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**Edited by Tom Nairn and Mary Kalantzis**



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# Media Ownership

## One Case Study and Two Perspectives

**Mobo Gao**, Associate Professor, School of Asian Languages and Studies, University of Tasmania

### Abstract

*Focusing on the issue of Western media reporting of the US invasion of Iraq and the tension between the two sides of the Taiwan straits the paper discusses and analyzes the tension between the discourse of national sovereignty and the human rights and that of democracy. This tension is specially acute among the Chinese diaspora who are torn between their ethnic origin and therefore their tie to the Chinese national sovereignty claim over Taiwan and the human rights and democracy values that they choose to identify.*

**Keywords:** Chinese Diaspora, Human Rights and Democracy, National Sovereignty, Media, Discourse

### Introduction

According to Marxist historical materialism, the media of any country is part of the country's superstructure which not only reflects but also serves that country's economic base. If this theory is interpreted at the crudest level, the media in Western capitalist countries necessarily serves the interests of the capital. This means that the media will serve private and commercial interests if a country's economic base is predominantly private and commercial. According to the same logic if the economic base changes the nature and role of the media will necessarily change. Thus the media will serve the interest of the public if a country's economic base is predominantly state-owned in, say, a socialist or communist country. However, this kind of general picture of the media in terms of historical materialism seems inadequate in explaining what has been happening in either actually existing capitalist countries, or actually existing socialist/communist countries.

In the actually existing socialist/communist countries, the former Soviet Union and China for instance, major means of production including the media are publicly-owned, though the situation in China is increasingly changing. However it is very difficult to argue how and in what way the public is being served by the media in these countries. What is clear is that the media overtly serves the party that rules the country and that the media does not in general provide a public sphere for free debates. Indeed, the media within the system can and very often does stifle freedom. Public-owned economic base, as a liberal theory perspective would argue, paves a way to a closed society (Popper 1966) and serfdom (Hayek 1944).

According to this version of liberal theory, the economy of private ownership and free enterprise in a capitalist country guarantees freedom from oppression and the media serves that purpose as it is free from state bureaucratic and authority control.

However, in the actually existing advanced capitalist countries such as the US, UK and Australia there is an increasing sense of hopelessness that the public sphere is stifled, a sense that the media in general and the private-owned sector in particular does not serve the interests of the public. There is an increasing sense that the public is uninformed or misinformed of what is crucial for a healthy democracy. The media coverage of the 2003 invasion of Iraq is a compelling example, not only in regard to the role of the media but also in regard to the media ownership issue.

Paul Krugman, a high profile columnist of the *New York Times*, states that during the Iraqi War many Americans turned to the BBC for their TV news. Krugman backs up his assertion by quoting the BBC's Director-General who said that the American networks were "wrapped themselves in the American flag and substituted patriotism for impartiality". Krugman considers it a paradox that the BBC which is owned by the British government tried to be impartial by not supporting the government's position on the Iraqi War whereas "America's TV are privately owned and yet they behaved like state-run media" (Krugman 2003).

This paper aims to analyse the issues surrounding this apparent paradox. By examining how some aspects of the Iraqi War were covered and how Chinese liberals interpret liberalism in relation to the media the paper attempts to argue for two related theses: 1) that liberal theory in regard to the media is inadequate and 2) a more sophisticated version of materialism has more explanatory power in analysing the function of the media in modern societies.

Chinese commentators and journalists are chosen for the discussion of the liberal perspective in this paper for a number of reasons. The first reason is that whatever one thinks of the current Chinese regime, what is clear is that China's media is predominantly state-owned. Therefore a critique from journalists who have worked and lived within



the system is not only very relevant but also very valuable. Secondly, Chinese liberals are chosen precisely because they are not well-known in the West. Finally, these Chinese liberals are very influential in mainland China, Hong Kong, Taiwan as well as Chinese language e-media all over the world. Cao Changqing, who is cited extensively in this paper, is a good illustration. Cao was a reporter of the official CCP organ *the People's Daily* before he defected to the US following the Tiananmen events in 1989. Cao is now based in New York and works as a free lance journalist. He has a personal website on which he collects his writings that frequently appear in the Falungong outlet *Da Ji Yuan* (the Great Epoch), the dissident magazine *Minzhu zhongguo* (Democratic China) and *Beijing zhichun* (Beijing Spring), the dissident e-media outlet *Da Can Kao* (Big Reference News), popular Hong Kong anti-communist magazines *Zheng Ming* (Debates), *Dong Xiang* (Tendencies) and the US media outlets *Voice of America* and *Free Asia*. These media outlets have millions of audience all over the world.

