Media Pasts and Futures

Critical Reflections on
Power Without Responsibility

EDITED BY

DES FREEDMAN AND
MICHAEL KLONTZAS

UNIVERSITY OF WESTMINSTER PRESS

University of Westminster Press
www.uwestminsterpress.co.uk

Published by
University of Westminster Press
115 New Cavendish Street
London W1W 6UW
www.uwestminsterpress.co.uk

This book first published 2025

Cover design: www.ketchup-productions.co.uk
Series cover concept: Mina Bach (minabach.co.uk)
Print and digital versions typeset by Newgen North America LLC

978-1-915445-64-3 paperback
978-1-915445-66-7 epub
DOI: https://doi.org/10.16997/book74

Suggested citation: Freedman, D. and Klontzas, M. (eds.), 2025.
Media Pasts And Futures: Critical Reflections On Power Without Responsibility
London: University of Westminster Press.
DOI: https://doi.org/10.16997/book74
License: CC-BY-NC-ND 4.0

To read the free, open access version of this book online,
visit https://doi.org/10.16997/book74
or scan this QR code with your mobile device.

CONTENTS

CHAPTER 12

Market Impoverishment, Democratic Choices

Jonathan Hardy

My first copy of *Power Without Responsibility*, from 1988, took me on a journey, not only to becoming a media academic, but also secretary of the Campaign for Press Broadcasting Freedom, a socialist media reform group that James Curran helped to establish in the late 1970s. So, my thoughts on market impoverishment are also a reflection on the arguments used in campaigning and policy advocacy over a long period of communications deregulation, better described as liberalising re-regulation in favour of commercial market actors.

PWR traces the bifurcation in British media policy and market arrangements between a free-market (but still state subsidised) press and a regulated broadcasting system that combined public service media, notably the BBC, with regulated but commercially funded media. The first edition, in 1981, reflects a key moment that anchors the book, when this mixed system started to give way to deeper marketisation and liberalisation, and, from the 1990s, to the new market actors of the internet era.

James Curran's work certainly highlights market impoverishment, but I would argue the general position can be described as **market insufficiency**. It is important to note that this is not a totalistic critique of market provision. A total critique would flatten differences that his work explores—how commercialism may shape and sometimes dominate media, but can also be mixed with other purposes: professionalism, widening cultural expression, serving communities, even public service.

In a similar way Robert McChesney's (1999) use of the term hypercommercialism was intended to identify when the balancing of profit-seeking and other influences on media content production tipped decisively

toward commercial values—for instance, towards what McManus (1994) called market-driven journalism. So, Curran's work displays a historian's sensibility to investigate, rather than pronounce a priori, how forces of commercialism have interacted with other forces to shape media, usually in complex and contradictory ways.

The second feature is an acknowledgement of merits in market provision, which I would describe as **the market as supplementary**. This informs Curran's influential model of a mixed media system; one that proposes a core public service sector encircled by a *private sector*, the commercial market, a *social market sector* that subsidises media providers to enhance plurality, and *professional* and *civil media* sectors (Curran 2002). Creating a dynamic disequilibria, the various sectors influence each other and are mutually enhancing to strengthen media independence, increase diversity and generate quality. This normative model was constructed to address problems in Anglo-American media systems, but it provides a versatile framework for more international and comparative studies, as developed in his later work.

In the edited collection, *De-westernising Media Studies* (Curran and Park 2000), close attention is paid by invited authors to conditions in which market provision was a positive force for progressive democratic and social change. So, here is a third account of the market as a pro-social force, under certain conditions; marking space for what Curran (2001) called intermediate positions between free-market ideology and market critique. Yet, certainly in his own work, that positive assessment was heavily contingent on context. *De-Westernizing Media Studies* also included numerous studies of private market actors closely enmeshed with authoritarian political and economic systems, across post-communist Russia, and Mexico, for instance. These accounts demonstrate that the free market is no guarantor of editorial independence and show privately owned media as cheerleaders for mutually supportive political elites.

