of D.C. comics, publisher of Superman, Batman and sixty other titles.
- Time Warner is also the proud owner of HBO, which happens to be the largest cable television network in the world.
- Time Warner owns a majority interest in WB, a US television network launched in 1995 to provide a distribution platform for Time Warner Films and programs. It owns the Tribune company’s sixteen US Television stations that reach 25 percent of the US television households. (Compaigne 2000: 140)

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Time Warner owns a six Flags Theme Park chain and a library of over 6,000 films, 25,000 television programmes, books, music and thousands of cartoons ripe for commercial exploitation. Time Warner also owns several US and worldwide cable television channels including CNN, Headline news, CNNfn, the Airport Channel, TNT, TBS, Turner Classic movies, the Cartoon Network, as well as the new CNN, all sports news channel meant to capitalize upon the cross production and cross promotion potential of CNN and Sports Illustrated. Times Warner has a fifty percent stake with Viacom in Comedy Central Channel along with a 25 percent interest in Atari and a 14 percent interest in Hasbro. (Herman and Chesney 1997: 79)

With 1997 sales of nearly $24 billion, Disney is the closest challenger to Time Warner for the status of being the world's largest media firm. In the early nineties Disney World, gradually and successfully shifted its attention and sphere of operation from its arena of theme parks and resorts business and towards the more profitable sphere of movies, television programming and other related aspects. In 1995, Disney made a smart ownership move, from being a global leading content provider to being a fully integrated media giant and operative with the purchase of Capital Cities /ABC for $19 billion. Disney in the nineties, generated it’s 31 percent of income from broadcasting, 23 percent from theme parks and the balance from “creative content”, meaning films, publishing and merchandising. (Silverstone 1996: 17) The ABC deal provided Disney, already regarded as the market leader, at using cross selling and cross promotion to maximize revenues with a US broadcasting network and widespread global media holdings to incorporate into its activities. (King and Jensen 1996: 18)

According to one edition of Advertising Age, Disney is uniquely positioned to fulfill virtually any marketing option, on any scale, almost anywhere in the world. (Mandese 1995: 1) It has already included the Capital Cities/ABC brands into its exclusive global marketing deals with Macdonald and Mattel toymakers. Disney has traditionally preferred to operate on its own in isolation. The CEO Michael Eisner, announced Disney’s plans to expand its “ownership” overseas through joint ventures with local firms or other global players or through further acquisitions. Disney’s stated goal was to expand its non-US share of revenues from 23 percent in 1995 to 50 percent by the year 2000. (Auletta 2004:16) The trend amongst nation’s media
companies, is, to own and have profit making interests in all the media as far as the media industry is concerned. Similar to the other media giant, Time Warner, Disney too, boasts of proud holdings across ownership lines in order to monopolize the industry in the long run. Disney’s holdings include the following:

- Several major film, video and television production studios, including Disney and Buena Vista.
- Theme parks and resorts, including Disneyland, Disney World, and stakes in major theme parks in France and Japan.
- Book publishing firms like Hyperion Books and Chilton publications and the ABC television and radio networks along with a 14 percent stake on Young Broadcasting which owns eight US television stations.
- Newspaper and magazine publishing, including seven daily US daily newspapers and three specialty magazine publishing companies.

Cross ownership might be the call of the hour, but, media giants pay a special interest in maintaining their hold and influence over their primary market holding or their authentic sphere of operations. In order to protect itself from encroachment upon its domination of the animated film market, in the year, 1997, Disney signed a 10-year exclusive joint venture to produce at least five films with Pixar, the computer animation specialists responsible for the 1995 hit film, Toy Story. Disney also owns a 5 percent stake in Pixar. The deal with Pixar reveals that these bigger firms tend to occasionally firm up their stake and influence in their original expertise. Even, the most dynamic smaller firms of the order of Pixar, need to attach themselves with giant Media groups in order to survive and prosper in the international market. (Orwall 1997:14) This deal with Pixar, also gave Disney additional content as it sought during the late nineties to make an individual foray into the children’s programming and films market during those days.

Ownership and Integration in Media

George Orwell in his popular novel, 1984, “Big brother”, as the fictional state. He used his control of news, information and popular culture to foment a single handed control to lead to a conforming society. A contemporary development seems to have been missed in the case of today’s world of mass media. Most of the
communist countries have negated the centralized control of their mass media which meant that there was no governmental control on the dissemination, distribution and propagation of news and views in these East European countries. (Bagdikian 1992: 3) This reversal of ownership is the big development and amounts to a corporate culture.