Much of the data and information on what I call Chinese liberals are collected from the e-media for two reasons. The first reason is that most of the information of this kind can only be found on the e-media such as BBSs, dissident e-media and personal home-pages. The second reason is that e-media is the most convenient for research purpose because they are freely available. This almost default methodology actually proves that modern technology has unexpected consequences in that it can be used to resist suppression of information and that it makes the definition of ownership much more complex and ambiguous. The information on Anglo-Saxon media and corporation behaviour is most from English sources and more tellingly from non-mainstream sources, such as Roy, Palast, Goodman & Goodman and FAIR.

Both the fact that modern technology is being used effectively to bypass the Chinese government censor and the fact that there are non-mainstream countervailing media in societies where corporate media dominate give weight to the main argument of the paper that neither fundamentalist liberal theory nor fundamentalist historical materialism is adequate to count for the role and function of the media in modern societies. A further note on methodology is that discussions in the paper focus on the media in the US, UK and Australia which are taken as examples of advanced capitalist countries. There is, however, not much discussion on the so-called socialist countries where media is predominantly public-owned. This is the case mainly because there is not much controversy surrounding the role and function of the media in such countries. It is taken for granted that media in countries like China largely serves the state and the ruling party.

## **Media Ownership: An Apparent Paradox**

We may start the media ownership issue with controversial event surrounding the publicly owned BBC.<sup>1</sup> A former BBC reporter Andrew Gilligan claimed that a senior intelligence source informed him that the British government “sexed up” intelligence report to justify its push to join the US in their war to invade Iraq. After it was leaked that David Kelly was the source he was grilled by relevant government authorities. Not long after, Kelly was found dead in woods near his home (Long 2003). Though a subsequent Lord Hutton inquiry extricated the British government and was critical of the BBC, some consider the inquiry a white-wash. What is important to note at this point is that the BBC has often been bashed by its governments one time or another for either being too elite or too left wing.

What is interesting is that the public-owned Australian Broadcasting Corporation (ABC) has also often been criticized along similar lines. Soon after the Iraq War the Australian Minister of Communication Senator Richard Alston of the Liberal Coalition government accused the ABC of bias against America. He made a list of more than 60 items of news reporting or commentary that were said to be anti-America. The Minister threatened to cut funding to the ABC if it did not rectify itself. The ABC ordered an internal inquiry to address the Minister's complaint and its public complaint department found most of the allegations were groundless except two cases where bias could be interpreted. Senator Alston was not happy with this finding and demanded an external inquiry. A Liberal MP called for the ABC to be privatised and the Foreign Minister Alexander Downer of the Liberal Coalition government said, “a perception existed in Coalition ranks that the ABC was skewed towards a left-wing view of the world. But it's a view which has been there for a long time...that the ABC was...dominated by the Left.” (McIlveen 2003).

In contrast, no private-owned media outlets were accused of being biased against the USA or of being anti-war. No mainstream media outlet in the USA has had to endure this kind of bashing for the obvious reason that they were not critical of their government. When the Iraqi War was over, there was some reflection on the media in the US (Tomeditor@aol.com 2003) and for some at least there was a feeling of disgust for what Russell Smith calls “patriotic lapses of objectivity” (Schechter 2003).

The question is therefore why public-owned British and Australian media were critical of their own governments whereas private-owned American

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<sup>1</sup> One of the London Times headline is “BBC chief defies Blair,” reprinted in *The Weekend Australian* 28-29 June 2003, p. 11.



media behaved as if they were owned by their government. Why were the commercial media outlets not critical of their governments while public media outlets such as the BBC and the ABC were accused of being critical of their governments? Krugman's answer is that "the U.S government can reward media companies that please it, punish those that don't. This gives private networks an incentive to curry favour with those in power" and they "aren't subject to the kind of scrutiny faced by the BBC" (Krugman 2003).

It is true that any government would, by the very nature of politics, want to manipulate the media to its own advantage and manipulation includes punishments and rewards. However, Krugman's explanation of why public-owned media do not always toe the line is not adequate enough. The British and Australian government can always punish or reward their own media outlets by, for instance, cutting funding or increasing funding, by employing or sacking personnel or by imposing conditions and regulations. As for scrutiny the question is who scrutinizes whom. It seems that politicians always want to scrutinize public-owned media but not the private ones. Another explanation that is often offered, as by Downer mentioned above, is that the BBC and ABC are full of left wing members of the chattering class who want to safeguard the politically correct. One response to this explanation could be to ask why most if not all the guardian angels of the politically correct are to be found in public-owned media outlets.

