

the press: a case
for commitment

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fabian tract 391

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ARGUMENT

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the press: a case for commitment

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1. a social commentary

Raymond Williams

The press crisis in recent years is part of a general crisis in communications which has a long history, and must be considered as part of the general pattern within which it occurs. The immediate cause of the crises in 1961-62 and 1966-67 was a decline of advertising revenue in a period of economic recession, and this occurred within competition for advertising revenue from commercial television. But this only reveals a problem that is here all the time, that has been with us indeed for the whole of this century and which has been becoming more acute in the general evolution of communications in a liberal capitalist society.

It is undoubtedly true that the early supporters of the Labour movement and the democratic movement were right in thinking that the press and similar media were the keys to democracy. This has been true throughout, and it is now impossible to conceive democracy in a large scale complex society without the press, television, broadcasting, books and all the other media which, during just the period in which democracy has been extending in Britain, have been increasing in their power to reach people.

But there have been acute problems concerning the ways in which the control of these media should be arranged. For undoubtedly there has never been a situation in which they have not been controlled. The question is and has always been about the form the control should take.

Historical background

In the eighteenth century the newspapers established themselves against Government hostility, largely by being primarily an advertising medium. They collected quantities of what we now call classified advertising, on a very small circulation, and this was the basis of their independence against repeated Government attempts to suppress them. In the period after the French revolution, in the time of intense radical activity, every device was used by Government to suppress newspapers by taxes on advertisements,

by stamp duty on each printed page used, and so on. These were withdrawn in the course of the nineteenth century, the last of them in the 1850s.

But from that period we have all learned in Britain, and I hope learned well, the dangers of that kind of Government control over the press. It was a clearly anti-democratic manoeuvre, always more fiercely operated against the radical press than against what was called the respectable press, and arising from it we have a kind of community feeling, that whatever happens to newspapers, Governments must not interfere with them. In the succeeding 100 years there has been another lesson to be learned. During the nineteenth century, in fact, with rising circulations, newspapers tended to rely less and less on advertising revenue. The advertising manager of a newspaper in the mid-nineteenth century was a very junior and relatively powerless member of staff and the newspapers resisted constant pressure by the advertisers to buy space in their columns beyond the ordinary classified items. This position began to change in the nineties when the media which are now so important came into prominence—the movement into an age not only of print but of electronics and large scale communication.

The results were immediate and long lasting. First, the cost of operating a communications medium, whether it was a newspaper or broadcasting service or film, production studio, a cinema, or a theatre—started to rise, largely because new and expensive equipment was becoming available, and because the new services became more ambitious, and were constantly raising their own standards. Increased costs brought about changes of ownership which ultimately led to the situation as we have it today. The typical ownership of a newspaper in the nineteenth century was by a small printing family running its own printing firm. It was very rare for such a family to own more than one paper. It sometimes owned two, a daily and a weekly, to make economical use of the presses. The nineties saw the start of a very rapid process of combination between those

small independent papers in ever larger organisations, and at the same time the housing of the economics of newspaper production on substantial advertising revenue. In fact this, like most historic processes, did not take place overnight. It has continued steadily to the contemporary situation when something like three quarters of our papers (rather more in terms of actual copies sold) are in the hands of combines so large that, even by the standards of the turn of the century, they would have been inconceivable. Yet, despite this situation, and although newspapers have now come to rely on advertising revenue to the point where quite different criteria for their success are in practice set up—criteria as to their suitability as media for advertising, rather than for assessing their quality—our ordinary ideas about the press, our ideas of a free press, have not been revised. Attitudes persist which were formed, for the reasons I have explained, in the fight that culminated in the early nineteenth century, against the monopoly of opinion by a pre-democratic state. These ideas are then mechanically applied to a situation, already 80 years old, in which the real dangers are quite different.

the present crisis

The real crisis can be observed now in every capitalist society, but it is more acute in Britain, I believe, than any other. Take one example of this. The largest newspaper circulation in France is about 1,300,000. That is the leading selling paper in a country very similar in size and population and educational standards to our own. It is a popular and successful paper, but it has a circulation which, as we know to our cost, if it were British and not French, would, in all probability compel it to close down. When people talk about the economic realities of newspaper publishing as a reason why nothing should now be done, we must remember that all economic realities are shaped by particular people in particular situations, and are subject to change; they are not natural facts like climate or sky.

The reason why we have this extreme

degree of concentration and high circulation in Britain has to do with the nature of early distribution and the fact that we were the first industrial society. National newspapers took over from regional newspapers in Britain much earlier than anywhere else, and still that takeover is much more complete than in any comparable society in the world. This has certain advantages but ownership which is so concentrated also brings its problems.

The pattern of economic organisation, which began in the press at the turn of the century, has been extending itself, with one notable exception, to all other communications media within our society. The exception is broadcasting which, partly for reasons of its possible reference to national security, was taken out of the hands of a private company in the twenties and was made into the present British Broadcasting Corporation, a public monopoly. The monopoly was broken in television in the fifties, and threatens to be broken on sound broadcasting in our own time.

A similar reorganisation to that which took place in the newspaper industry was followed by the cinema where, from small, independent units with one owner there grew the kind of monopoly in production and distribution facilities in Britain which basically makes it impossible for the talents of our film makers to be reflected in any way comparable to those of their contemporaries in luckier societies.

This pattern in which, just because the means are so advanced and therefore so expensive, they are beyond the reach of independent people and even small independent organisations, created the conditions to which we now need a quite new kind of social response. A situation has come about which means, unless the Government or Parliament acts in the public interest, intervenes at some point as in the case of broadcasting, that the communication media are simply up for auction, and it is an auction at which very few people can even begin to bid. The costs of starting anything like a na-

ional newspaper, film distribution circuit, a broadcasting or television service, are so high that most people, even most organisations in this society, are excluded from the beginning.

Circumstances like these, when they have lasted long enough, create a certain resignation. The public tends to accept them as part of contemporary reality, which it is almost impossible to change. But on any long view, it is time for society to look again at the pattern which has emerged, and to recognise that it is a pattern totally incompatible with democracy, precisely because the ownership and control of all the large communications media will pass to the minority whose main, if not only qualification, is that they possess the necessary capital. The old oppressive minority control, by a pre-democratic state, is replaced by a new control, by the power of capital within a supposedly open democracy.

That situation, however modified by responsible editorship, by the efforts of particular journalists, all of which one must acknowledge, is a situation with which ultimately a democracy cannot live.

But still, when the organs of information and opinion are openly up for sale, when the most eminent and respectable of them, as well as the most popular, are hanging hands month by month, many liberals and radicals are appalled at any mention of public action, of responsible action from Parliament, which is thought of as interfering with the freedom of the press. This is an example of the very curious state of mind in which articulate public opinion is so aware of an old evil that it simply takes no account of another kind of evil which may be taking over their whole world.

The need for action

What kind of response can be made to the present situation? I am in sympathy with several of the proposals which have been made towards a solution, such as a levy and a redistribution of Government

advertising, but I think that it is time to begin considering the whole question of the pattern of communications which would be adequate to a democracy. We must recognise from the start that any simple reactionary schemes to return to a few small local newspapers, or to give up the power and reach of the great communication services such as television, are useless. Society cannot grow, cannot inform itself, cannot indeed run its affairs, without a communications system as complicated and as vast as we now have. The question is how it should be made to correspond to the needs and interests of society as a whole instead of being available to be bought and sold by private individuals.

People become nervous at this point because of the experience of other societies, where government intervention in matters of press and communications has taken place against a background of scarcity, of previous open tyranny, and so on. There is a fear of state control as it has been seen to operate in what essentially are very different societies with very different historical experiences. Even if this were not so, I think one would have to say that in any conceivable society it is a good thing to have a real range of points of view in communications, of attitudes to the world, so that the argument takes place in the open, in public, all the time, on something like equal terms.

Can this be reconciled at all with any kind of public intervention? I believe it can and I tried in my book *Communications* to put forward a principle towards which we can, step by step, work our way out of this general crisis—not simply the immediate, but the general crisis. I believe that when the means of communication are so expensive that they are beyond the reach of individuals or small groups of contributors, then the public must hold these means of communication in its own hands in trust. That is to say, in the case of the press, I believe that there should be a public corporation on the lines that have already been pioneered in other fields, which would hold substantial printing facilities and would

be, in effect, a national printing corporation which would own the basic raw material, newsprint. Its object would not be to use these assets on its own behalf, and indeed it would not have the power to do so. It would simply make sure that the essential tools, the means of communication, were firmly in public hands.

