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The New New Media, Inc.

by Joergen Oerstroem Moeller and Terence Chong

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The run-up to the mid-term election in the United States demonstrates that the mass media has transcended its traditional role as a vehicle for aspiring politicians. Politicians see the mass media as a potential tool to outmaneuver rivals and mass media moguls expect politicians to help them gain competitive advantages in the market. We are witnessing a new, preponderant role for the mass media in an interactive game with politicians.

The dissemination of information and entertainment is becoming increasingly concentrated in the hands of a small number of companies and individuals. The TV channels looked at in Asia do not diverge much from those preferred by the public in North America and Asia. The media executives cast their net around the globe and offer their channels with a deep knowledge of consumer preferences.

In principle there is nothing wrong with that. The market is king. Did Adam Smith not believe that the invisible hand would guide production towards consumer needs? Correct, but the coalescing of political and media powers narrows down individual choice. It is not so much that the mass media has failed to deliver choice but rather that it has succeeded in determining choice.

The media moguls do not confine themselves to commercial activities. In May 2006, Rupert Murdoch agreed to give a fund-raiser for Senator Hillary Rodham Clinton, the latest sign of cooperation between the conservative media mogul and the Democratic lawmaker who has often been a prime target of his newspaper and television outlets. An aide was reported to have told Murdoch, "She is going to the White House, so why not have a friend?" Murdoch controls the Fox News Channel, from which millions of Americans get their daily information and news. Murdoch also owns The Sun, Britain's best-selling tabloid. In 1997, Murdoch's British newspapers—The Sun and The Times—played a fundamental role in sweeping Tony Blair's "New Labour" into power.

Powerful media moguls have also been known to speak for the sovereignty of countries they are not even citizens of. Murdoch, a U.S. citizen, once asserted of a proposed European Union constitution: "I don't like the idea of any more abdication of our [Britain's] sovereignty in economic affairs or anything else. We'll have to see what's in the final constitution, if it's anything like the draft then certainly we'll oppose it." [1]

The separation between those creating the news—the politicians—and those disseminating the news—the media moguls—begins to be blurred. On top of this, a merciless battle is being waged over control of information and communication infrastructure in cable TV, licenses for 3G mobile-phone technology, etc.

The politicians become dependent on those who control the networks. The media moguls with this control determine both who is going to get air time and content of news coverage. That has always been so, yes, but the new factor is that very few alternatives are available, since it is enormously costly to operate a network and politicians often stonewall on granting licenses. The media moguls become dependent on the politicians for the right to build infrastructures and for licenses—with massive capital gains at stake.

And in this new media, the individual becomes easy prey. Google is reportedly creating profiles for those using its search engines. Google and others could know more about each of us than we do about ourselves. It and others will undoubtedly use these profiles to attract customers' attention to products to bolster profits.

The method can also be applied to politics. It will be possible to follow the individual citizen to learn their political preferences. A large part of campaigning will probably move from open media, with debates and live interviews, to closed media. Politicians can use the new media to give voters tailor-made information. Those in control of the infrastructure—the media moguls—can prevent counterarguments from reaching citizens.

There are several possible consequences.

First, the media will have to relinquish its role as Fourth Estate. As evidenced this electoral season, the increasingly obvious ideological alignment of major media networks with political parties will undermine the media's traditional role of defending the public interest within a pluralist liberal democracy. Instead, we will increasingly see the political branding of media networks, where citizens can consume unchallenged and ideologically palatable views.

Secondly, as politics and reporting become indistinguishable, the media will provide its own realities. Take Iraq—politicians and the media offset the absence of the original *casus belli* (weapons of mass destruction) by proposing Saddam's toppling as second best reason for war. Scott Novell, Fox News's London bureau chief, admitted rather openly that "Fox News is, after all, a private channel and our presenters are quite open about where they stand on particular stories. That's our appeal. People watch us because they know what they are getting." [2] News, like any other consumer product, is now packaged according to niche markets.

Finally, grassroots journalism is growing due to disillusionment, in the form of personal blogs, information from NGOs, mass e-mailings, etc. This reporting "by the people, for the people" will empower ordinary citizens, but it will come at a price: the inevitable cacaphony of views, facts, non-facts—ironically making it harder to decide what is real and what is not. Fox Interactive Media (FIM) of News Corp. has spent more than \$1.3 billion during the last year buying Internet companies with user-generated content [3].

The circle is thus completed. Citizens use the net to empower themselves and the media networks turns this into an economic asset.

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[1]<http://media.guardian.co.uk/rupertmurdoch/story/0,11136,1085544,00.html>

[2]<http://www.slate.com/id/2119864/>

[3]http://www.businessweek.com/technology/content/may2006/tc20060502_678266.htm

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