### **From the Right: A Liberal Perspective**

Let us first see how a liberal perspective would respond to this apparent paradox. The Chinese liberal tradition, like the rise of the CCP, can be traced back to the May 4<sup>th</sup> Movement in 1919, if not earlier (Hsu 2000). This intellectual tradition has gained new momentum since the late 1970s after the end of the Mao era. Some challenge to the rise of Chinese liberalism began to appear only towards the end of the 20<sup>th</sup> century from the New Left (Zhang 2001, Gao 2004). One persistent feature of Chinese liberalism is its unforgiving critique of Chinese tradition, to the degree of self-hatred (Barmé 1999), on the one hand and on the other its passionate embrace of Anglo-Saxon liberal tradition in the name of "advanced civilization". One well-known Chinese liberal democrat declares that he would rather be an animal of a foreign [Western] country than a China person (Zheng Yi 2004). When the Iraqi invasion started one liberal academic based in Hong Kong says that he envies the Iraqis because people all over the world went to the street to protest against the US invasion and protest over the death of innocent people. Why isn't any one protesting over the death of people in China, deaths caused by industrial accidents and by SARS for instance? (Wu Guoguang 2003).

Yu Jie, one of the two initiators of the letter "A declaration by Chinese intellectuals in supporting the US government's destruction of Saddam's dictatorial regime",<sup>2</sup> declared that Mao was the predecessor of Saddam, that human rights should take priority over national sovereignty and that US did not behave unilaterally. The USA behaviour was multilateral because values that it held and supported were democratic and respected human rights (Yu Jie 2003). In other words, how can a democratic elected government that set out to defend universal values of human rights be unilateral? Liu Xiaobo, a well-known iconoclastic liberal, who once openly declared that China could only be saved by being colonized for two or three hundred years (Chengdan Jiuge 2003), argues that even though the US invasion was motivated by self-interest the war was good for human kind, just like all other wars that the US participated, with the sole exception of the Vietnam War (Liu Xiaobo 2003).

Though there was a strong voice condemning the US invasion of Iraq in China and though the number of signatures for the declaration against the war far outnumbered Yu Jie's open letter of support, Chinese liberals' endorsement of the American invasion of Iraq attracted much support in the e-media. The intellectual confrontation between the pro and anti war camps was a major media event in China. The Chinese liberals have expressed their pro-US ideology so unambiguously that a BBC correspondent, when commenting on the electronic media debate by the Chinese on the Iraqi War, stated that these Chinese loved America and were pro-Bush more than the Americans themselves (Wei Cheng 2003).

A liberal perspective, in this case the Chinese liberal perspective, would be that the BBC and the ABC are biased precisely because they are public-owned. The Chinese liberals would support this argument by citing how the public-owned media in China are in the wrong all the time because they are the mouthpiece of an unhuman government. For the Chinese liberals, it is morally wrong for public-owned Chinese media to act as government's mouthpiece since China is an oppressive and undemocratic regime and it is equally morally wrong for the public-owned media to be critical of their own governments in liberal democratic countries since democratic elected governments serve the interest of the people. According to this argument the source of the two wrongs is the same, i.e., public ownership. For the Chinese liberals the BBC cannot be objective and cannot tell the truth because it is public-owned. "Without private ownership there will be no independence; without independence there

<sup>2</sup> The letter was in Chinese: zhong guo zhi shi fen zi guan yu sheng yuan mei guo cui hui sa da mu du cai zheng quan de sheng ming

will be no objectivity and truth” Cao declares (Cao 2003b: 34).

After the publication of the Hutton inquiry Cao<sup>3</sup> declared that the inquiry outcome meant a total defeat of the BBC, that Blair was cleared of any wrong doing and that the BBC fabricated news (Cao 2004). Cao was either unaware or chose not to inform his readers that the Hutton report was considered by many as having reached a “perverse conclusion” and was therefore “greeted with general derision, in which—for once in a way—journalists were joined by the public”. Cao chose to ignore that “...days later [after the Hutton report] polls found that three times as many British people continued to believe the BBC as believed the government” because of what Andrew Gilligan the BBC reporter had said “that the government had exaggerated the threat posed by Saddam Hussein’s supposed weapons of mass destruction... was in itself an elementary statement of fact” (Wheatcroft 2004).