Subsequently, in the cinema, in television, in broadcasting, as well as in the press, a system should be worked out by which these facilities could be leased on contract to particular professional companies who would have to satisfy the corporation of their professional competence, while the corporation would have to satisfy itself, in the range of its contracts, that all important viewpoints and emphases of policy were represented. All this is perfectly open to the normal processes of enquiry and argument. The contracts would make available—and this should be particularly the case, I think, with new kinds of media, with new organs representing unfamiliar points of view, and with the very important minority groups on which so much of the growth of a society always depends—the necessary working capital, as a form of credit, to enable the professional company to carry out its agreed operations. I would like to see it made a principle of such companies that, in their internal organisation and management, they represent the kind of democratic management which it is the object of the whole exercise to sustain. That just as the public trust is the national way of expressing that responsibility, so within the professional company, which of course has to satisfy the tests of professional competence, the same principle of control by the contributors over their own medium should be insisted upon.

Now I do not expect any of this to happen by 1970, but when *Communications* was written in 1961, there was a press crisis which caused considerable interest for about six months, after which advertising picked up, other political issues arose and, by 1966 most of this interest in the position of the press had evaporated. But since then crisis conditions have existed. What

I should like to see come out of the current discussion is that whatever temporary alleviations there may be, we should never again allow a gap in this discussion to occur; that we go on discussing a problem which is deep rooted, general and long standing.

Crisis after crisis will occur, unless we have the nerve, now, to make and insist on alternative proposals. Nobody, in good faith, can defend a supposedly free press in which two or three large private organisations—often, in effect, two or three wealthy men—have such power in fact and over opinion that they can determine the political climate in which even elected Governments have to live. You can give in to them, if you like, though they are in practice insatiable. But you can only get past them, to a democratic press, by changes of idea and organisation, however limited and tentative at first, which challenge their right—the pre-emptive right of capital—to create the conditions of our living and our thinking. There is no more free trade, no old liberalism, in the communications system. It is either an increasingly obvious monopoly in capitalism, or a socialist experiment and initiative, for which the time, in this as in so much else, is now desperately short.

2. the press lives on

George Viner

Planning in this country is at best little more than co-ordination of probabilities and at worst endorsement of the inevitable. Thus necessity becomes a virtue and subservience to events is shielded by sophistry. This situation can perhaps be explained away by the face saving philosophy that freedom is nothing more than the acceptance of necessity. But this is poor consolation to the potential victims of an industry marked for decline and demolition. They are, perhaps, inured by historical experience to the calamities of capitalism, but structural changes, having the same effect and said to be part of a grand design, fill them with fear and frustration.

The intellectual justification of this process often has the strange effect of turning the dedicated disciple of planning into a leg man for *laissez faire*. The apostate frequently fails to recognise that he has abandoned his doctrine and continues to use its language in defence of his new position.

A case in point is the future—or the lack of it—of the newspaper industry. The pundits aver, first with apparent regret, but later with a conviction difficult to distinguish from enthusiasm, that the industry cannot survive in its present form. Labour costs, they say, are too high; the postures of management and labour, confronting each other like aged pachyderms, are immovable, technological methods are half a century old and will never be changed quickly enough; both management and workers are irremediably resistant to reform. Thus, they imply, the situation will remain until the rack of doom—which will resound, down those cosy alleys off Fleet Street.

They go on to tell us that the economics of the industry are lunatic: selling prices are too low and the public will never willingly pay more. Advertisement revenue is on the downward path, both absolutely and relatively, because of the competition of tv. And distribution? By the time the axe wielding successors of Lord Beeching have chopped up the railway system, the motor magnates have deluged the streets with vehicles, and the

boy with the paper round is banned from working, the days when Fleet Street could claim that its products were read on nearly every breakfast table in the kingdom will be dead and gone.

This recital proceeds to its apogee when the newspaper industry is inferentially written off as a nineteenth century relic, and all permeating television is acclaimed as the communications mode of the modern age. After all, so the argument runs, the newspaper industry is only a part, and a rather inefficient one, of an entire system of mass communications, and if information can be disseminated in other ways, more appropriate to the technology of the twentieth century, let the juggernaut of history roll on.

government action

It is difficult to imagine a situation in which other media penetrates as successfully beneath the surface of society, but perhaps a way can be found of liberating the BBC from the confinements of the Charter. Fundamental changes would call for Government action, and this of course is to trespass on treacherous ground. Commentators seem to fear that any form of action by Government—even though it is a Socialist one—influencing or determining the shape of the mass communications system would be regarded as illiberal or, worse, as totalitarian. An attempt to intervene would therefore carry a considerable political risk in a permissive society dedicated to the proposition that what constitutes life, liberty and the pursuit of happiness is entirely a matter of preference and opinion. The Government should, therefore, act not positively but negatively by dismantling the legislation and regulation which, for reasons of public interest once thought sound, mitigates the pervasiveness and potential persuasion of radio and television. This process is thought of as a plan, when it is, in fact, nothing but pragmatism without principles. In the name of progress it is always assumed that the last state of affairs must inevitably be economically and socially preferable and superior to the first state.

Economically superior, it might be, because the profit level of what remains of the newspaper industry might be raised by rationalisation, while the electronic media will be able to skim the cream off both public expenditure and private affluence by being supported by both licence revenue and advertising. Whether or not it is preferable is an academic question because the process of resolving the problem provides little or no opportunity for anyone to express a genuine thoughtful preference at all. The march of events goes on, loudly accompanied by those who jump on the bandwagon.

the written word

Socially superior? No one has really considered whether there is any difference in the cultural and social evaluation of the printed word, as against the spoken word and the visual image. In developing countries, with low literacy, skeletal educational programmes and emaciated publishing industries, this question is the subject of thoughtful debate. It is possible, for example, to solve the problem of communication in the interest of rapid social and economic advance, by cheap sound radio—let the slogan be “A transistor in every hut! A communicator under every tree!” But if this apparently easy solution offers itself so readily, why is it that the developed countries of the world have gone through centuries of effort and agony to create universal literacy? Would the world be like it is, for instance, if Karl Marx instead of burrowing through the bookshelves of the British Museum to produce *Das Capital* had made a snappy appearance each week on the “tele”, explaining in simple language what dialectical materialism, the materialist interpretation of history, and the labour theory of value was all about? Would the great established superstitions of the world, religious and otherwise, have been shaken at their foundations if Darwin had not meticulously written up his notebooks in Galapagos, and pored over them at Down, to produce the *Origin of Species*? Would even Richard Hoggart be regarded as the great contemporary authority on the disintegra-

tion of working class life, if he had not written that seminal work *The uses of literacy*?

This series of dramatic hypotheses may seem remote from the future of the declining *Sun*, or the vulnerable *Guardian*. But they are not! Having reached the stage of mass literacy, not by accident, but by effort and design, an advanced society should take stock and evaluate this attribute. What is its contribution to the vigour of our democracy, the level of active intelligence of the people, the scholarship of academic institutions, and the cohesion of social life?

The partisan of the written and the printed word, will say, of course, that it has essential, irreplaceable qualities. It is durable, it is portable, it is storable, it is capable of subtlety of expression and depth of thought which no other medium of communication can command. Literacy and the dissemination of the printed word, are the foundation of contemporary democratic society. If its position is impaired, the effect may not be very noticeable, but there may be unforeseen perils in destroying its primacy. It is at this level, not at the level of economic pros and cons, and cursory contest about the merits of the newspaper press that the debate should be carried on. The social and cultural evaluation must be made first and when the end is determined, the means can be devised. Let us, in fact, have a Plan to save the Press.

But first, let us answer the question (though this is hazardous ground) of whether the press is really worth saving at all. When people talk about the press, they do not usually mean the press as a whole at all. They mean the national daily press published from Fleet Street. This is natural because it is this section of the newspaper industry which is publicly predominant and whose difficulties and distractions divert the public mind. Furthermore, when the troubles of the press are the topic of discussion people tend to think in terms of the newspaper they like the least. A vision of the banner headlines of the *Daily Mirror* and the strip cartoon will rush into the mind

of the intellectual. The left winger will think with loathing of the smug pontification of the *Daily Telegraph* or even the dreadful days when *The Times* advertised the fact that it was taken by the "top people". But if this subjectivism is removed, what in fact is the British press as an institution? It represents part of one of the most highly developed and diverse systems of mass communication in the world, and is in itself a unique institution rooted in British social, political and economic history. It is as much part of the fabric of British society as Parliament, and in these days with the diminution in the esteem and status of that institution, perhaps almost as important a part.

The present position

Statistically, give or take a few thousands and the inevitable divergence of methods of reckoning, it consists of ten national morning newspapers (main titles) with a circulation of 15 million; 18 provincial mornings, circulation 2 million, 74 provincial evenings, circulation 7½ million, two London evenings, circulation 1½ million, seven national Sundays, circulation 24¼ million, five provincial Sundays, circulation 2½ million, and somewhere between 1,200 and 1,350 weekly newspapers with a circulation of nearly 14 million. These figures cover the United Kingdom. In addition, if periodicals are to be counted in the structure of the press,

there are about 4,500 of them more or less equally divided between general interest and trade and technical magazines.