One can document, several aspects of media monopoly. One can document the continued decline in the number of firms dominating production of newspapers, magazines, books, television, and movies in the United States. (Dertozous and Trautman 1990: 14) One can also trace, the emerging corporate control of alternative media outlets such as cable television, syndicated programming and videocassettes and now the threat faced by established corporate houses in the face of clever marketing of "digitized content", in an on line format by newer, smarter and smaller actors and the search engine, google. Market conditions like recession, corporate takeovers, and lax anti-trust policies affect reporting and other standard media practices. These media practices have led to a historic shift in the orientation of America's communications media, further away from the needs of an individual and closer to those of big business.

No single corporation controls all the mass media in the country. Most of the mass media, are moving towards a tight control by a handful of huge multinational corporations. Eminent media scholar, Ben H. Bagdikian, has predicted that, one big media firm would own all the major media in a few years. (Bagdikian 1991: 16) Given the complexities of social and economic trends, the whole monopolizing trend is not likely to result in one owner. It is however, quite possible that in a few years, a half dozen large corporations will own all the powerful media organizations in the United States.

Predictions of such cross ownership,21 are based on extraordinary changes in recent years. At the end of World War-II, 80 percent of daily newspapers, were, independently owned in United States and by 1989, the proportion was reversed with 80 percent owned by corporate chains. In the year, 1981, twenty corporations controlled most of the business of the country's 11,000 magazines, but only seven years later that number had shrunk to three corporations. In the late 1990's, despite more than 25,000 media organizations in the country, twenty three corporations

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control most of the business in daily newspapers, magazines, television, books and motion pictures. The same dominant corporations in these major fields, appeared in other newer media.

It is a strategy of media owners to own as many different kinds of media as possible. The list includes, newspapers, magazines, broadcasting, cable, recordings movie houses and copyright control of the archival libraries of past work in all these fields. Rupert Murdoch, has observed that his worldwide strategy of acquisition and takeovers is the best solution for survival. Lee Isgur, a media analyst for the investment house Paine Webber, has observed, "The good companies must be integrated." For an instance, after Sony bought CBS records, it also purchased a company that had exclusive rights to 35,000 songs. Time Warner, the largest media corporation in the world, owns copyright to thousands of other songs, including "Happy Birthday".

A few newspapers under corporate ownership have improved in journalistic quality but not all of the newspapers. The largest chain owner in terms of circulation is Gannett, whose new chief executive officer had observed that many of the chain's newspapers are journalistically "embarrassing". Writers in the magazine, Business Week have called it as, "slick but.....mediocre journalism". The largest chain in number of individuals is International Thomson, whose papers have been called by a Canadian parliamentary commission, called as "a lackluster aggregation of cashboxes". The deterioration of quality, after takeovers by Rupert Murdoch, in newspapers, magazines, television, books, and movies, have descended, to ever more sex and violence. After the Wall Street turbulence, in changing ownership of the national television networks by Capital cities/ABC, General Electric's purchase of NBC, and real estate operator Lawrence Tisch's takeover of CBS, all suffered from dismissals of experienced news staffs and loss of journalistic and entertainment quality.

Vertical and horizontal Ownership in media is a reality in the nation. One District Court rejected the claim of the FCC, that, the 30-percent horizontal limit satisfied it's statutory obligation to ensure that no single "cable operator or group of cable operators can unfairly impede, the flow of video programming from the video

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programmer to the consumer." The same court then went on to invalidate the FCC's vertical integration limit. The vertical limit was decided at about 40 percent. The directive contended that "the number of channels on a cable system that can be occupied by a video programmer should have has an attributable interest".

**Newspapers and the Media: New Developments**

The First Amendment to the US Constitution stated that: "Congress shall make no law... abridging the freedom of speech or of the press..." These fourteen words made it possible for a free press to develop over the next two centuries as one of the strongest watchdogs over government actions and individual rights. In fact, one of the country's greatest political journalists was one of its first, Thomas Paine. (Paine 1998: 100) Paine's stirring writings urging independence, made him the most persuasive "media" figure of the American Revolution against Great Britain in the year, 1776.23

When the Washington Post was founded in the year 1877, the city had a population of 130,000 and five daily newspapers. By the year 1970, attrition in competitive newspapers had left only three newspapers, even though the metropolitan population was then around 2.8 million. Among the country's newspapers, The Washington Post had a circulation of 500,000, the Washington Star of about 300,000 and the Washington Daily News was around 200,000 copies. The Star and News were losing revenues, the News was actually in the red and the Star's profit margin was shrinking ominously. A question was raised that, "If a paper in Peoria, with only a circulation of 100,000, could make a handsome stable profit, then why couldn't the "Star" with three times the circulation and in a market far more affluent, become a profitable entity.

Despite lesser circulations, newspapers like "Peoria Journal Star, had no local competition. The cost for all three newspapers, was, roughly the same for preparing each day's editions: gathering and processing news, advertising, printing and distribution.24 In the year 1970, the Washington News stopped its press at 200,000


copies, the Washington Star at 300,000 copies and the Washington Post at 500,000 copies. Their costs for each copy of the paper were divided by vastly different numbers. An analysis of the actual advertisement rate of these three papers demonstrated the process by which advertising could eliminate competitive newspapers.