For Chinese liberal like Cao, the media in liberal democracies should follow their own governments. If they don’t they must have left wing bias. Along these lines Cao attacks arguably the world’s most influential but self-claimed liberal paper *the New York Times* for its left wing bias. By citing Liz Sawsey’s comments on the Fox News that hiring Jason Blair was directly related to the *New York Times*’ affirmative action policy of employing a black person who was not very qualified,<sup>4</sup> Cao blames the *New York Times* for the Jason Blair scandal on its leftist orientation (Cao 2003a). However, Cao does not want to relate the scandal to the Janet Cooke scandal of *the Washington Post*, or the Stephen Glass case of *the New Republic*. Nor did he say anything about the fact that the resignation of the *New York Times*’ executive editor Howell Raines and managing editor Gerald Boyd had more to do with Rick Bragg rather than Jason Blair. Bragg was not black and was a seasoned veteran journalist who won a Pulitzer Prize. Bragg was found out to have been engaged in the practice of adding his bi-line to a stringer’s reporting and research (Williams 2003) without any acknowledgement. Worse still for *the Times* was the fact that Bragg told the *Washington Post* that what he had done was nothing unusual because “most national reporters slipped in and out of cities, just to get the dateline, while leaving the legwork to stringers” (Williams 2003: 26).

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<sup>3</sup> The logo of Cao’s personal website is, interestingly and tellingly, the manufactured phot-op of Iwa Jima. Cao calls Clinton the appeaser Chamberlain when the former visited China and Nelson Mandela a weakling because South Africa under his leadership decided to shift its diplomatic relation from Taiwan to China (Cao 1997).

<sup>4</sup> But he might want to know the other result of affirmative action: 21% of the total armed forces and 29% of the army in the US are African-Americans who consist only 12% of the population (Roy 2003b).

Cao went on to list other sins committed by the *New York Times*: Walter Duranty’s cover up of Stalin, Sydney Schanberg’s cover up of Khmer Rouge, Herbert Matthews’ support of Castro. Cao even goes as far as to suggest that the *New York Times* helped the CCP to come to power in China “because the policy suggestions made by Fairbank [a well-known Sinologist] were influenced by the reporting of *the New York Times* (Cao 2003a).

It is hard to see why Cao should not be happy with the *New York Times*. It was the *New York Times* that published reports and stories to sustain the myth of Iraq’ WMDs. Specifically, its reporter Judith Miller faithfully accepted the now discredited Iraqi opposition figure Ahmed Chalabi who “provided most of the front page exclusives on WMD” (FAIR 2003). These reports helped greatly the neo-conservative crusade to launch the Iraqi invasion (Scheer 2004, Ash and Kurtz 2003).

“The [New York] Times also has a long record of silencing reporters and stories which may cause the government discomfort. The Times pulled a reporter out of Guatemala on the eve of the 1954 coup at the request of the CIA. In 1961, the Times sanitized and downplayed a story about the upcoming Bay of Pigs invasions at the request of President Kennedy. After the 1982 El Mozote massacre, the Times reassigned its El Salvador correspondent to New York under pressure from the Reagan administration. More recently at least one reporter for the Times withheld information about the US’ use of U.N. weapons inspectors to spy on Iraq” (FAIR 1999b). *The New York Times* did not report what happened during the 2000 election in Florida where Bush’s brother was the governor and where 1.9 million cast ballots were not counted and half of which are black votes who were known to have a tendency to vote for the Democrats (Palast 2004).

One of the most celebrated reporting events regarding China in recent years is *the New York Times*’ supposed exposure of the spy case of the nuclear scientist Lee Wen-ho. Much of the reporting of the case by reporter Jeff Gerth was reliant on leaked information by a Congressional committee headed by the Republican Representative Christopher Cox. When the case of Lee spying for China eventually collapsed *the New York Times* reluctantly acknowledged “some things we wish we had done differently” (FAIR 2003). This is the paper that Cao labels as left wing.