On UNESCO's last calculation, by its measurement of the dissemination rate, 50.6 copies of daily newspapers were sold for every 100 people in the United Kingdom. The nearest to this was Sweden with 46.2; the USA score was 32.6. These figures may have changed since the last compilation, but it is unlikely that the position of the British people as the greatest newspaper readers in the world has been fundamentally altered in any way.

Histories of the press are manifold and this is not the time or place to expatiate on the evolution of the freedom of the press, the technological revolution of the powered rotary press, the line casting machine and electronic communications and the great drive towards universal literacy which established it as a powerful, pervasive institution by the beginning of this century. One facet of this evolutionary process is important at the present time—the emergence of a national press centred in London. This was due, primarily to the nodal geographical position of the capital, and to the completion of the radial railway network by mid-nineteenth century. Among other important influences on the public attitude towards newspapers was the circulation and free gift war of the 1930s, when the *Daily Herald* was the first to achieve two

NUMBER AND CIRCULATION OF NEWSPAPERS IN THE UNITED KINGDOM (EXCLUDING N. IRELAND)

	1937		1947		1961		1968	
	no	circ'n '000	no	circ'n '000	no	circ'n '000	no	circ'n '000
National morning	9*	9943	9*	15563	10†	15812	10	14948
National Sunday	11	13315	10	25239	8	24536	7	24177
Provincial morning	28	1600	25	2700	18	1899	18	1844
Provincial evening	79	4400	75	6800	74	6700	74	7509
London evening	3	1806	3	3500	2	2247	2	1839
Provincial Sunday	7	2400	6	3057	5	2076	5	2283

*excludes *The Financial Times* and *The Guardian*.

†includes *The Financial Times* and *The Guardian*, excludes short lived *New Daily*.
Sources: Royal Commissions on the Press, 1949 and 1962; Press Council Annual Report, 1968. Figures in 1968 refer to January-June, except national mornings (July-December). Figures for provincial papers are approximate.

million, and the embattled barons of Fleet Street despatched their door knocking armies around the land offering Dickens and a free insurance policy. Many working class homes welcomed the well bound volumes and thought that the insurance policy was an improvement on the weekly pennies for the "Pru". But the final impression prevailed, as part of the general intellectual revulsion against the 1930s, that this was a discreditable episode and that their lordships, the newspaper proprietors, would seek to suborn the honest proletarian with a pittance and a phrase. Lord Beaverbrook's naive declaration on the eve of 1939 that "There will be no war this year or next", confirmed the view that the press barons' aim was to delude a defenceless people.

the first Royal Commission

The second phase of influence was a decade later, with the post-war Labour Government in power, when some sections of the press, having sacrificed objectivity in the interest of patriotic polemics during the war, carried their techniques into scarcely disguised onslaughts. This time reparation was at hand and the first Royal Commission on the Press was set up—at the instance of the National Union of Journalists, and its members in Parliament—and made the first constructive review of the structure of the press, and the problem of constructing the difficult equation of ownership and public responsibility. It was thorough, conscientious, and reasonably impartial. The most productive outcome of this Royal Commission, which deliberated from 1947 to 1949, was the proposal for a General Council of the Press, a voluntary instrument of ethical self government which at the same time, in the view of the Commission, could and should act as a representative organ for the press as a whole. The newspaper proprietors found this proposal indigestible, if not nauseous. It took three to four years of campaigning, and threats from Parliament before the Council was created. And even then, the proprietorial interest would have strangled it with hostility, or suffocated it with derision. But it lives. Its constitution has

been revised as a result of the recommendation of the second Royal Commission, 1961-62, to include a 25 per cent lay element, and the chairman is a legal luminary.

Now the once ridiculed Press Council is held up as a model for other countries on the way in which the British found a solution, proven in practice, to the key problem of sustaining a standard of responsibility in the performance of the public function of the press without invoking Government intervention by legislative control.

the second Royal Commission

The second Royal Commission, under Lord Shawcross, was born under a less auspicious star. Macmillan's government resisted its establishment when genuine public concern arose over the death of the *News Chronicle* and the *Star*, and conceded it only when newspaper proprietors became a target for popular and political attack as a result of the takeover battle between Cecil King and Thomson for the ownership of Odhams Press. The Commission took mountains of evidence and produced a molehill of a report, mostly designed to pressure the trade unions into accepting re-deployment and dismantling demarcation systems in national newspaper offices. Its constructive results included the revision of the Press Council constitution and the emergence of legislative supervision of concentration of ownership through the medium of the Monopolies Commission.

The NUJ produced 32 pages of printed evidence for Lord Shawcross and his colleagues. It also had an oral hearing: but the impression was powerfully received that the Commission thought they had "bigger fish to fry", notably the print unions. Behind the smooth delineation of the problem of labour relations in national newspaper offices, powerful craft traditions amongst the workpeople, control by the trade unions of labour supply, high wages and restrictive practices, and weak and inefficient management, lay an apparent intention to induce a show-

down. Macmillan's relations with the national press, particularly towards the end of the Tory era, were far from smooth. Is it not conceivable that there would have been rejoicing in some ministerial hearts if Fleet Street were convulsed by a battle royal with the unions? At least it would have shown, so the argument might have run, that those clever dicks who set themselves up as critics of mismanagement in government and industry, were not making much of a job of running their own show. If this secret itch for reprisal existed then it still exists today just under Whitehall's skin.

The response of Fleet Street to the Royal Commission's concern on this topic was he setting up, amidst a flurry of hand-haking, of the Joint Board for the National Newspaper Industry. It began with goodwill and even affection, progressed to an acceptance of incompatibility, and expired in sterility. And in its history lies a case study of the problem of creating effective joint machinery in industry, whose terms of reference encompass major problems. It is applicable to Economic Development Committees and Industrial Training Boards. It is not a problem of powers, or machinery, but of people. To be effective, bodies of this kind must be composed of men who command influence in their industries. But at the same time they are expected to be able to adopt progressive attitudes which, to some extent must mean the abandonment of fixed positions. Finally, these men must have the time to give to sitting on committees. Resolving this problem of choice of personnel is virtually impossible.

The importance of the Joint Board lies not so much in its success or failure but in its demonstration of the fact that neither management nor unions in the industry were going to be tempted into a confrontation to appease the politicians. Outsiders may deride managements with the accusation that they are not only inefficient, but weak and cowardly. And they may attack the unions for exploiting their position of strength in an industry utterly vulnerable to cessation of production. What they do not understand is

that, though the bargaining may be tough and the stakes high, both sides are involved in running a complex and highly geared industry in whose traditions and performance they take a secret pride.

PIB and the press

To the insider, therefore, the next scene in the continuing drama of the fate of Fleet Street—the intervention of Mr. Aubrey Jones' alternative government, the Prices and Incomes Board—was farcical. On 25 July 1967 the Board of Trade referred to the PIB the proposal of the *Daily Mirror* to put its price up by a penny. The industry was virtually agreed that progressive price increases were inevitable and the International Publishing Corporation, with its five million plus popular daily, was the guinea pig. The Board proclaimed its intention of using this reference as a means of "making a constructive contribution to the solution of the problems now facing the newspaper industry". Chairman Jones himself took charge of the project. But the Board abandoned this broad objective, restricted itself to its statutory three months for its enquiry, relied very considerably on the research work of the Economist Intelligence Unit, and finally turned down the price increase. The General Secretary of the NUJ, H. J. Bradley, described the Board's report as a "non-event". The union, which had laboured at short notice to produce a memorandum of evidence directed to the original terms of reference, felt that its efforts had been wasted. And it noted particularly, with some cynicism, that in rejecting the price increase, the board had relied chiefly on the argument that substantial economies could be made in labour costs. Once again, the national newspaper industry was being invited to solve its problems by an industrial confrontation.

One of the arguments made by the NUJ, and no doubt other bodies which submitted evidence to the PIB, in favour of the price increase, was that while it did not represent a total solution of the problems of the national newspaper industry, it

was "the most immediate single step which could be taken to improve viability". It was required, in the view of the union, to provide the "elbow room" in which the two sides of the industry might be able to resolve the longer term, and intractable problems of labour deployment.

suggested approaches

In reviewing changes in the composition of both costs and revenue, the union submitted a number of proposals for the board's consideration. It thought, for example, that the distributors' margin might be examined, particularly when an increase in selling price would mean increased income for the wholesaler and retailer without any extra service or effort being provided. It recommended, in line with observations made by the Royal Commission, 1961-62, that the 15 per cent advertisers' commission might also be critically examined. It reached the conclusion, in a review of revenue possibilities, that because national economic policy, in the interest of an improved balance of payments, demanded deflation of consumer expenditure, advertising expenditure was unlikely to increase, although stability appeared to have been reached in the share out between the press, as a whole, and television. Devices which were suggested for bringing about a redistribution of advertising revenue in favour of weaker newspapers were examined in detail and rejected chiefly on the ground that they were administratively unworkable. In relation to the proposals for a state publishing corporation or for state finance on the lines of the National Film Finance Corporation, the attention of the board was directed to the views of the first Royal Commission, which contained the essence of the objection in principle to the proposals of this nature.