An advertiser could afford the larger investment in a Washington Post advertisement and could use the advertisement for the whole geographical area covered by the Washington Post. The Post advertisement costed only 3.34 cents, per household and the Washington News advertisement costed 4.84 cents, per household. For a big advertiser wanting to reach to a larger and bigger audience, the Washington Post was the most economical option per household. The Washington Post, with ever increasing profits and revenues could spend more on salespeople, on editorial vigor and most important of all, on the promotion of circulation. Among other newspapers, “The Star” and “The News,” witnessed their revenues and profits to be shrinking. They had less to spend, as they were under growing pressure from the hugely successful, Washington Post.

This was the process by which the various profitable newspapers reaping good dividends failed to stay afloat in the newspaper industry. The Washington Daily News, suspended operations on July 12, 1972 and the Star on August 7, 1981. These newspapers had circulation figures in their favor but they could not stay afloat due to the obstacles of advertisements and competition from their rivals in the field. Shortly after the closure of the Star and Daily News, the circulation figures of “Washington Post” increased to a handsome figure of 700,000, reducing its cost, per produced paper. Two years after the Star folded, the Post’s advertisement rate had risen to a healthy 58 percent and was four times higher than the year before the “News” dropped out of competition. (Bagdikian 1992: 123)

The Washington city, witnessed a continuous competition between newspapers like, Washington Star, which had been a landmark in the nation’s capital for almost 140 years, with a third of the million copies being sold every year. The Washington Star folded up in the year, 1981. Three years later in New York city, the New York Daily News collapsed.25 Four months after that, the Philadelphia Bulletin,

which was established before the civil war, could not survive despite having a
circulation of more than 400,000 copies per day. Two months later, The Minneapolis
Star, which was more than 100 years old, went out of circulation. The New York Daily
News, which was the newspaper with the largest circulation, decided to end business,
as it was losing an enormous amount of money.26

According to one estimate, newspaper circulation is in decline since the last
three decades. The root problems go back to the late 1940's, when the percentage of
Americans reading newspapers began to drop. The population was growing so the
newspaper circulation kept rising in the early days. After the year 1970, the
newspaper circulation remained stable in the country. The situation changed in the
year 1990, when newspaper circulation began to decline in absolute numbers. The
problem now appeared to be that, fewer people had the habit of reading newspapers.

Those people who used to read every day, began receding a lot. Some people
who used to read a newspaper had stopped reading altogether. Studies revealed that,
more than half of Americans (54 percent) read a newspaper during the week, which is
more (62 percent) on Sundays, and the number continued to drop drastically. In a
complete overview, some 55 million newspapers are sold each day, and 59 million on
Sundays.27

The number of newspapers in the country had been on a steady decline for a
longer period, which dropped nearly 1 percent a year for two decades till 1,457 in
2002. Some people receive news online, and further information from the cable
television. Some opted out of traditional news sources. Others may be sharing copies
of a paper among multiple readers. Many Americans now read newspapers only
occasionally, a couple of days a week, but, no longer everyday.28 Much of the loss
came from people no longer reading afternoon papers, which, are a great attracter of
circulation in a cosmopolitan city.

These people are not paying everyday for the content produced by
newspapers, even if they are reading it in other outlets such as from the online

26 “Editor and Publisher Yearboo”, (Online : Web) Accessed on 14 May 2007, URL:
27 “The State of The Media Report- An Annual Report on American Journalism” (Online: Web)
28 Ibid.
resources. Some newspapers are not emphasizing on paid circulation and pushing total readership towards more meaningful levels. Readership helps capture multiple readers in a single household or people reading a copy in public settings like a coffee shop or a waiting room. Readership studies, provide advertisers with detailed information about who reads, what they read and how much time they spend with a newspaper. The emphasis on readership is also a sign that the circulation story is not a healthy one.\textsuperscript{29}

\textbf{Circulation of the Newspapers: An Analysis}

It is remarkable how long newspaper circulation remained at a stable level. From World War-II, onwards as the United States saw tremendous economic growth, the advent of television and the number of newspapers being sold each day, was still growing. During this time, a smaller percentage of Americans read a newspaper every day, after the evolution of television news in the 1960’s.\textsuperscript{30} The erosion, was, outpaced by population growth, which was a nearly 50 percent increase in the number of households between 1970 and 1990. By the year 1970, newspaper reading in the country had reached a new peak. Some 62 million newspapers were sold in the country every day. The daily circulation in 1970’s was too large for studies to be contemplated on reasons why more people were moving away from the medium of newspapers, magazines, books and other publications.

