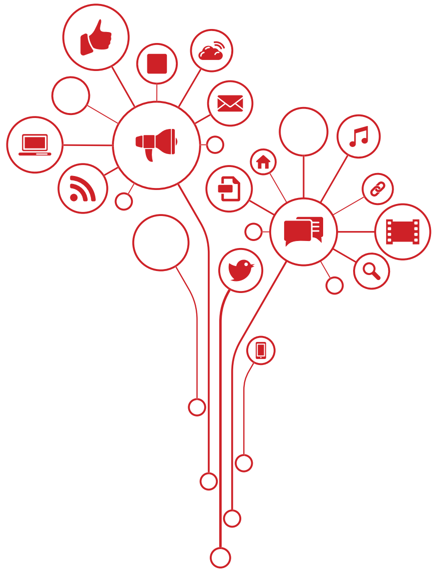

Introduction

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In many countries around the world today, political transitions and the rise of digital technology have changed the way governments influence the media. With some exceptions, pre-publication censorship and pre-approval of news and information is mostly a thing of the past. Political transitions in many countries have changed mechanisms of control. Instead of a censor in Burma marking up advance copies of local newspapers, journalists receive more nuanced signals as to what should be covered. In countries like China and Vietnam, where governments still issue directives to journalists, there is now a vibrant social media space where forbidden topics are covered and dissent is expressed.

This essay is a chapter from Anya Schiffrin, ed., *In the Service of Power: Media Capture and the Threat to Democracy* (Washington, DC: Center for International Media Assistance, 2017)

In countries undergoing political transition, another change witnessed in the past two decades is that the threat to journalistic independence no longer comes from the government alone, but from the private sector, and from collusion between the two. In countries such as Burma, Venezuela, Thailand, Tunisia, Turkey, or even Italy under Silvio Berlusconi, the ties between government and media are close. Such links can be forged through advertising or some form of state subsidy to the media, or simply through the relationships between political elites and media owners, but the effect is frequently the same: media that does the bidding of elites and thus is not truly free.

This collection looks at the state of media around the world with an emphasis on what we call "media capture." It comes out of a conference held at Columbia University's School of International and Public Affairs in April 2016, and aims to introduce the concept of capture to a broader audience, show how capture is manifested in different parts of the world, and highlight some possible solutions. This is the first collection on media capture around the world and the first to consider how digital technology is affecting the issue.

Media capture defined

Media and communications scholars have long looked at questions of commercial influence, ownership, the role of government, and other sources of political bias in shaping coverage. Edward S. Herman and Noam Chomsky (1988) famously proposed their "five filters" and included ideology, corporate ownership, and pressure from sources as factors that influence coverage. Ben H. Bagdikian (1983) wrote about corporate control of the media and the effect it has on coverage, and sociologist Herbert Gans (1979), and others, have written about the way that sources shape coverage through developing relationships with reporters. This question was explored in an African context by anthropologist Jennifer Hasty, who did fieldwork in a state-owned outlet as well as at a private newspaper in Ghana and wrote about the different ways journalists at the two outlets covered government (Hasty 2005).

Since then, others have refined these ideas, under a variety of terms, to better understand the full range of forces that restrict or bias coverage. Perhaps the best working definition of the media capture phenomenon is that provided by political scientist Alina Mungiu-Pippidi: "By 'media capture' I mean a situation in which the media have not succeeded in becoming autonomous in manifesting a will of their own, nor able to exercise their main function, notably of informing people. Instead, they have persisted in an intermediate state, with vested interests, and not just the government, using them for other purposes" (Mungiu-Pippidi 2013, 41).

In many parts of the world—including Australia, Italy (Stille 2006), Burma (McElhone, this volume), Thailand, Turkey (Finkel 2015), and Venezuela (Bennett and Naim 2015)—government control of the media is entwined with control by business interests. In Venezuela, private entities linked to the government have taken ownership of media outlets (Ibid.). In Turkey, the Erdoğan government has pressured friendly business interests to buy up failing media houses (Finkel 2015). In Italy, Silvio Berlusconi used his media holdings to launch his political career and consolidate his hold on power (Durante and Knight 2009). In Thailand, broadcast media has been controlled by government and corporate elites for decades (Wongrujira 2008).

As such, the involvement of the private sector is what fundamentally distinguishes media capture from the familiar forms of government control of the media, though this is not to say that media are captured in the same way. States pursue different capture strategies; media markets have structural differences; and the digitization of communication also frequently has a unique complexion in some settings—all having implications for the nature of capture in each context. We have intentionally given the authors in this volume the liberty to explore these contextual differences and to propose variations and categories of capture that might deepen our understanding of the phenomenon.