Cao also accuses the CCN of being left wing and endorses the Fox News as the only main conservative channel (Cao 2003c). Cao argues that left wing media outlets in the US are not well received by the democratic masses. He listed the survey conducted by the *New York Times* which shows the CBS’ rating on its reporting of the war was bad because Dan Rather’s position was left wing. Yet it was this Dan Rather who said “George Bush is the President... Whenever he wants me to

line up, just tell me where and he'll make the call" (Goodman and Goodman 2003: 150). On the other hand NBC's Tom Brokaw did very well because of his patriotism and "his strong moral sense of justice against evil", Cao declares. He cited Brokaw's elaborate broadcasting of the toppling of Saddam Hussein's statue as an example (Cao 2003d). Cao also argues that Fox News beat CNN in this media war because CNN was not objective enough in exposing Saddam Hussein whereas the "O' Reilly Factor" of Fox News, which according to one satirist, acted as "the Official News Channel of the Homeland" (Schechter 2003), did an excellent job in telling the truth. The CNN was not good enough for Cao even though "During the US war in Afghanistan last autumn, executives of the CNN instructed their reporters to downplay civilian casualties and damage done by US military attacks, on the grounds that such reports might weaken popular support for the invasion. The CNN Chairman Walter Isaacson told the *Washington Post* it seemed perverse to focus too much on the casualties or hardship in Afghanistan." (Walsh 2002).

Chinese liberals are not the only ones who think that much of the US media are biased in favour of the left. Others who think the mainstream media in the US are "liberal biased", that is, they are more critical of the Republicans and more supportive of the Democrats include, for instance, Goldberg (2003). The very fact that even private-owned media such as CNN are attacked for not supporting the government enough shows how fundamentalist a liberal perspective can be. This very fact also shows that this perspective is inadequate not only because it cannot explain the existence of various degrees of diversity in a capitalist countries but also because it cannot explain why there is actually successful resistance against state media control in countries like China, especially through the new technology of e-media, by which both the pro and anti Iraq War protests took place.

### **From the Left: A Materialist Perspective**

From the Marxist historical materialist perspective the fact that Fox News was so supportive of the US government has more to do with its material interest than being objective or telling the truth. There is actually evidence to show that the Fox News and the US government have been very close. The chairman of Fox News Roger Ailes, who used to be media advisor to Nixon, script-writer for Reagan and commercial creator for G. W. Bush senior's 1998 election, sent secret memo to G. W. Bush junior offering political advice (Walsh 2002). Cao, a self-confessed neo-conservative, would label anything that is slightly away from the government line as left wing. This is not surprising for he logically thinks that any media outlet in a capitalist democracy should follow the government closely in supporting private interest. For him it is not only logical but

morally justifiable that government and private business, i.e. the commercial and the corporate, should be one and the same. Because private-owned media are also corporate business it is part of the same configuration. What Cao does not realize is that this line of thinking is surprisingly very Marxist.

Liberal theory is right in arguing that private ownership and free enterprise capitalism inherently embraces personal freedom, though sometimes it may be a matter of degree that varies in different historical circumstances. But it is equally true that the governing machine of a capitalist state, by definition, is meant to serve and protect the interest of the capital, the business, the commercial and the corporate.<sup>5</sup> By the same token the very rationale for the existence of such a government is for the success of capitalism. Therefore, the main business of a government in capitalist liberal democracies should usually be making things good for the capital and commercial. Therefore, there is no reason for the capitalists, including media capitalists, to be critical of their governments unless when they see that politicians are misguided. In what follows I will present some evidence of how private-owned media interact with the politics of the governance.

Unambiguous evidence that government and commercial interests are one and the same can be found by examining how private business has benefited from the Iraqi War and by looking at how private business has financial relationship with politicians who supported the Iraq War. Private-owned media knew very well what the war was about: 'A few days into the war, the news anchor Tom Brokaw said: "one of the things we don't want to do... is to destroy the infrastructure of Iraq because in a few days we're going to own the country"' (Roy 2003b). Note the pronoun "we" in his announcement. It is therefore not at all surprising that Clear Channel Worldwide Incorporated radio station, which runs more than 1,200 channels, took a very creative action in supporting the war. When hundreds of thousands of Americans went to the street to protest against the Iraq War, Clear Channel organized pro-patriotic "Rallies for America" across the country. Its radio stations advertised the events and sent correspondents to cover what they themselves had organized as if they were breaking news.

It was no negligence that the Iraqi Ministry of Oil was heavily protected whereas the National Archaeological Museum was allowed to be looted (Fisk 2003). The original plan was that America would put Iraq for sale (Goodman and Goodman

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<sup>5</sup>Some may argue that in liberal democratic capitalist countries governments also protect the interest of the poor by tax and by providing a range of welfare measures and to cater for the interest of diverse groups such as greens, environmentalists and so on. Of course they do because even in capitalist countries capitalists cannot exist by themselves. Capitalism has to balance different interests or else the whole system will collapse.