In the year 1990, even the boost from a growing population was not enough to maintain newspapers sales each day. Circulation was observed to drop at the rate of 1 percent every year, from the year 1990 to 2002. By 2002, the weekday circulation of newspapers had dropped to an abysmal 11 percent in twelve years. The real rate of circulation decline was even greater. The Audit Bureau of Circulations changed the way, it, counted circulation to include bulk sales of papers to places like airlines and hotels for free distribution. These sales are technically “bought” by the hotel or airline, often through a barter exchange, but, makes up a significant part of the total circulation. The daily circulation of American newspapers continued to slide during the six-month period that ended in March, dropping by 2.5 percent in the late nineties.

\textsuperscript{29} Ibid.

according to figures released by the Audit Bureau of Circulations. Newspaper circulation on Sundays fared even worse, dropping by 3.1 percent. (Katherine 2006: 61) About 46 percent of USA Today’s circulation, (987,670 papers) comprised of bulk sales. According to Rick Edmonds at the Poynter Institute, the ABC rules have been liberalized in other smaller ways through the years, hiding even further the true extent of circulation loss.

The year 1985, saw the highest figures in daily newspaper circulation, which amounted to 62,766,232, copies of both the morning and evening editions combined together. The evening newspapers took a drastic plunge from a healthy figure of 34,852,958 copies to a meager statistics of 7,222,429 copies in the year of 2001. The Sunday circulation of newspapers was highest in the year 1990 with around 62,634,534 copies which has now decreased to 55,270,381 copies.31 The newspapers have not been doing very badly apart from the big newspapers closing shops as in the 1970’s. Newspaper readership is strong among man and women. According to an estimate, 51% of men read newspapers daily while a percentage of 57% of them read newspapers on Sundays. Women do not read that much on weekdays. Only, 8% of the women read dailies on weekdays, but, the same number increases to a high of 58% as far as the reading percentage of women on Sundays is concerned.32

The Case of Employment in Newspapers

With the entry of big corporations like the Hearst Foundation and Pulitzer, journalism started becoming a lucrative profession to be followed by people in the country. Soon, Graduate Schools were established in prominent Universities all over United States, imparting courses and degrees in journalism. There were always newspapers, national and regional in scope to employ them. Journalism soon became a well paid job with the entry of such professionally trained personnel. Trainees from all across the country’s seaboard started working in big newspapers lending a national character to the newspaper and television industry. Talented people in the field have a wide range of choices now.

In the year, 2003, around 23% of the total graduates found employment in the category of “other communications”. The next option is the radio, television and cable television brand, which accounted for 8.3% of the graduates in the country. An equal number of 8% of them, gained work in the print industry. More than both the print and broadcast media, public relations and advertising accounted for a high proportion of 10.6% of the journalism graduates in United States. A small number of 14.7% people, remained unemployed.  

If one analyses the newsroom staff working in the media industry, then one is going to find a large number of statistical figures. The overall staff strength in the newsrooms increased from a number of 54, 800 to 58, 400, between the years of 2002 and 2004. Newspapers added 485 Asians and 876 Latinos, but, only 171 African Americans and two native Americans in the workforce. In the years between, 2002 to 2006, newspapers lost, 2,800 editors and senior journalists. Studies have shown that small newspapers have reduced professionals in order to survive the fall in the economy. The number of people employed in the media in the city of Los Angeles, has increased from a figure of 53,000 in the year 1988, to a high quantum of 112,000 people in the year 1995. (Johnson 1996) The expansion is there to be seen and commented upon by all observers of the media.

The audience demographics and popular demand changed media circulation. Commercialization of media went to such great extents, that television and newspaper outlets had to cancel their stories and programming in the face of a lack of sponsors in the late 1980’s. Sponsors did not like controversy and depth in either entertainment and non-fiction programmes. Thus in the years, when environmental issues were becoming popular, then, at the peak of its TRP ratings (Perloff 2001) NBC had no other option but to cancel the famous series on environment, called as, “In which we Live,” for want of sponsorship. Other organizations, were busy promoting commercials and other materials on the environment. An 1989, Audobon Society Documentary on, “Ancient Forests: Rage over Trees,” aired on Turner broadcasting, had its advertisements withdrawn when logging interests intervened. In the same year,

33 "U S Newspaper Employment" (Online: Web), Accessed on May, 2007 URL: http://www.naa.org/thesource/24.asp. This publication offers a quick, but detailed look at newspapers. It is designed to provide easy access to the facts and statistics that define a changing industry.

a NBC Docudrama on “Roe Vs Wade” a Supreme Court Case, had to continue without sponsors. A programme with Barbara Walters based on the abortion issues, was unable to obtain sponsors and sometimes the sponsors failed to participate for fear of controversy.