Some of the chapters detail the ties between government and business that involve media outlets, and how these links survive recent democratic transitions and, in some cases, adapt to the rise of digital media. Kamel Labidi writes that in Tunisia before the 2011 Arab Spring, broadcast and radio licenses were given to relatives of Ben Ali so he could say he was liberalizing media while still keeping them under his control. Martina Vojtěchovská discusses how media outlets in the Czech Republic were first taken over by foreign owners after 1989 and then, following the 2008 financial crisis, sold off by the foreign companies to local businessmen with political ties. She argues that new regulations are needed to prevent the situation from worsening. In the chapter on Tanzania, Ryan Powell describes how past controls on media combined to produce a captured media system. As a former British colony, Tanzania adopted colonial-era regulations that then were supplemented with a post-colonial socialist belief in media as subservient to a state development agenda. Since 1992, Powell writes, Tanzania has gradually moved toward a pluralist political system and limited capitalism, introducing privatization and market mechanisms to boost industrialization, and allowing private media ownership. As a result, media operating in Tanzania face a range of constraints, which include diverse and overlapping forms of media capture.

Mireya Márquez-Ramírez and Manuel Alejandro Guerrero argue that in Latin America clientelism and media capture remain an intrinsic part of the political landscape, becoming entrenched when government advertising was used as a way of buying support during the dark years of dictatorships in the 1970s and 1980s. These old connections still hold true today. In Burma, the subject of Jane McElhone's chapter, political changes in the last few years have opened up the media landscape, allowing business interests to come into what had been a tightly controlled environment subject to government pre-publication censorship and other forms of control. And according to Yiling Pan, in China the concept of capture can also be applied to explain why commercial competition introduced almost four decades ago by the Chinese government and the more recent rise of social media and citizen journalism have not challenged the political dominance of government over the media in China.

Economic theories of capture

Originally coined by the economics profession, "capture" is an economics term that describes what happens when regulators become overly empathetic or supportive of those they are meant to be regulating. Associated with economist George Stigler's seminal "The Theory of Economic Regulation" (1971), the term was used widely after the great financial crisis of 2008 to describe how financial regulators failed to properly regulate the banks and financial institutions that caused the crisis. It can almost be understood as "poacher turned gamekeeper."

This collection demonstrates that the term *capture* provides a broad analytical framework that can be used to consider the contemporary challenges to media freedom. If we assume that one of the roles of the media is to regulate an economy or a political system by providing information that can lead to action by other agents in society, then media capture becomes a useful term to look at some of the reasons why the media do not always fulfill that role. These may all be said to be captured in some way: media that are ideologically controlled by government; media that are controlled by advertisers and owners; media coverage that pushes a certain agenda.

As Joseph E. Stiglitz notes in his chapter, "The fourth estate is a critical part of the set of checks and balances within our society. When the media get captured by those they are supposed to oversee—whether government, corporations, or other institutions in our society—they cannot or will not perform their critical societal role."

The first use of the term *media capture* in the economics profession appeared in a 2005 working paper, "Handcuffs for the Grabbing Hand? Media Capture and Government Accountability," by Timothy Besley, of the London School of Economics, and Andrea Prat, currently a Richard Paul Richman Professor of Business at Columbia Business School. Besley and Prat tried to explain the media market characteristics that affect political outcomes. They noted that even where preemptive censorship no longer exists—using Russia as an example—it is possible for formal press freedom to coexist with substantial political influence on the media. Besley and Prat cited Mexico, Thailand, Italy, and India as examples. They show, as other economists such as Alexander Dyck, David Moss and Luigi Zingales did in their paper "Media versus Special Interests," that this influence has political outcomes (Dyck et al. 2013).

Giacomo Corneo of the Free University of Berlin also wrote an important paper on capture (Corneo 2006). In "Media capture in a democracy: The role of wealth concentration," he describes how citizens, when confronted by alternative policy options, are dependent on the media in order to formulate an informed decision. When one of those options goes against public interest but holds a significant benefit for powerful interest groups, there is a risk that those interest groups will persuade or pressure media owners and managers to sway coverage in favor of the option that goes against public interest. This form of collusion between powerful interest groups and the media, he finds, is more likely in societies with high levels of wealth concentration.

Maria Petrova from Harvard University published a paper posted in 2007 in the *Journal of Public Economics* that looked at the effect of media capture on economic inequality. In a situation where the media are captured by the rich who can influence what is published, it can become impossible for voters to know what their true interests are, worsening inequality. Petrova's paper was influenced by Besley and Prat, but she points out that capture by the rich can have a longer-lasting effect than capture by politicians. Politicians can be voted out of office, but the rich cannot.