Finally, the union made a positive proposal. This was related to the supply and price of newsprint, which is the largest single element in costs, representing, before devaluation, about 30 per cent.

The board itself knew a good deal about

this question since it had examined the newsprint industry in January 1967 and had approved an increase of £2 per ton to provide protection for the home based industry. Newsprint is supplied, in the main, under long term contracts; consumption in 1967 was 1,358,000 tons; about half is home produced, and half imported. In practice the price of the home produced and imported product is roughly equalised. Prices in this country tend to be regulated by the North American market, which is the biggest consumer. Four firms provide more than three quarters of the newsprint used in this country, and the Bowater Paper Corporation makes 60 per cent of the home production. Three of the big four—Bowater, Reed and British International Paper—have large interests in North America and since the United States is the largest consumer, this is why the North American market tends to make the running on price.

This situation, and the details given comprise only a brief outline, persuaded the union that the best means of affecting the basic economics of the industry and securing its viability was the control and manipulation of the price of newsprint. This conclusion was amply borne out by the sharp increase of £7 a ton which resulted from devaluation. The union believes that an industry which requires economic stability to sustain its independence and discharge its public purpose should be shielded from arbitrary fluctuations in the price of its major raw material. There have been two rises of £2 and £5 virtually within a year, increasing the price by nearly 16 per cent to £65.75 per ton.

government support

Having rejected as unworkable a differential pricing system based on the proportions of space allocated to advertising and editorial matter, the union considered means by which, at the minimum stabilisation of price might be achieved which would shelter weak enterprises from catastrophic and uncovenanted increases in costs. It reached the conclusion

hat there was a case for the restoration of centralised state control of newsprint procurement and pricing, in a form similar to the Newsprint Supply Company, which operated in the era of newsprint rationing up to the mid-1950s. Since such an agency would be ineffective if it only engaged in procurement and price equalisation, the union thought that it should be provided with basic resources which would enable it to cushion the industry against short term adverse fluctuations, and, if it were thought workable, and desirable, to operate a differential pricing system. It therefore proposed that this state agency should be backed with Exchequer finance drawn from the television advertising levy, amounting to between £20 and £25 millions a year. The purpose of this levy was, after all, redistributive. It was designed to check the excessive flow of advertising revenue to the new medium, partly to restrain profits, and partly to shield the press from his new and intense form of economic competition. It seemed logical, therefore, in current conditions of adversity for the newspaper industry, that the redistributive philosophy should be carried to its logical conclusion and the proceeds used to its benefit, and the indirect benefit of the public.

This proposal which, whatever its originality and operational problems, was certainly in line with contemporary interventionist thinking and the outlook of the Government of the day towards public enterprise, was apparently ignored by the board. Certainly no direct reference was made to it in the report, which confined itself to a major observation, the terms of which are not unimportant. This was: "At the end of the day, however, we cannot ignore the fact that the welfare of the newspaper industry is not a matter for itself alone; it is of vital concern to the whole of society. This concern is normally identified with the interest of a free society in ensuring the continued expression of minority views, though the matter may be more complicated than this. Before society gives expression to this concern by any act of government intervention, we consider not only that newspaper managements should

first be expected to put their house in order, but also that considerable research is required into the form which any act of intervention might eventually take."

freedom of the press

The philosophy in this passage is unexceptionable, but the action which might be expected to flow from it seems deliberately frustrated. The eye to eye confrontation of management and labour in the national newspaper industry must come first, whatever the consequences. Only then, after the smoke of battle has cleared and the corpses have been carried away, should the Government even begin to consider what means it might devise to bring security, order and some assurance of peace to the industry. This temporising sophistry is a shield for an inclination, if not a determination, to do nothing at all. This partly arises from an underlying hostility to the press amongst those who set themselves up as its friends and advisers, and partly from genuine liberal reservations about Government intervention in an industry whose operations cannot be separated from the concept of the freedom of the press. Beneath this lie other philosophical problems. What is the distinction between the political party which comprises the Government by the possession of a majority in the House of Commons; the Government, as the representative organ of the popular will, and the State, as an owner, a provider of goods and services and an operational agency in so many aspects of economic and social life? Certainly no one would equate them. To reduce this general problem to its particular application, does the setting up of a state sponsored agency for the supply and pricing of newsprint, constitute political intervention in the affairs of the newspaper industry, prejudicial to the freedom of the press?

This is the old riddle of the block of wood and the chair leg—when does the one become the other? Some rigidity in contemporary methods of thought seems to make it difficult for people to avoid the transit to absurdity along the road

of excessive logic. The NUJ, at least, sees in its suggested device, a form of intervention, which whilst practical and workable, is so far removed from Governmental or political control and manipulation that the risk to the freedom and independence of the press is negligible. In any event there is only a choice of risks; a risk on the one hand that the press might die a lingering death, and on the other that any effort to save it will injure its integrity.

the provincial press

One of the fatal flaws in the whole of this situation is the way in which, inevitably, the argument centres around the future of the national press. Whilst its problem is probably the most important and certainly provides the most pre-occupation, it should be seen in the broader perspective of the whole structure of the British press. So it is as well to remind ourselves that the provincial press has been tackling its problems with some energy and success in recent years. The last wave of closures was in 1962-63, when seven evening newspapers shut down, setting up a monopoly in every city and town in the country outside London and Glasgow. Saturation circulations in compact conurbations have made these evening newspapers profitable enterprises. The morning newspapers, usually published from the same houses, though they are not profitable in themselves, in the main, are maintained because they provide a protection against intrusion into the circulation area, carry their share of the operational overheads, and offer some potential for the future. Generally speaking they are moving into the quality field as regional newspapers. In so doing they exploit the overall national movement from popular to quality newspapers which is apparently associated with the rise in the educational level of the population, and match themselves, in some cases, to the areas of the commercial television franchises, thus gaining a lien on display advertising.

All the provincial newspapers, mornings to some extent, and evenings and week-

lies very greatly, have exploited to the full the potential in classified advertising or what the old newspaperman used to call "smalls". In an affluent society the turnover of business through the multitude of transactions which are carried out by this means is immense. Certainly the volume of revenue from this source has been underestimated in the past, and may be much larger than the £60-£65 millions a year at which it is at present estimated.

In the long run the provincial press, and especially the regional morning newspapers, which took a beating in the early part of the century and the 1920s from the competitive growth of the national newspaper industry, may regain some of their long lost ground. That this eventuality is by no means remote is apparent from the long range plans of groups like IPC for satellite publishing centres on the Belfast model using facsimile transmission and web offset to overcome the many problems of news immediacy. If the provincial press in its exploitation of the new technologies—computer assisted typesetting, photo composition and web offset—has shown its heels to the national press, this is due not so much to the incapability of national newspaper managements, as to the fact that they are presented with a quite different range of technical problems.

Many of the quick critics of the national newspaper industry on this score have failed to comprehend that you could not print four million copies of the *Daily Mirror* a day on one set of litho plates, and that although computer assisted photo composition has a phenomenal output potential, hot metal composition by linotype and printing from a stereo plate still possess some great virtues in flexibility and durability. Neither do these critics comprehend the human problems involved in telling a band of trained men whose self respect and earning power is rooted in their craft that their job could be better done by 17 year old girl typists.

The problems of the press, as a whole, in relation to its dependence on advertis-

ing revenue must also be seen against the background of the relationship between advertising expenditure and the gross national product, and the growth of the GNP itself. According to the Advertising Association, it has been stable at 1.4 per cent of the GNP since 1960, having risen from 1.0 per cent in 1954. The GNP, which was £24,392 million in 1961, was £34,292 million in 1967. Two reasons why to a certain extent the press as a whole, and particularly the provincial press, has been able to survive the competition for advertising revenue of commercial television, have been the exploitation of classified advertising and the growth of the GNP, both, in fact, parts of the same process of economic expansion and a continually rising standard of living.

Conclusions

A careful scrutiny of the balance sheet of advantages and disadvantages, adverse and favourable factors, shows that the situation for the press is not as gloomy as some commentators, perhaps by a process of unconscious wishful thinking, would make out. The current economic situation is certainly adverse, not only because of the increase in the cost of newsprint flowing from devaluation, but also because the switch of effort into exports is being accomplished by restraints on consumer expenditure. What would afflict the newspaper industry still further would be victory for the anti-advertising moralists on the left who entertain hopes that the Government will use an advertising tax, or some other penal device, as an indirect means of deflating consumer demand. The Board of Trade is supposed to be studying the role of advertising in a consumer orientated economy. The Advertising Association has certainly done some thinking for itself.