The issues, programmes and documentaries, that appealed to the sponsors were about travel, lifestyle issues, dining, dogs and pets, and celebrities past and present. In short, the documentary was reduced to “a small and largely neutralized fragment of network television, one that could scarcely rival the formative influence of “entertainment” and “commercials”. The form survived in an aborted quasi-entertainment variant called “Pop Doc,” specializing in brief vignettes, with a focus on individual villains, pursued by superstar entertainers, and settling for “relatively superficial triumphs”. Thus, the pervasiveness of news media has been hampered a great deal by commercial concerns.

A new variant termed as “Infotainment”, was encouraged with small sections on other celebrities which comprised of a preferred group of celebrities. No special responsibility, was placed over the shoulders of the broadcaster to indulge in public service broadcasting, which might lead to the commercial aspect of broadcasting to attain center stage in the present context of the media. The public sphere seemed to have taken a beating in these changing 1980’s. Money and programming went the way of interest-oriented sections and segments in the context of the media. Still, the pervasiveness of media remained unchallenged, despite these commercial changes because of its large reach and quality to inform.

President George Bush, in January, 2007, highlighted the strong and dynamic economy, and discussed the challenges faced by US in keeping the economy growing. The US economy is resilient and responsive, adding more than 7.2 million jobs since, August, 2003, despite numerous challenges including a recession, corporate scandals, the 9/11 attacks, and the worst natural disaster in American history.35 Here, enters the role of newspapers and their GDP contributions to the growth of US economy. Newspapers in the country, are a major employer of skilled personnel, drawing in people from marketing, distribution, computer professionals and people in the profession of writers.

Media are large contributors to national wealth and in maintaining the growth rate of the American economy. The 2002 edition of Economists Incorporated’s far-reaching report displays, how significantly the US copyright industries, contribute to the US job and revenue growth and to the country’s international trade. Some of the following the facts about the “core” copyright industries speak for themselves:

- In the year 2001, the US copyright industries, accounted for 5.24% of U.S. Gross Domestic Product (GDP), or $535.1 billion, which was an increase of over $75. In the last 24 years (1977-2001), the US copyright industries’ share of the GDP grew more than twice as fast as the remainder of the US economy (7.0% vs. 3.0%)

- Between the year 1977 and 2001, employment in the US copyright industries more than doubled to 4.7 million workers, which is now 3.5% of total US employment.

- Between 1977 and 2001, the US copyright industries’ average annual employment grew more than three times as fast as the remainder of the country’s economy (5.0% vs. 1.5%)

Copyright industries are constituted by manufacturers of news and entertainment software, theatrical films, news oriented television programs, textbooks, and online newspaper editions. In the segment of newspapers, The Los Angeles Times, was one of the last large metropolitan newspapers to charge a quarter. The newspaper raised the price to 50 cents in 1995, but reduced it by half, a year later. John Puerner, the newspapers’ publisher and President, observed that the decision was made in response to higher newsprint costs and due to general inflation. (Nascent 2004) Likewise newspapers had to increase prizes as newsprint prices and other governmental regulations in trade changed during subsequent years.

Newspapers come under the ambit of small businesses, as defined by the US Government. Small businesses contributed much more to the country’s economy and society as a whole than can be calculated from the spending and profit that they generated. These businesses tend to be more economically innovative than larger companies, and ably respond to changing consumer demand. Such companies are

more receptive to creating opportunities for women and minorities, and for activities in distressed areas. Newspapers make such contributions to the country's economy, through the smallness of their scale. The newspapers employment decisions and advertisement choices change the economic contours. (Roark and Stone 1997: 38) A newspaper functions under the internationally accepted labor norms which guide its profits. The more the profits, the better the quality of news, and, merrier it is for the national income in the country.

The Federal Communication Commission's Role in Regulating Media

The Federal Communication Commission has the chief function to ensure that the citizens, at reasonable costs and without discrimination, can consume rapid, efficient and worldwide communication services. It does not matter whether the reporting comes by radio, television, wire, satellite, or cable. The First Governmental regulation of the electronic media was introduced in the year 1927, when the Congress enacted the Federal Radio Act that established the Federal Radio Act. The Act declared the airwaves to be public property to be kept under regulation. In the year 1934, FRC was replaced by a new regulatory body in the form of the Federal Communications Commission. The members of the FCC are nominated by the President for five years terms. (August and May 2001: 10)

There are several other developments which heralded the advent of monopolizing trends in media. These include the gradual dying out of public interest programming in the sphere of television. The pressure of the industry was so hard on the Federal Communications Commission that it failed to carve out a separate niche for public oriented programming in a World being dominated by the country's companies. Public Broadcasting, was marginalized in the early 1930's. The defeat of an amendment to the Communications Act 37 of 1934 that would have reserved 25 percent of programming space for educational and non-profit operations, confirmed the triumph of commercial broadcasting and its power was steadily enlarged. Public Broadcasting has been a target of steady conservative attack for its excessive

preoccupation with designated “public affairs”. Public programming was subjected to a further financial crunch and politicization in the Reagan era.