2003). Therefore, it is natural and logical that nine out of the 30 members of the Defence Policy Board, who had pushed for the Iraqi War, were connected to companies that were awarded defence contracts worth \$76 billions dollars (Roy 2003b). According to the most comprehensive survey by the Centre of Public Integrity, more than half and nearly every top ten contractors in Afghanistan and Iraq had close ties to Washington's political establishment of the Pentagon. Of the \$76 billion, \$2.3bn went to Kellogg, Brown & Root, a subsidiary of Halliburton, the defence contractor under the stewardship of Dick Cheney until he was the U.S.A. Vice President. Cheney still has deferred income and holds the company's stock options (Goldenberg 2003).

In fact the big US corporations were among those that sold weapons to Saddam before the 1991 Gulf War. In its report to the UN in 2002, Iraq listed 24 US "corporations that helped Iraq build its pre-Gulf War weapons program and rockets". But 8,500 pages of the report that would embarrass the US government and Pentagon were missing when the report was finally released. The mainstream US media did not even try to uncover the scandal (Goodman and Goodman 2003:33-34).

The case of Lockheed Martin is another piece of unambiguous evidence of how the media and business are one and the same. Lockheed Martin received \$17 billion in weapons contracts from the Pentagon in the fiscal year 2002 alone. In 2002 the Committee for the Liberation of Iraq was formed with the explicit support of the Bush administration. Former Lockheed Martin vice-president Bruce Jackson chaired the Committee (ATRC 2003), the members of which included former Secretary of State George Shultz, who was also on the "Board of Directors of the Bechtel Group that has been given contract of millions of dollars in Iraq after the invasion" (Roy 2003a). It was Jackson, who had been working since 2000 with the ten Eastern European countries seeking NATO membership, that initiated and helped draft the statement supporting US invasion of Iraq issued by these ten nations of the so-called "New Europe" (ATRC 2003). The members of the Committee for the Liberation of Iraq also include the Republican heavy weight Newt Gingrich, influential policy makers such as Richard Perle and media personalities such as Robert Kagan and William Kristol.

According to a report by the Centre for Public Integrity, "Nearly 60% of the companies [that had received weapons contracts] had employees or board members who either served in or had close ties to the executive branch for Republican and Democratic administrations,<sup>6</sup> for members of Congress of both parties, or at the highest level of the military". The

71 companies that received contracts for work either in Afghanistan or Iraq had contributed more than US\$500,000 to Bush's 2000 election campaign (CBI website). More chilling details of how the US corporations and government are one and the same see Goodman and Goodman, especially chapter 2 (2003).

Evidence of how corporate media collude with the government can also be found in another affair exposed by FAIR. Disney forbade its subsidiary Miramax to distribute a controversial new documentary by Michael Moore, which examines the connections between the Bush family and the House of Saudi that rules Saudi Arabia. When FAIR readers protested this censorship CEO Michael Eisner claimed that it was not censorship. Referring to Moore's *Fahrenheit 9/11*, he told ABC World News Tonight (5/5/04), "We informed both the agency that represented the film and all of our companies that we just didn't want to be in the middle of a politically-oriented film during an election year."

But as pointed out by FAIR, "Disney, through its various subsidiaries, is one of the largest distributors of political, often highly partisan media content in the country—virtually all of it right-wing". "Almost all of Disney's major talk radio stations—WABC in New York, WMAL in D.C., WLS in Chicago, WBAP in Dallas/Ft. Worth and KSFO in San Francisco—broadcast Rush Limbaugh and Sean Hannity. Indeed, WABC is considered the home station for both of these shows that promote political agenda. Disney's other partisan Republican hosts include Laura Ingraham, Larry Elder and Matt Drudge. Disney's Family Channel carries Pat Robertson's 700 Club whose guest Jerry Falwell (9/13/01) blamed the 9/11 attacks on those who "make God mad", "the pagans and the abortionists and the feminists and the gays and the lesbians who are actively trying to make that an alternative lifestyle, the ACLU, People for the American Way, all of them who try to secularize America." Robertson's response was, "I totally concur." Disney's ABC News John Stossel explains: "It is my job to explain the beauties of the free market".