This is a question which needs to be rationally argued out; certainly valid contentions are being advanced to sustain the position that advertising by the creation of markets enables industry to achieve economies of scale, and there-

fore, on balance, to hold down the price of goods and services.

The cultural situation, in which the educational level is rising, and television itself assists to promote a heightened public awareness, is certainly favourable, providing that the industry can adapt itself to the new outlooks, tastes and interests of readerships. It shows signs of being able to do so under ingenious and enterprising editorial direction. The *Daily Mirror's* *Mirrorscope* is a case in point.

The technological situation, whilst presenting short run problems of availability of capital and adaptation of the labour force, offers, in the middle term, cheaper methods of production of a higher quality product.

The industrial relations situation, difficult though it is, is not irredeemable or immune from change. The printing trade unions are fully conscious of the impact of the new technologies and have shown themselves willing and able to adapt to the new situation if managements show some regard for the fundamental trade union role in the preservation of security of employment and the sustenance of the worker's status and self respect. Amalgamations amongst the unions are going ahead, if not swiftly, certainly sensibly and systematically. And whilst this process may destroy the arbitral role of the Printing and Kindred Trades Federation, it will, in compensation, ease the difficulties over demarcation in a situation in which process and craft distinctions are being smudged over by new techniques.

Finally, a word about the journalists; there are more than 20,000 of them in the National Union, the largest organisation of working journalists in the world. They are in all branches of journalism, within and outside the newspaper industry. The creation of a single organisation with both trade union and professional roles, by a merger with the Institute of Journalists, is planned.

Distributed though they are amongst all branches of journalism—periodical and books, radio and television, public rela-

tions and information services, and freelancing—the majority of the union's members are still employed in the newspaper industry. Newspaper journalism still remains the heart and core of the profession and of the union's membership. Newspaper journalistic practice provides the basic techniques, and to a very considerable extent the ancillary branches of journalism, increasingly important though they have become, depend for the supply of trained men and women on the newspaper industry.

So when the pundits seem to contemplate with detached equanimity the progressive truncation of the newspaper industry, and the supplanting of the printed word as the primary means of communication, journalists, at least, are likely to say that this expression of the secret death wish of this country's intellectual leadership is carrying progress—or what passes for it—not just too far, but out of sight.

3. freedom for whom ?

George Matthews

In recent television and political communications controversies, the pressing issues of press communications have been pushed into the background. Though the power of television should not be underrated—it is perhaps the most powerful information and propaganda medium yet invented—it can certainly be argued that newspapers have more influence over long term trends than television. People may be stimulated to think about a political question by television, but they will follow it up in depth and detail in the newspapers.

Consequently, the present concentration of ownership of the national press is fraught with present and potential dangers. The handful of men who decide what goes into the 25 million or so copies of newspapers bought by the British public every day have more influence on the minds and thinking of the electorate than the ordinary member of Parliament.

Whatever the deficiencies of our parliamentary system, the MP does have to submit himself to the electorate periodically for election or rejection. Lord Thomson, Sir Max Aitken and Lord Rothermere do not. Whether they would be elected if they did undergo such a test we do not know. They have never had to pass it. But they are able, through the newspapers they control, to see that views which they hold are put on virtually every breakfast table in the land every day of the year.

The philosophy of one of them, Lord Thomson, was expressed in his 1961 television interview when he said: "I think monopoly in anything is a bad thing for the public. I like it for myself. I always like monopolies when I'm operating them, because obviously it's very profitable. But it isn't in the public interest . . . I want money to buy more papers and I want more papers to earn more money to buy more papers . . . The measure of your success is the making of money . . ."

The messianic press mogul is, if anything, even more of a danger than the moneygrubber. In practice, however,

those who control the press are neither exclusively interested in money, nor exclusively interested in propaganda. They are interested in both. This is not unnatural, for they would be less than human if they did not wish to conserve the system which has enabled them to get where they are.

a purely commercial operation

Thus "freedom of the press" in our society turns out to be the freedom of a few men to concentrate more and more power over the media of communication into their own hands. In the process they squeeze out, buy up or swallow rival concerns, so that the number of national newspapers diminishes as the process of concentration increases.

There are now only ten daily national newspapers. But even this number exaggerates the degree of diversity, since the *Daily Mail* and *Daily Sketch* are controlled by the same group, and the *Sun* and the *Daily Mirror* by another group. Many of the provincial papers are also controlled by one or other of the major press combines, which also have substantial television interests.

The production of newspapers is treated as a purely commercial operation. Newspapers are held to be commodities like tea or sugar, and we are advised that it would be very wrong to interfere with the normal working of capitalist market forces.

The *Observer* summed up the position of the British press at the time of the closure of the *News Chronicle*: "It is a business and only a business—to be bought and sold with its editor, staff and readers as a nineteenth century Russian estate was bought and sold with all its "souls". Once bought, it can be streamlined, rationalised or simply closed down. The only criterion is the profit which it makes" (5 February 1961).

Profit is, indeed, "the only criterion", and those who argue that Parliament should not interfere are in effect saying that pro-

fit should continue to be the only criterion. They agree, whether they admit it or not, with Mr. Harold Macmillan who, as Tory Prime Minister in 1961, refused even to appeal to the press lords to call a halt to takeovers pending an enquiry: "I cannot believe that it would be proper for the Government to interfere even to this extent," he said. "To do so would be to affect the interests and legal rights of the employers and shareholders concerned . . ." Note that "freedom of the press" did not enter into the calculation; it was the "interests and legal rights of the employers and shareholders" which were decisive.

This concern with monopoly profits and the interests of the shareholders is the main reason behind the campaign to prevent action by Parliament to halt the process of the monopolisation of the press. When vast empires like those of the International Publishing Corporation or Thomson Newspapers are at stake, it is not surprising that a well organised lobby exists with the aim of convincing the public that nothing whatever should be done to interfere with the operation of "market forces". Though it may be put with varying degrees of subtlety, the argument boils down to saying that in the end the public gets the newspapers it wants, that the successful ones are successful because they give the public what it wants, and that there is no reason to "prop up" the weaker and less prosperous newspapers.

There are at least two reasons why this argument should be rejected. It is not the individual man or woman with 5d or 6d in his hand who decides, when he purchases his newspaper in the morning, whether this or that one shall survive. It is the big advertisers who have the real life and death power. About 1,250,000 readers wanted the *News Chronicle* to survive. They were still buying it in 1961. But it closed down because its proprietors claimed they could not get enough advertising to make it profitable. With newspapers depending on advertising to provide from 40 to 75 per cent of their revenue, the decisions of a handful of advertisers are more important

than the individual decisions of ordinary readers.

The second reason for rejecting the *laissez-faire* attitude is that it takes no account of the special importance of the press as a medium of information, comment and interpretation, and ignores the public interest. Even in the case of commodities like tea and sugar the community insists on certain standards of purity and hygiene being observed in their manufacture and sale. A Monopolies Commission also exists, to demonstrate and guard against (in theory at least) the danger to the community of any vital commodities or services coming under too great a degree of monopoly control. Surely the public interest is still more involved where the press is concerned. Depriving people of important information, or poisoning their minds with false or misleading stories, is even more damaging to society than putting a little sawdust into the tea leaves or sand into the sugar.

Those who argue that a further concentration of newspaper ownership, or the disappearance of still more newspapers, would not matter, are false counsellors. Such complacency is unjustified among democrats generally, of whatever political affiliation. It is suicidal in members of the Labour movement. The threat involved in the process of press concentration has, indeed, been recognised in the past by members of the Government themselves.

the need for action

As early as 1959 in his *Modern forms of government*, Michael Stewart emphasised the dangers of propaganda and increasing monopoly of the new plutocratic control of newspapers by a few wealthy owners. And the late John Strachey in *Contemporary capitalism* (1956, p259) similarly stated that "if all the effective media of expression come into the hands of one political tendency—and it will be, of course, the pro-big capital tendency—then it is almost impossible for the electorate to make a rational choice".

These are precisely the points which Raymond Williams makes to refute the *laissez-faire* argument that it makes no difference whether the Press is controlled by four press lords or one, or whether there are ten, five or three national daily papers. It is this attitude coupled with the confusion between Government control and Government action which has produced the present dangerous situation. Most people, regardless of political ideology, agree that Government control would be an unmitigated disaster (though this does not exclude the possibility of a Government newspaper, as suggested by Richard Clements, editor of *Tribune*).