Any organized opposition to commercial broadcasting collapsed following the 1934 Act, and from that time it has been subject to no serious threat of structural change or effective regulation. Regulations undertaken by of the FCC, have been weak and rules limiting advertising and the transformation of programming away from public service steadily eroded in the face of broadcaster demands. (Herman and Chesney 1997:148) The FCC decided to enforce a formal restraint on commercial advertising but only to the extent of making them as the regulatory standard, according to the limits suggested by the broadcasters’ own trade association. This enraged the industry, which, went to work on the Congress. As a result, the FCC, quickly backed down. (Krasnow and Terry 1982 : 196)

Another important illustration of the commercial broadcasting industry’s self protective power, is found in the sphere of children’s television. The country reveres its children and progenies and examples of child abuse are given a lot of frequent attention. As there is an evident erosion of children’s programming, all this did not evoke more than a muted outcry. The FCC, has been pressed hard to take relevant steps, about the situation by organized groups like ACT, but, the mass media has not allowed this matter to become a serious issue. After a thirteen year old delay in dealing with an ACT petition to constrain abuses in children’s television, the FCC decided in 1983 that commercial broadcasters had no obligation to serve children.

During the years, 1979 and 1989, several petitions were submitted by the media-group, ACT and decisions were made by the FCC that bore significantly on the commercial broadcaster’s neglect. (Mcgraw 1975: 183) The New York Times, Washington Post and Los Angeles Times had neither a front page article nor a single editorial on the subject. The dominant members of the press who had substantial broadcasting interests of their own refused to make the failure of commercial broadcasters, a serious issue. It is also interesting to see that how the Broadcaster’s public service responsibilities were gradually amended to accommodate the broadcaster’s interests, without much debate and discussion.

As advertised programmes displaced sustaining programmes, the latest casualty, were public interest standards. The industry’s defense was in the terms of
"free speech" and the Alice in Wonderland principle which stated that if the audience watches, the genuine public interest is served. The industry hardly needed a defense. Raw power allowed the public interest standards to erode slowly. The relevant issues were not discussed in any open debate even as regards the enormous abuses and neglect in children's programming. (Paletz and Entman 1980)

During the Persian Gulf War-I, the chair of FCC was held by Michael Powell. Behind the voting which went on in the FCC, an immense amount of political and corporate lobbying was carried on, which, finally led to the scrapping of the long standing rules to prevent the growth of media monopolies. An analysis by the Center for Responsive Politics, shows that media companies spent more than $82 million on federal lobbying efforts between 1999 and 2002 and another $26 million on political contributions. Some of the biggest media groups, were, the biggest spenders. AOL Time Warner, spent $15.7 million on lobbying between 1999 and 2002, another $6.2 million in political donations. Disney spent $16 million on lobbying and $2.8 million in contributions. The Hearst Corporation spent $394,000 on lobbying and contributed $180,000 in political contributions. There is evidence that media intensified their lobbying on Capitol Hill in the months leading up to the vote. (Pope 2003)

An examination of travel records of the Federal Communications Commission officials' revealed that the officials had undertaken 2,500 trips costing nearly $2.8 million over the past years, with most of the costs being covered by the telecommunications and broadcast industry. This was in addition to about $2 million a year in official travel funded by the taxpayers. Other findings in the report show that FCC commissioners and agency staff attended conventions, conferences and other events all over the World, with the top destinations being Las Vegas, New Orleans and New York.38 The chairperson of the Federal Communications Commission, Michael Powell, has insisted that he and other FCC commissioners were not influenced by the lobbying by the companies. Powell commented, "We collected a thorough record, analyzed our broadcast our ownership rules from the ground up and wrote the rules and regulations that match with the times."

Many changes have occurred in the country's media, since, the exposure of the Pentagon Papers and Watergate controversies. In 1996, the Telecommunication Act

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was passed. One of the objectives of the act, was, to deregulate the barriers of the federal and state regulations. (Weisman 2000: 20) One of the objectives is the supportive relationship between the Bush administration, the FCC and big media. Another key change has been the move to greater media concentration in fewer corporate hands. (Bagdikian 2000: 200) For a majority of Americans, these changes have taken place without public discussion or informed consent. The process of lobbying by media companies and political parties, was, the exact opposite of an open democratic discussion on media ownership rules. Michael Powell, had to face seventy meetings with the industry people. He discussed with the public interests only on a few occasions. The Commissioner also limited public input by organizing only one official hearing on the rule changes in the year 2000. All this had an impact on nearing the relationship between the open economical forces and what the media offered to the people.