The explanation offered by Eisner for the censoring Moore's film that Disney was afraid of losing tax breaks from Florida Gov. Jeb Bush is more persuasive. But more relevant may be Disney's financial involvement with a member of the same Saudi family whose connections to the Bush dynasty are investigated by Moore. Prince Al-Walid bin Talal, a billionaire investor who is a grandson of Saudi Arabia's King Fahd, "became a major investor in Disney's Eurodisney theme park when it was in financial trouble, and may be asked to bail out the troubled project again"(FAIR 2004). These cases clearly show that private-owned media are not just uncritical of their government, but actually colluding with the government. For more details and numerous

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<sup>6</sup> What has to be noted is that this is not a one party the Republic disease.

cases of how the media collude with the government see Goodman and Goodman (2003) and for how the media built up a good image of Bush see Waldman (2004).

However, the privately owned media can and will expose and ruin a politician's life if they decided that he or she is not one of "us", especially if he or she becomes a troublemaker for the established interest. A chilling case reported by Palast is a very telling example of how a politician's career can be ruined by the media if he or she does not toe the line (Palast 2003). The black Congresswoman McKinney lost her seat in the 2002 election because the media presented her as "a loony", "dangerous" and "disgusting". She was portrayed as such because she said President Bush knew the 9/11 attacks in advance and deliberately held back information. Lynette Clemetson of the *New York Times*, the *Washington Post*, National Public Radio and all the other metropolitan dailies reported as such. The only problem is that McKinney did not say that. What the congresswoman did say was, following a BBC report, that an allegation that the Bush administration had blocked an intelligence investigation of the Saudis who might have been involved or related in some way to the 9/11 attack should be investigated. McKinney was also considered a trouble maker because she was the only US congressperson who asked about how the office of the Florida Governor Jeb Bush and Secretary of State Katherine Harris ordered the removal of 90,000 citizens from the voter rolls because they were said to be convicted felons.<sup>7</sup> McKinney not only made inquiry about this fraud but also made the condemning evidence public. What also led the media to attack McKinney was the fact that she inquired whether Barrick Gold, a Canadian gold mining company that the senior W.G. Bush worked, was funding two sides of a civil war in the Congo. The media could not let these really very sensitive issues develop out of hand.

Here we have the evidence of how the US media supported their government and of how they ruined the career of a politician who had not done what she was supposed to do. We may recall how the media created the euphoria of the overthrow of Saddam Hussein. Robert Fisk called the manufactured photo images of the toppling of the statue of Saddam Hussein in the Firdos Square "the most staged photo-op since Iwo Jima" (Roy 2003a). Another well-known media staged affair was the built-up image of the US teenage soldier Jessica Lynch that was widely published all over the world (Kampfner 2003). It was staged by the US military authority but dutifully propagated by the *Washington Post* with a front-page story by veteran reporters Susan Schmidt

and Verson Loeb. If it were not for the BBC the fabrications might not have been exposed (Scheer 2003).

It is therefore not surprising that the US public has been led to believe many things that are simply not true. When the United States invaded Iraq, a *New York Times*/CBS News survey estimated that "42 percent of the American public believed that Saddam Hussein was directly responsible for the 9/11 attacks. And an ABC News poll said that 55 percent of Americans believed that Saddam Hussein directly supported Al-Qaida" (Roy 2003b). Even in 2005, a Washington Post-ABC News poll shows that 56 percent of Americans still think Iraq had WMD before the start of the war and six in ten believed that Iraq had provided direct support to the Al-Qaida terrorist network (Goodman and Goodman 2005). This clearly shows how effective the media misinform the public to serve the government.

There is a triangle relationship among commercialism, elected politicians and privately-owned media. Empirical evidence suggests that private-owned media outlets in liberal capitalist democracies always have higher ratings than those that are public-owned. The reasons are not hard to find. Public-owned media outlets have the responsibility of maintaining some serious programs such as investigative or documentary programs that are of interest to a small percentage of the population, the so-called elite who care about the public sphere and public debate. On the other hand commercial media outlets are aimed at the audience who demand programs of entertainment. The situation has been reinforced so much so that there is now a built-in culture of manufactured consent and culture of manufactured content (Herman and Chomsky 1988).