But it is not the logical conclusion to revert to the threadbare Tory argument that any form of Government action inevitably carries with it the danger of Government control; such reasoning would lead to parliamentary impotence which even Enoch Powell would find difficult to support. Though it is understandable that Lord Thomson should say in the House of Lords that Government help or interference "would presage the beginning of the end of the complete freedom of newspapers as it now exists", it is difficult to believe that he expected anyone to take his freedom of the press argument seriously, especially when he interrupted another speaker in the same debate to point out that he owned 140, not 100, newspapers. "Complete freedom of newspapers as it now exists" is Lord Thomson's freedom to buy them up and control them. Interference with his freedom could contribute to the freedom of the rest of us. If no action is taken by Parliament, the freedom of the rest of us will continue to be diminished by the activities of Lord Thomson and his like.

Even *The Times* (before Lord Thomson bought it up) recognised the danger and the justification for Government action. In its memorandum of evidence to the 1961 Royal Commission on the Press it said: "If one man came to own all the newspapers in the United Kingdom and conditions were such that no one else could successfully establish a rival newspaper, then the nation would be in danger from such a monopoly of printed

information and opinion, and would demand that such a state of affairs be ended. From that it follows it would wish to be safeguarded against this state of affairs even being approached. There is nothing wrong in the State having power to enforce freedom" (Royal Commission report, vol iv, p110).

The main threat to press freedom today is not parliamentary action, but parliamentary inaction. And as Raymond Williams has pointed out, this has not always been so. The memory of the early struggle for press freedom against Governmental control influences many people in their attitude today. The efforts of radical forces in the past to establish the right to publish newspapers has led, in the conditions of monopoly capitalism, not to a proliferation of radical, campaigning, non-conformist newspapers, but to a few big business giants whose conformism could hardly be more complete. To argue "Fleet Street must save itself" means leaving it to Thomson and Co. to save themselves at the expense of the community, and is, in effect, an invitation to them to go ahead with processes of "rationalisation" and concentration which could make even the recent headlong rush toward complete monopoly control look like a snail's pace. Nor will increases in newspaper prices necessarily save the weaker papers. Past experience shows, in fact, that it is the more successful papers which often benefit most from price increases, as they are more able to attract new readers with promotion gimmicks and so on.

possible government action

There are many things Parliament could do short of the fundamental changes in the direction of socialism which some of us believe to be essential, which would in no way increase Government control of the content of the press, but which would help to stem the tendencies toward monopolisation and make a greater diversity of expression possible.

First, steps could be taken to prevent the closure of more newspapers. One pro-

posal to this end is for a newsprint subsidy, financed within the newspaper industry generally. Newsprint, the basic raw material of the industry, represents about one third of newspaper production costs. The scheme briefly is to levy a charge on all newsprint used, to use the levy to create a fund administered by the industry through a committee composed of newspaper managements, the print unions and eminent independent persons. The committee would use the fund to subsidise the smaller and independent papers. Rigid conditions would be laid down to ensure that the claims for subsidy were genuine, were made for properly constituted newspapers and periodicals of news and views, were made after all the resources of the publications had been used efficiently and not frivolously in its production, and with the overriding proviso that should the publication benefited begin to make profits, the subsidy should cease or be reduced. A subsidy on these lines would at present benefit, among national newspapers, *The Guardian*, *Morning Star*, and probably the *Morning Advertiser*. It would also benefit some provincial newspapers and publications of opinion like *Tribune*, *New Statesman*, and the *Spectator*, if they qualified.

It might be argued that to exclude some papers such as the *Sun*, *Daily Sketch* and *Sunday Telegraph* because they belong to groups of high over all profitability would be contrary to the purpose of keeping alive as many newspapers as possible—that it is in the national interest to keep newspapers going, regardless of their ownership. In that case, group owned newspapers could qualify for subsidy at a lower rate. The proprietors would still have to make some sacrifice from profits, but would not have to bear the entire cost. This scheme would need Government support and probably legislation to bring it into operation. It is too much to expect the present group-dominated industry to decide to carry it out voluntarily.

In his Fabian pamphlet *Government and the press* (Fabian tract 379), Rex Winsbury argues that such a proposal means

“a deliberate Government decision as to which newspapers are to be discriminated against” and that it will be “a sad day for Britain when the Government, rather than the public, makes that decision”. The fallacy is, of course, the extraordinarily naive belief that “the public” decides which newspapers survive. It can also be argued that if a reluctant Government does finally do anything about the press, it will only be as a result of great pressure from the public as a result of the democratic process. Mr Winsbury seems so obsessed with the dangers of Governmental control that he writes as if successive Governments have for years made a desperate effort to interfere with press ownership. The opposite is true. They have done everything possible (including setting up two Royal Commissions since the war) to avoid doing anything to interfere with the freedom of Lord Thomson, Sir Max Aitken and Lord Rothermere.

As for the argument that Government action will “discriminate”, the answer is, of course, that the effect of any action should be to help the newspapers which are in the greatest difficulties. That is the purpose of the whole exercise. What Mr Winsbury is saying is that rather than see Parliament create economic conditions in which more newspapers can continue, he would willingly see the number of newspapers further reduced. He says: “It is better that there should be fewer national newspapers than that the press, as a whole, should fall under greater Government (any Government) influence”. But as he identifies “Government influence” with virtually any parliamentary steps to halt present trends, he is, in effect, using the bogey of Government control to scare himself (and the rest of us) into leaving things entirely to Fleet Street itself, that is, to the press barons. It is indeed extraordinary that one so obsessed with the alleged menace of Government influence and discrimination should be so unconcerned about the actual discrimination in one important field which exists today—in the allocation of Government advertising.

This is the second and most direct way

in which something could be done to help smaller newspapers and publications. Government spending on advertising (paid for by public money) runs at the rate of about £7 millions a year. It is, in reality, a Government subsidy, and it is provided on an exceptionally discriminatory basis. Harold Wilson, speaking to the press on 3 January 1967, said that its economics verified the biblical doctrine that "to him that hath shall be given, from him that hath not shall be taken away even that which he hath", and the figures given by the Financial Secretary to the Treasury, in answer to a Commons question in 1967, show that this is exactly what the Government is doing in its allocation of Government advertising.

GOVERNMENT PRESS ADVERTISING

	expenditure		increase
	1963-64	1965-66	
	£	£	£
<i>D. Express</i>	175,805	314,892	139,042
<i>D. Mail</i>	119,787	125,602	5,724
<i>D. Mirror</i>	200,116	381,485	181,369
<i>D. Sketch</i>	18,045	20,933	2,888
<i>D. Telegraph</i>	130,622	200,247	69,625
<i>D. Times</i>	13,429	29,511	16,082
<i>Guardian</i>	15,194	36,605	21,411
<i>Morning Star</i>	—	—	—
<i>Sun</i>	32,334	43,973	11,639
<i>The Times</i>	30,577	54,993	24,416
<i>D. of World</i>	117,221	142,007	24,786
<i>Observer</i>	50,664	104,798	54,134
<i>People</i>	115,875	182,231	66,356
<i>Citizen</i>	2,340	3,590	1,250
<i>Express</i>	135,357	199,322	63,965
<i>Mirror</i>	22,850	86,715	63,865
<i>Times</i>	106,797	198,589	91,610

Since those figures were given the *Sunday Citizen* has, of course, gone out of existence. The two proposals made above—the newsprint subsidy and a fairer distribution of Government advertising—were advocated jointly by the *Sunday Citizen*, the *Morning Star* and *Tribune* at a press teach-in in April 1967. Had the Government adopted them the *Sunday Citizen* might have been saved. But ministerial inaction resulted in a newspaper of the Labour movement, which had existed for 117 years, finally going

out of existence under a Labour Government!

There are other steps which could be taken to extend press freedom. Several were put to the last Royal Commission on the Press in 1961 by trade unions, the *Daily Worker* (as it then was), the Co-operative Press, the Communist Party, and other organisations and individuals. They included proposals for a ban on further mergers and the breaking up of existing press concentrations. The proposal was also made for Government financed printing plants to be placed at the disposal of trade union and other organisations. This has been attacked on the usual ground that it would mean "Government control". It is a remarkable thing that those who held up their hands in horror at the thought of any Government action aimed at bringing some sanity into the present crazy economics of the press, did not turn a hair when the Industrial Reorganisation Corporation advanced £1½ million to Reed Paper (in which the International Publishing Corporation group has a substantial interest) to build a plant to take the ink out of waste paper and turn it into usable pulp.

In view of the colossal capital costs involved in starting new publications today, it is surely not unreasonable to suggest that Government assistance should be given to democratic organisations in publishing newspapers and journals, and it is nonsense to claim that this would involve control over their contents. But this proposal, along with most others which would have helped safeguard press freedom, was turned down by the Royal Commission, and both Tory and Labour Governments have used its attitude as a justification for their own inaction.

Before the Royal Commission on the Press met in 1961 *The Times* expressed its grave concern at the trend of events and made a moving appeal to the press lords: "Mr Thomson, Mr King, and their fellows, who are the high priests of the private enterprise system, should see that they have a duty to make that system work without endangering the conditions that are vital to its well being.

and should restrain their ambitions" (31 July 1961). But its appeals to the lions to turn into lambs fell on deaf ears and was itself swallowed up by one of the beasts of prey.