The National Association of Broadcasters, which represents several radio and television stations, lobbied aggressively to keep the FCC rules limiting media ownership intact. All four of the US television networks, namely, ABC, CBS, NBC and Fox, have now withdrawn from NAB because its membership and finances are dominated by the smaller affiliates that would become targets for takeover if the ownership of TV networks is lifted from 35 percent of US TV households to 45 percent. This media debate over ownership is one of the significant facets, in United States.

If one undertakes a review of the range of opposition being mounted against the FCC, then, the current emphasis on the FCC, will be remembered not for loosening the rules, but, for forcing public interests concerns back into the debate over media ownership and media cartelisation. (Chesney 2003) In the United Kingdom, bigger media groups can take over smaller groups without much of a legal difficulty. Rupert Murdoch, who owns newspapers with almost 40 percent of UK circulation and the satellite system B Sky B, would be able to acquire the free to air channel and build its audience through cross promotion and utilizing programming acquired from his global media empire. (Chenoweth 2005: 60)
In the United Kingdom, a watchdog agency called as OFCOM\(^{39}\) has been created which is largely modeled on the Federal Communications Commission. During the continuance of the American intervention in Iraq, the following news item could be found on an Industry news website: “In an attempt to coordinate regulatory policy between the USA and the chairman of the new media and communications watchdog, Lord Currie of Marleybone of Ofcom, is set to meet his counterpart at the US Federal Communications Commission, when, he visits Washington this week.”\(^{40}\) This is not an encouraging prospect for people who desire diverse media which is regulated in a clear and accountable way, and reports accurately in times of crisis.”

**Impact of FCC on Media during Gulf War I and II**

After analyzing the largest public record in the agency’s history, the FCC revised the local television multiple ownership rule in the following manner:

- FCC modified the local radio ownership rule by revising the local radio market definition
- FCC\(^{41}\) raised the national television ownership limit from 35% to 45%
- FCC retained the dual network rule
- FCC developed a single set of cross media limits to replace both the radio/television cross-ownership rule and the newspaper/broadcast cross ownership rule. Multiple parties appealed the June 2, 2003 decision in various federal appellate courts. These cases were consolidated and assigned by lottery to the U.S. Court of appeals for the Third Circuit, which stayed in effect till the date decisions over the new rules were pending.\(^{42}\)

The FCC had carried out several studies, which, pointed towards surprising trends in the way different media, carry out their part of coverage of news, events, wars and Presidential campaigns. However, for the markets studied instead for

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reaching a sameness of results in the coverage of different media, it was found that the common ownership of a newspaper and a broadcast station in a local community does not result in a predictable pattern of coverage about political events.\textsuperscript{43}

A study was carried out in the year 2000, under the aegis of FCC in order to investigate the allegations that cross ownership of media outlets by a single dominant group leads to a strangulation of diversity in opinion and news.\textsuperscript{44} The study deals with the diversity of information and viewpoints in news and opinion regarding the 2000 Presidential campaign within cross-owned newspaper broadcast combinations in Chicago, Dallas and Milwaukee. The study and its subsequent findings shed useful light on the issue of ownership and media monopoly highlighting the actual reality behind the slant and inclines in coverage. The study searched for evidence of whether, the news and opinion disseminated by commonly owned news organizations, appears to be slanted, towards the interests of corporations that own the news organizations.

The analysis showed that, in five out of 10 newspaper-television combinations studied, the overall slant of the coverage by a company's television station was noticeably different from the overall slant of the coverage provided by the same company's newspaper, and often contradicted the newspaper's endorsement of a candidate. In the other five combinations under study, the overall slant of newspaper coverage of the 2000 campaign, was, not significantly different from the overall slant of the local television coverage. These slants were displayed for the Presidential campaign in the year 2000 which was run between the candidates, George W. Bush (Republican Party) and Al Gore (Democratic Party).

\textit{The Tribune}, did not require its newspapers to coordinate their endorsements for the Presidential candidates. Of all the tribune newspapers studied in the Federal Communications Commission's study, two endorsed Bush (in Chicago and Hartford), one endorsed Al Gore (in Newsday) and one of the newspapers of the same chain made no endorsement at all, which was the Los Angeles Times. It has been conceded by the study that given the limited number of observations in the various local communities and the media, no hard conclusions can be drawn from the study. It soon

\textsuperscript{43} Ibid.

became apparent that, there were no similar sounding slants in the T.V. stations and the newspaper coverage. This finding of the FCC study suggested that, freedom of news and voiced opinion came into daylight when the performance of media was studied.\textsuperscript{45}

It was the momentous decision of Katherine Graham, owner of Washington Post, which made Washington Post,\textsuperscript{46} a publicly owned company. The company went public making an initial offering on June 15, 1971, the same week, the Pentagon papers controversy erupted. “It wasn’t what being a public limited company entailed,” Katherine Graham wrote later in her autobiography. “I knew there, would be obligations and disciplines, that, were not imposed on private companies.” In the beginning of the year 2006, the American newspaper industry has been making profits up to 20 percent, but, still the value of the newspaper stocks plummeted. \textit{The New York Times} stock witnessed a fall by 35 percent and \textit{The Washington Post}, whose diverse holdings has somewhat insulated it from the general market pessimism about newspapers, has slid down by an alarming 25 percent. (Macollam 2006: 40)