Politicians, in order to get the highest possible percentage of votes, are naturally careful about their relationship with commercial media outlets. A recent event in the Australian media is a good example in case, as outlined by Tingle. John Laws and Alan Jones are rival popular radio broadcasters of private companies in Australia. Recently a statement by Laws caused a big media event in Australia. Laws said that Jones told him that he Alan Jones had told John Howard the Prime Minister of Australia that he would lose Jones' support in the coming 2001 election if he did not reappoint Professor David Flint as the Chair of the Australian Broadcasting Authority. Flint, as the Chair of this government regulating body, subsequent to the cash-for-comment inquiry exposed by the Media Watch of the ABC, imposed fines on John Laws but not on Alan Jones, though both were paid by Telstra Australia to promote its good images before it was to be fully privatised (currently the Australian public owns 51%). Both committed an offence of accepting cash for comments. However, the technical difference was that \$300,000 was paid to Laws

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<sup>7</sup> But over 97% on the list were in fact innocent and over half of them were non-white.

personally whereas \$1.2 million was paid to the company where Jones worked (Jones partly owned the company). What also intriguingly and tellingly complicated the affair was firstly John Howard and Flint had the same political agenda to privatise Telstra and secondly a letter written by Professor Flint to Jones that was leaked showed that the professor was a fan of Jones. Of course Jones denied that he ever said such a thing and Howard denied that he ever talked to Jones about it. Not surprisingly Tingle is in despair: “The government abuses its obligations to the parliament and to the public with such monotonous regularity that it is almost not a story any more. We will be told what the government chooses, when it chooses. When we are lied to, or misinformed, there is no obligation on the government to acknowledge its errors” (Tingle 2004).

As a footnote to this intriguing affair, it is worth noting that Professor Flint, the centre figure of the story, published a book titled *Twilight of the Elites* that attacks, amongst others, the media, for its alleged left wing bias. But according to David McKnight’s study of the *Australian*, one of the most serious broadsheets in Australia, a paper that McKnight himself admits enjoy reading, over 43 of the papers’ opinion pieces over a period of time were written by people who are particularly right [not just right], from think tanks such as the Centre for Independent Studies, the Institute of Public Affairs and the American Enterprise Institute. McKnight argues that the paper “does tend to set an ideological agenda. It comes through in the Government of Australia, through the Howard Government—that is of this neo-conservative right” (Crittenden 2005).

It is clear from the previous discussion that private-owned media and governments do collude with each other. Governments may make regulatory favours in terms of conglomerate deals to the media corporations and in return the media corporation will support governments either directly or work to mute criticism or withhold from the public information that may embarrass or even damage the governments (Tunstall and Palmer 1991). Private-owned media do not necessarily play the role of informing the public and they do not necessarily provide the public sphere for debate and deliberation which are essential for democracy to work. This confirms the explanatory power of the materialist perspective. However, from the discussion above and in the previous section we can also see that the materialist perspective is also inadequate in that it cannot explain why in a capitalist country where means of production including the media are predominantly privately owned there are public-owned media that are critical of their governments. Nor can it explain why public ownership of means of production in the actually existing socialist countries not only do not induce but actually stifle public sphere.

## Conclusion

To end the discussion of media ownership and its implications for public sphere with particular reference to the Chinese liberal scene, I will summarize a couple of points. First it is not at all a paradox that public-owned media outlets in liberal democracies are critical of their governments whereas private-owned ones are not. In liberal democracies the very function of government is to cultivate, promote and protect private capital and business structure. Governments work with corporations, corporations influence governments and the media are very often part of corporate portfolios (Watson 1998). Rather than guaranteeing the editorial integrity of commercial media, the free market actually compromises and impairs it, particularly in its oversight of private corporate power (Curran and Gurevitch 1996). In such societies it is not an anomaly that private-owned media outlets have a better relationship with the government but an anomaly that there are some public-owned media outlets that are critical of the government. This anomaly is precarious and precious and even the BBC very often have to submit to corporate interests (Gregory 1996).<sup>8</sup> This is one reason why a simplistic version of historical materialism is inadequate in explaining the working of the media in modern societies. By regulations and interventions media that have countervailing power to private-owned media can be set up and can be made to work in a capitalist society in which means of production including the media are predominantly privately owned. Secondly, By the same token, just as private ownership does not necessarily mean media’s independence from government, and nor does it necessarily guarantee media objectivity, public ownership per se does not necessarily mean state propaganda, and nor does it necessarily mean lack of objectivity. Private media can be predatory and public media can be protective of public sphere.

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<sup>8</sup> The Voice of America (VOA) is government-owned and acts the mouthpiece of the USA government. Like Free Asia Radio, VOA is not really public-owned though the public pays for it. Both media outlets, unlike the British BBC and Australia ABC, are not meant for domestic audiences.

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