It is probable that still more papers will disappear in the next five years. This is not a prospect which any democrat can view with equanimity. As for the Labour movement, surely it is time that its members took seriously the dangers to them which the present monopolisation of the press represents. It is urgently necessary that the community, through Parliament, should take some action along the lines indicated above to check present trends. It is equally important for individuals and organisations to act themselves, in order to support those newspapers and journals which are still independent of the big press combines.

4. a clash of power

Richard Briginshaw

For a long time I have been particularly bothered by the widespread public ignorance concerning the press, its variations, commercial groupings, financial and economic structure. Occasionally during the past 20 years some usually ill-informed MP or lunatic fringe ill-doer would pound off about the British press. The easy answer to all questions has been to blame it all on the unions". This is an inadequate explanation and, in fact, independent investigation has clearly established that the accusation is simply unjust. The true situation was illuminated by the 1967 *Economist Intelligence Unit Report*, which showed that the basis of the commercial economics of national newspapers as a whole was not viable when based on advertising revenue.

What I want to emphasise is the greatly varied and diverse nature of the newspaper and printing industry. The usual preamble to the attacks on the newspaper industry is, "The restrictive practices amongst workers in the newspaper and printing industry . . ." But we know that many of our would be traducers do not know what they are talking or writing about, particularly when the accusation is made, as it so often is, in parrot fashion, and when the counter question is posed: "Which restrictive practices?" there is an embarrassed admission of an almost total ignorance of the subject.

His continued prejudice in attitudes emphatically demonstrates the need for a close examination of the present state of affairs, to clear up some misconceptions and to stimulate discussion on problems of the national newspaper industry. I have been struck by the lack of knowledge displayed by those engaged in one particular part of the industry of matters concerning other sections. If this is the case within the industry is it surprising that people outside are so ignorant of the diversity and complexities which exist? The economics of national newspaper production are continually before the public. The difficulties, in particular, in the *Sun*, *The Guardian* and *The Times*, have focused attention on an industry which appears to have chronic problems. My first task is to explain

the general structure of an industry which is often, for statistical purposes, grouped under a single head as the Paper, Printing and Publishing Industry.

An examination of the various employers' organisations reveals part of the structural detail. For instance, the British Federation of Master Printers consists of approximately 4,000 firms affiliated or in direct membership. These firms are mostly general or jobbing printers, printing local stationery, visiting cards, parish magazines, or perhaps high class colour printing in many forms and with different processes. Within the BFMP the Newspaper Society exists as a quasi-autonomous employers' society of regional and provincial newspaper printers and publishers. The dualism arises from the overlapping in production processes and in the work carried out by the firms; general and local newspaper printing are often carried out in the same works.

Originally the important Newspaper Publishers' Association (formerly Newspaper Proprietors' Association), whose membership covers the national newspaper owners, were a part of the Master Printers' organisation, but they broke away to form the NPA in 1904 when it became clear that the emergent needs of mass newspaper publishing and production were not being served in the Master Printer's set up. There are important employers' bodies in Scotland. The Scottish Daily Newspaper Society consists of the local or regional newspaper owners and the Scottish printing centres of national newspaper production (*Daily Express* and *Daily Mail*, and *Daily Record*, which is connected with IPC. Similarly, *The Scotsman*, owned by the Lord Thomson Group, is in membership with the SDNS. Separately the Scottish master printers includes the Society of Master Printers of Scotland, which is connected with the BFMP.

There is now little connection between the BFMP and the NPA, or between the Newspaper Society and the NPA. This is symptomatic of the situation. What they have in common is simply that they share the same trade unions. The print-

ing workers in the various categories and callings common to all the basic requirements of all the employers' organisations, belong to the following trade unions: Society of Graphical and Allied Trades (SOGAT), National Graphical Association (NGA), Society of Lithographic Artists, Designers, Engravers and Process Workers (SLADE & PW) and Scottish Typographical Association (STA). With the National Union of Journalists (NUJ) they are all affiliated to the Printing and Kindred Trades Federation.

overseas trade

The printing industry has an important overseas trade. This is a point all too easily forgotten by many. In 1967 exports of printed matter alone were valued at £37,900,000. The industry produces *Reveille*, treaties and books on science, mathematics and medical subjects, and newspapers with the highest circulations in the world, which are often produced faster than anywhere else in the world, and are technically of high quality. But

only some of the techniques are common to all producers; production and timing requirements amplify or diminish them in application. Clearly in these circumstances of such diversification and overlapping it is difficult to generalise on conditions and attitudes within this vastly complex industry. Even the finance and economics of the different sections of the industry are quite fundamentally various. Quite understandably the public is confused by the number and results of the official enquiries into the industry's situation.

sections of the industry

To clarify the organisation we can divide the industry into four major sections: national newspaper production, provincial and regional newspaper production, general printing and paper production and conversion. Legitimate interest in some aspects of the editorial attitudes of the British press has been prevalent for many years; for example, in the political slant, the suppression of minority

NATIONAL MORNING NEWSPAPERS, 1937-68

name and owner in 1968	circulation in 000s			% change reader		
	1937	1947	1961	1968	1947	1968
"quality" papers						
<i>Daily Telegraph</i> (Daily Telegraph Ltd.)	559	1015	1248	1379	+35	356
<i>The Times</i> (Times Newspapers)	191	268	253	415	+56	127
<i>Guardian</i> (Man. Guardian & Evening News Ltd.)	48	126	245	268	+113	80
<i>Financial Times</i> (Financial News Ltd.)	37	71	132	163	+130	63
total "qualities"	835	1480	1878	2225	+50	627
"popular" papers						
<i>Daily Mirror</i> (IPC)	1328	3702	4561	4949	+33	1533
<i>Daily Express</i> (Beaverbrook Newsprs.)	2204	3855	4328	3787	-2	1104
<i>Daily Mail</i> (Daily Mail & Gen. Trust)	1579	2076	2610	2039	-2	579
<i>Sun</i> (IPC)†	2032	2134	1394	1009	-53	372
<i>Daily Sketch</i> (Daily Mail & G.T.)‡	683	772	981	886	+15	363
<i>Morning Star</i> (People's Press P. Soc.)¶	43	118	60	53	-55	16
<i>News Chronicle</i> (Daily News Ltd.)*	1324	1623	—	—	—	—
total "populars"	9193	14280	13934	12723	-11	3969
total national mornings	10028	15760	15812	14948	-5	4597

†called *Daily Herald* until 1964. ‡called *Daily Graphic*, 1946-52. ¶called *Daily Worker* until 1966. *ceased publication 1960.

sources: Royal Commission on the Press 1961-62, Audit Bureau of Circulation Readership figures from National Readership Survey, February-June 1968.

NATIONAL SUNDAY NEWSPAPERS, 1937-68

Name and owner in 1968	circulation in 000s			% change reader-ship in 1968 on 1947		
	1937	1947	1961	1968	1947	1968
"Quality" papers						
<i>Sunday Times</i> (Times Newspapers)	270	568	967	1461	+151	4093
<i>Observer</i> (Observer Ltd.)	208	384	715	803	+138	2717
<i>Sunday Telegraph</i> (D. Telegraph Ltd.)	—	—	688	713	—	2057
Total "qualities"	478	952	2370	3077	+221	8867
"Popular" papers						
<i>News of the World</i> (News of the World Organisation Ltd.)	3850	7890	6643	6191	-22	16406
<i>The People</i> (IPC)	3405	4670	5450	5533	+18	15941
<i>Sunday Mirror</i> (IPC)	1345	4006	5306	5138	+28	14469
<i>Sunday Express</i> (Beaverbrook Newsprs.)	1349	2577	4457	4238	+64	10866
<i>Sunday Citizen</i> (Co-op Press Ltd.)*	426	720	310	—	—	—
<i>Sunday Dispatch</i> (Daily Mail & GT)†	741	2061	—	—	—	—
<i>Sunday Graphic</i> (Kemsley Newsprs)†	650	1185	—	—	—	—
<i>Sunday Chronicle</i> (Kemsley Newsprs)†	729	1178	—	—	—	—
<i>Sunday Referee</i> (I. Ostrer)†	342	—	—	—	—	—
Total "populars"	12837	24287	22166	21100	-15	57682
Total national Sundays	13315	25239	24536	24177	-4	66549

*ceased publication 1967, (*Reynolds News* until 1962). †ceased publication prior 1962. Figures in 1968 refer to January-June. Readership figures from National Readership Survey, February-June 1968.

news, and indulgences in pornography and cheque book journalism in pursuit of circulation. The circulation race has always been a matter of fierce contest amongst the national Sundays and dailies. Wherever there is more than one newspaper commercially produced, either nationally, regionally or locally, there is a circulation contest. Circulation dictates advertising rates and unless another alternative is operated, such as if an economic price is asked for the newspaper, advertising decides whether a paper is to be a commercially profitable concern or not.