Donald Graham, as the single largest shareholder in the Washington Post, commented that, “Public Ownership had been good for us. Our focus is on the long term policy and not on the value of the stock price”. Similarly, Arthur Sulzberger, Jr, commented that, “Public ownership has been a boon to the company despite recent difficulties like a slump in the market value of the stocks. There is a real value to companies not being artificially isolated from the demands of the market. It enforces a certain kind of discipline” (Sidney 2996)

The American newspaper industry is witnessing its worst commercial crisis in the past 400 years, but, it still admitted that private ownership and a full fledged entry of the private equity of the investors is not a solution to the problem of falling and stock prices in the newspapers. Back in the 1980’s, when pariah companies found themselves undervalued and unable to move their stock prices, then, the owners turned their backs on shareholders and turned their companies private using a toll, which later got maligned, called as “leveraged buyout”. Leveraged buyouts remain etched in the public memory as corporate raiders and junk bond salesmen, some of

\textsuperscript{45} Ibid.

who wound up in prison of the times. By the early nineties, the private equity investors had made it back to the scene in the newspapers and the private equity investors of the present age were more sophisticated and had rid of the stigma attached to private investments in the newspapers of the times.

In one of the reports in *New York Times* in 2003, a worry was expressed that the newspaper industry might be witnessing a scheme of things in which the question of concentration of media in the local community might lead to an erosion in the diversity of news, opinion and analysis. The Federal Communications Commission had changed the strictures of media regulation to such an extent that media monopoly and cross ownership, became a reality. (Kovach and Rosenteil 2003) The FCC, under the chairmanship of Michael Powell, attempted to dispel all fears about the menace of media monopoly and singular ownership of multiple media, through some reports and studies. The debate about the issue continued, as, the evidence regarding “sameness” of media discourse as a consequence of media monopolies cannot be refuted. Since the FCC regulations were relaxed in 1996, the two biggest media companies went from owning 130 stations to more than 1,400 broadcast stations.

Media groups have been accused of promoting only those newsworthy events which can promote their acquisitions and their immediate economic interests. Another accusation is that such standard ownership patterns leads to a uniformity of culture and the habits of the audiences which might curb diverse themes of life. Despite all the evidences to the contrary, Media exists for news gathering, dissemination and entertainment on a sound foundation of capital.

**War Reporting and Media**

In the fifties, the country’s media turned out to be a combination of various trends. Commercial broadcasting had entered the households, which, had adversely affected the newspaper circulations. The maturing of commercial broadcasting ushered in, a substitution of public interest by entertainment orientated programming. The American experience suggests that maturation brought with it a decline in the variety of programming and a stabilization of established interests, in the public sphere. The impact of this growing monotony and of the established line of

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programming brought with it an “insulation” of the viewers. A perfect illustration is the handling of the Vietnam War. “The Vietnam escalation of 1965-67 found commercial network television moving steadily to the line of the administration in the Capitol Hill. Newscasts appeared to be the pipelines for Government rationales and declarations...much of the sponsored entertainment were jingoistic which led to an insulation of the viewers from the true impact of the Vietnam War.” The satellite networks not only made any of the seriously critical documentaries on War but, they also barred access to outside sources of such critical documentaries. As Eric Barnouw points out, “there was a de-facto censorship, though much of it was privately operated.”

The corporatization of the war reporting was so complete that it turned out that the mass protests against the war rarely found an echo in the commercialized set up of network television, but it began to find frequent expression in NET (National Educational Television, a forerunner of PBS ) programming in such series as Black Journal, NET Journal, The Creative Person and- explosively in the film- Inside North Vietnam. This pattern helped explain why Presidents Johnson and Nixon fought to rein in public broadcasting with Nixon quite openly seeking to force it to de-emphasize public affairs. (Perloff 1997:60) The corporate systems did all this naturally. During the Persian Gulf War-1991, the American commercial broadcasters, were even more geared to government propaganda services. They protested only mildly at media censorship, gullibly accepting propaganda claims that were false and failed to explore serious issues, which, were closer to public understanding and took over the propaganda chorus, to sell the war to unsuspecting viewers.

Clearly, the portrayal of “War” especially when the US was involved, by American media were tinged with jingoism. More significant was the challenge that every democracy poses to free media that is how to balance national security and freedom to portray ruthlessly all the truth about a war. Secondly, underlying the US Media’s portrayal of Gulf War I and II was the fact of being enlisted by the government to propandize its war effort.