Such illiberal mutuality is also illustrated in the UK, where Rupert Murdoch's *Sun* failed to join media investigations in 2021–22 into the then-Prime Minister Boris Johnson's breaches of Covid-19 lockdown rules, while Murdoch lobbied successfully to rescind the undertaking he was required to sign in 1981 (note the date), to guarantee editorial independence for, and between, *The Times* and *The Sunday Times* (Waterson 2022).

Curran's work is in a critical tradition that challenges myths of the market. This is a key area that relates to my own work on advertising. The

core argument is that ad-dependent media markets serve advertiser interests as well as consumers, problematising the notion that market provision is an expression of popular will. The idealised notion of market democracy ignores the structuring influence of advertising. The skewing of media finance, notably advertising, to favour commercially valuable audiences and disfavour others, results in certain information and cultural expressions being privileged, while others may be rendered invisible. It is fitting that James Curran was the first winner of the C. Edwin Baker award (2011), as both scholars emphasise that market impoverishment is not just a matter of supply shaped by commercial imperatives, but the insufficiency of market mechanisms to register or respond to preferences (Baker 1994, 2002, 2007).

My own work has focused on branded content—content funded or produced by marketers—and this certainly highlights, if not always new, at least intensifying varieties of market impoverishment (Hardy 2022a). The context is one of brands as the self-styled patrons of communications, and brand invasion of media content: sponsored content in news media; product integration in audiovisual, influencer marketing and native advertising across social media.

Consider the debate we are currently having in the UK about whether the Netflix model is sufficient to replace the BBC. Netflix is deeply involved, like other streaming services, in brand integration in their original productions. Research from 2018 found that 100% of Amazon's original programming contained brand integrations, 91% of Hulu and 74% of Netflix originals (Tran 2018). Netflix carries an increasing amount of brand funded content such as Patagonia's documentary *Artifishal* (2019), but also content that is brand funded but appears unbranded to many viewers. And there is a complex dalliance between Netflix's brand partnership group and brands who want to reach its young, upscale audience. In 2019, Netflix's *Stranger Things* did deals with 75 brands. Netflix was arguably more interested in cross-promotion through brand partnerships than product placement revenues, but it is deeply enmeshed with its own and others' brand promotion in ways that are contractually agreed between the parties but not fully disclosed and transparent to the rest of us.

From examples such as these, I want to make a broader argument that we need to develop further the critique of market impoverishment as a **critique of governance**. This is a critique of the lack of accountability and governance oversight of market actors.

Governance is a very useful (if slippery) concept—attending to all processes that shape rules affecting behaviour (Hardy 2022b). Applied to branded content this includes the various weaknesses in governance, from formal regulation to industry self-regulation, that result in a lack of transparency about brand funding and brand control over communications content and services. I will illustrate this by way of two paradoxes. The first is that since 1966 the leading international code of advertising (first created in 1937 by the International Chamber of Commerce) has clear rules on identification: ads should be 'clearly distinguishable as such' (ICC 1966, 2018). Yet since then, we have had waves of integrated and disguised ads (Hardy 2022a). The second paradox, situated within the first, is that there has been increasing regulatory attention, in America since 2015, in Australia, UK and across Europe, yet massive non-observance.

The UK Advertising Standards Authority reported in March 2021 on its analysis of over 24,000 posts by 122 UK-based influencers which revealed 'a disappointing overall rate of compliance with the rules on making it sufficiently clear when they were being paid to promote a product or service' (Advertising Standards Authority 2021, 3); 65% were non-compliant. Similarly, Australia's self-regulator Ad Standards (2021) found widespread breaches of its code.