In short, media capture is a way of understanding how media systems are swayed or controlled by powerful interests around the world. It explains media systems not only in countries that have long been democratic but also in countries such as those described in this book—for example, Burma and Tunisia—that recently have undergone dramatic political transitions but ended up with media systems that still are shaped by government and corporate influences. As long as capture exists, and it usually exists in one form or another, then the media are not truly free.

The role of digital media

Central to the issue of media capture are questions of media diversity.

Ten years ago it was assumed by many (Dyck and Zingales 2002; Besley and Prat 2006), although not by all (Mullainathan and Shleifer 2002; Cagé 2016), that lower barriers to entry would mean more media outlets. This would lead to more competitive media markets and thus make it more difficult to capture media, creating higher quality journalism and presumably political decision-making. Besley and Prat, for example, concluded that lowering barriers to entry and having more competition in the media market have a positive effect on both corruption and media capture.

Rapid developments in the media landscape thus require us to revisit the question of capture. To what extent, and in what ways, has the rapid spread of digital technology affected some of the earlier theories about media capture?

In fact, many of the new outlets that appeared in the last 10 years were not high quality, and many of the old outlets that were known as quality publications became open to all kinds of financial arrangements they might not have accepted 20 years earlier (John 2016). For instance, paid insertions, which are referred to in the United States as "native advertising," have recently grown more common.

The growth of native advertising, the erosion of the barriers between editorial and advertising, and the rise of large digital platforms may all have given rise to new forms of media capture. In a situation where the financial future of the media is shaky, the influence and power of the funder increase. In a situation of scarcity—that is, where there is little available advertising—the power of the advertiser becomes more pronounced. This is true even in countries where advertising revenues are growing because these additional revenues have been scooped up by multinational companies like Google.

In this collection, Maha Atal explains why "old" and "new" media platforms run the risk of capture in different ways. Print and broadcast media are often captured through the ownership of powerful plutocrats affiliated with political elites, who limit the scope for political debate. While new communication technologies and outlets can provide a check against this plutocratic capture, new platforms in the developing world can be captured—like their developed world cousins—by advertising and corporate pressure. Because "traditional" and "new" media technologies have emerged at the same time in many developing democracies, these forms of capture do not replace one another, but combine and compete with one another, she argues.

Moreover, the motives of media proprietors are likely to become less economic and more political in nature. In an age of declining profitability, when owning a media outlet is not as profitable as it once was, then who would want to own a media outlet? Only someone with a strong desire for political influence. This point is discussed by Rasmus Kleis Nielsen in his chapter on "Media capture in the digital age." He argues that there are three reasons for owning a media outlet: power, public service, and profit. Around the world and throughout the last 200 years, these three motives have been a core part of why people take on media ownership. Of course, the balance shifts at different times and in different places, and since the digital era the balance again has shifted in favor of power as a driving motivation for media ownership. This gives rise to all kinds of new opportunities for capture. According to Nielsen, in the future we will see "a twenty-first century resurgence of more captive, politically instrumentalized news media. This type of media—subsidized by proprietors, social and political groups, or governments—is common in most of the world, and we also know it from the past."

Is it possible to avert this resurgence? Are there policy solutions that actually could be put in place? We know some of them: controls on cross ownership; diversification of funding sources; regulations; the creation or support of public broadcasters with arms-length relationship to the state. But how likely is it that any of them will be implemented?

In his paper Kamel Labidi details efforts to fight state control of media in Tunisia, and describes how intractable the problem was. After the Arab Spring there appeared a brief window of opportunity for reform to the media system, but media owners and their government allies fought back against reform. Burma has a similarly difficult path ahead.

What, then, are the solutions? The concluding chapter by Mark Nelson points to some of them. There is an important role for governments to play in using antitrust and competition law to promote diversity of ownership, requiring transparency of ownership, putting in place strong rules on government advertising, and strengthening media regulators. As social media continues to play an important role in publishing and disseminating news and information, it also will be important for government to try to maintain a level playing field and enforce competition laws that are relevant for tech companies. Attempts by European Union competition commissioner Margrethe Vestager to do just that have been met with resistance by US companies like Facebook, but she is clear on the need to protect smaller companies in the face of large tech monopolies.

In this new era of the pro-business Trump presidency, it seems unlikely that competition regulators will be strengthened in the United States. It is also clear that measures to protect the independence of the media must be taken. A huge part of protecting free expression is making sure that independent voices are heard. The essays in this book are thus an important contribution to the emerging field of journalism scholarship on media capture. In this digital era and in the current political climate, the question of how to prevent capture is more urgent than ever. We need not only to be aware of the growing problem of capture, but also to understand and push for policies that can help tackle the problem.

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