So, I want to argue for *developing* the critique of market impoverishment as a critique of accountability and governance. Now this is certainly not new, as critiques of the 'unfettered' free-markets makes clear. But if we compare communications today with the conditions at the time of the first edition of *PWR*, the lack of accountability and democratic governance loom even larger as features to be addressed: the rise of unaccountable, private, corporate actors. This point has been made powerfully by many people, including Vincent Mosco (2014) in his book *To the Cloud* on the new digital giants. Contrast today with the UK media system in 1981 when a *regulated* media market included and influenced all market actors, with public provision acting as check and spur for quality of market provision creating a kind of balanced system (narrow in politics and culture—but with Channel Four, which launched in 1982, about to add greater diversity).

So, my key argument is that *market impoverishment* is, amongst other things, the *impoverishment of governance*. If private actors are to provide communication services vital to the public sphere, for cultural diversity and exchange—what should be the appropriate governance arrangements?

What should connect market *power* with *responsibility* to the social realm? And that means that the linked tasks of analysis and action—gathering the research to try to inform citizens and influence the direction of policy and governance arrangements—remains as important as it has ever been to the authors of *PWR*. It also makes central their call for a regulatory state that is the means by which democratic forces—in their long historical view, the organised working class and new social movements—can push back against unaccountable market actors to create a mixed media system with advertiser-free, public service media at its core. We are indebted to Curran and Seaton for their inspiring guidance.

References

Ad Standards 2021. Updates to AiMCO's Influencer Marketing Code of Practice, 25 August. https://adstandards.com.au/article/updates-aimco's-influencer-marketing-code-practice

Advertising Standards Authority. 2021. *Influencer Ad Disclosure on Social Media*. https://www.asa.org.uk/static/dd740667-6fe0-4fa7-80de3e4598417912/Influencer-Monitoring-Report-March2021.pdf

Baker, C. E. 1994. *Advertising and a Democratic Press*. Princeton University Press.

——— 2002. *Media, Markets, and Democracy*. Cambridge University Press.

——— 2007. *Media Concentration and Democracy*. Cambridge University Press.

Curran, J. 2001. Media Regulation in the Era of Market Liberalism. In G. Philo and D. Miller (Eds.) *Market Killing: What the Free Market Does and What Social Scientists Can do About It (*pp. 216–232). Longman.

——— 2002. Media and Democracy: The Third Way. In *Media and Power* (pp. 217–247). Routledge.

———and Seaton, J. (1981/1988/2018) *Power Without Responsibility: Press, Broadcasting and the Internet in Britain*. Routledge.

———and Park, M-J. (Eds.) 2000. *De-Westernising Media Studies*. Routledge.

Hardy, J. 2022a. *Branded Content: The Fateful Merging of Media and Marketing*. Routledge.

——— 2022b. Meeting the Challenges of Media and Marketing Convergence: Revising Critical Political Economy Approaches. In P. McDonald (Ed.) *The Routledge Companion to Media Industries* (pp. 55–65). Routledge.

ICC (International Chamber of Commerce) 1966. *International Code of Advertising Practice*. Paris: ICC.

ICC. 2018. *Advertising and Marketing Communications Code*. Paris: ICC. https://iccwbo.org/publication/icc-advertising-and-marketing-communications-code/

McChesney, R. 1999. *Rich Media, Poor Democracy: Communication Politics in Dubious Times*. University of Illinois Press.

McManus, J. H. 1994. *Market-Driven Journalism: Let the Citizens Beware?* Sage.

Mosco, V. 2014. *To the Cloud: Big Data in a Turbulent World*. Routledge.
Patagonia 2019. *Artifishal*. Dir. Liars and Thieves. https://eu.patagonia.com/gb/en/stories/artifishal/video-79192.html
Tran, K. 2018. OTT services are helping to drive product placement deals. *Business Insider*, 18 June. https://www.businessinsider.com/amazon-hulu-netflix-driving-product-placement-deals-2018-6?IR=T
Waterson, J. 2022. Ban on Rupert Murdoch's Interference in *Times* and *Sunday Times* ended. *The Guardian* (10 February). https://www.theguardian.com/media/2022/feb/10/ban-on-rupert-murdochs-interference-in-times-and-sunday-times-ended