Heart of the problem

This brings me to the heart of the problem. The so called national press comprises *The Times*, *Telegraph*, *Guardian*, *Mirror*, *Sketch*, *Express*, *Mail*, *Sun*, *Morning Star* and the Sundays. Their commercial viability depends on high receipts from advertising and this source of income has dwindled in recent years, primarily as a result of competition from

commercial television advertising. The *Sunday Times* is at present a successful commercial and business property, but it is based on an approximately 75-80 per cent advertising income, and is priced at a shilling. Massive space is devoted to advertising and this, of course, gives a heavy paper for the money. The *Daily Telegraph* is in a similar situation. Without advertising receipts of a high order these papers would not be economically viable. Thus with diminishing advertising for the existing number of newspapers fewer national newspapers has been suggested as a solution.

The provincial and regional press is different in many ways from the national press, but there are also a great number of similarities, including the basic economics. The reduction in numbers of newspapers has been more extensively applied in the regions and locally with unsatisfactory results. In my view, democracy requires more newspapers, if anything, not less. We need variation and diversity. We need freedom from commercial dictation. We probably need a great in-

dustrial and financial consolidation. Because the problems of the economics of newspaper production involve the usual business production cost factors, full use must be made of up to date methods and technology in all processes and departments, especially in management. At the moment some newspapers may hold up development and expansion because of lack of equipment, space or plant, so that unused plant becomes a capital investment problem and a write-off is not always easy. On the other hand, another plant may be used continually night and day to such an extent that a write off and new installation could have taken place 28 years ago.

The only overall solution is the establishment by the Government, or by Government aid, of a giant overall holding company for the newspaper publishing and printing industry, which could mobilise and finance the industry on a viable, progressive and economic basis. Then perhaps we could really see a future for the presently ailing Joint Board for the Newspaper Industry.

Each aspect of the newspaper industry's problems is now accentuated by the effects of devaluation, particularly because of the increased cost of newsprint, though other raw materials are also affected. None of the savings available to other sections of industry are available to newspapers because they are not involved in exporting. Further, newspapers are detrimentally affected by the abolition of the SET premium, so that the Government, *any* Government, must put into effect a solution on the lines of a holding company which can employ all the competitive and commercial methods available, at the same time functioning as a public authority. A case in point is the Transport Holding Co., which has some 50 separate companies within its orbit, including the long established, well run and internationally known separate Thos. Cook & Son (Bankers) Ltd., Thos. Cook & Son Bankers (France) Ltd., Thos. Cook & Son (Egypt) Ltd., etc. If we are looking at the question of the press from the point of view of democratic national interest, seeking new business and tech-

nological advances alongside variation and diversity in publication, we shall have to abandon the jungle path and seek civilisation.

5. the role of advertising

John Ryan

The deflation of the economy since 1966 has reduced advertising revenue by as much as 30 per cent for some papers. Inevitably those papers with marginal commercial benefit to the advertisers suffer first. On the cost side devaluation has increased outlay on imported machinery, newsprint and other materials and has pushed up the costs of overseas correspondents and travel.

There is further cause for anxiety in the probable institution of another commercial TV channel by the early 70s which would transfer revenue from press advertising and in the possible acceptance of advertising by the BBC to supplement its licence fee, which would be a serious threat to the income of the "serious" press. It is the quality press which is in the most vulnerable position according to the *Economist Intelligence Unit report*, which concluded, "That it is difficult to see how this revenue can support four quality daily newspapers with the present cost patterns".

Raymond Williams and others have vividly demonstrated the hidden and powerful influence of the press in affecting social values and judgements. Most socialists would agree that a Labour Government has a particular responsibility to act if any action can be useful. While it is not the role of Government to encourage people to read that which they find boring or "heavy", or to deter them from reading that which is entertaining, it should be a Government aim to maintain choice as far as possible. As educational opportunities and standards rise there is likely to be an increasing movement away from the trivial to the more worthwhile. This will not mean a switch from the "popular" papers to the "heavies" but will, as Cecil King recognised in his 1967 Granada lecture, result in an extension of "heavier" coverage and features within the popular press. If one accepts that closures, mergers and the move to oligopoly diminishes choice then action must be considered to frustrate the anarchic and socially unaccountable forces in the market. The Royal Commission on the Press in 1962 made a thorough investigation

of the economics of newspapers. The Commission was especially concerned with the problem of the socially valuable paper, which, while pleasing its large readership, was failing as an economic proposition because of its inability to obtain advertising. Several proposals for diverting advertisement revenue to subsidise the weaker sections of the press were suggested, but the Royal Commission was forced to the reluctant conclusion "that there is no acceptable or legislative way of regulating the competitive and economic forces so as to ensure a sufficient diversity of newspapers. The only hope of the weaker papers is to secure—as some have done in the past—managers and editors of such originality as will enable their publishers to overcome the economic factors affecting them". This is an admirable sentiment, but does not admit the urgency of the situation.

an advertising quota?

Some socialists call, in Kaldorian vein, for a quota system on advertisements to "spread them around" more evenly and so break the system of advertisers "short scheduling" the appropriations into relatively few successful papers. This idea merits serious examination, but in my opinion is impracticable and might conceivably have an even worse effect on the situation. Such a policy could take the form of the fixing by legislation of a maximum ratio of advertisements to editorial matter in all papers. This would limit the paper's dependence on income from advertisements and so force up its retail price towards an economic level. If this formula were invoked it would not be unwelcome to some advertisers who are at present disturbed by the packing of some very successful papers with crowded advertisements which are competing for the reader's attention.

An enforced ratio or limitation could be used by the publisher to justify an increase in the advertisement rates charged because of the increased probability of readers paying attention to fewer advertisements. The factors controlling the

amount of attention achieved vary greatly from paper to paper, depending on colour, page size and the advertisement's position, and are closely considered by the major advertiser, who would be willing to pay an inflated price if it seemed worthwhile in real terms. A quota system might also lead to attempts to evade it, by, for example, an increase in the number of public relations supplements, stories and "puffs"—a feature of advertising criticised by the Royal Commission. It would also bear most heavily on those who have a fixed page policy for production reasons which would limit the scope for increasing their revenue within the quota by creating better advertisement positions. No doubt this rationing policy might result in some redistribution and sharing of advertisements, but certainly would be no magical palliative and might have undesirable side effects.

A statutory limitation on the proportion of a paper's revenue to be derived from advertising has been suggested by the *New Statesman* as a method of forcing prices to an economic level and of helping the less fortunate in attracting advertisement revenue. This is more logical than a strict quota by ratios, but again it bristles with difficulties, the most important being that it would tax the "heavies" more severely than the mass circulation papers. The *Sunday Times* derives nearly 80 per cent of its income from advertising and would be sharply penalised compared with, say, the *People* or the *News of the World*, which derive only about 50 per cent of their income from this source. It might result in the "heavies" having to dilute their serious approach in order to build up a more popular readership. Whether this is desirable or not, it would be regrettable if the re-shaping were to take place under fiscal pressure rather than as the result of editorial intention and planning.

Any policy of quota restrictions could also lead to a diminution of the total advertisement subsidy of the press as a whole. Advertisers are basically concerned with an absolute level of marketing achievement and judge each paper

on its probable contribution to this end. If advertisers are forced out of the best papers in each readership category by legislation, it does not necessarily follow that they would invest their advertising budgets in whatever other papers in each category had space inside the quota. They might invest if the next best papers were only marginally less effective for their strategy than their first preference, but if the margin were considerable they might well decide to invest their money in other media, such as television, or posters, which might give them a better cost effectiveness return. Furthermore, if their objectives were unlikely to be attained by media expenditure because of restrictions, they might choose a totally different formula such as direct mail, better trade terms for consumer goods and increased public relations for institutional advertising.

If the margin between one paper's effectiveness and another's is quite small then any benefit which will result from the redistribution of advertisements will be equally small. To achieve the fundamental redistribution which the authors of this policy seek would involve the bridging of much wider commercial discrepancies.

a levy on advertising ?

A further suggestion for re-orientating advertising revenue is a levy on all advertising revenue to be paid by each paper, on a similar basis to the present levy paid by the independent tv companies—but, in this case, with the levied fund being used to subsidise those who are less fortunate in achieving a high advertising income. Such a scheme would again be open to the objection of bearing hardest on the small circulation heavy and lightest on the mass circulation press. When a levy was introduced on tv advertising it was passed on to the advertiser by the tv companies. If this happened in press terms it might well lead to a contraction of expenditure in the press as well as to an inflationary pressure. Allowing for these snags a levy would obviously raise funds; at 10 per

nt it would raise about £11 million, which could be used for a subsidy to the struggling papers.

at what criteria would the fund's trustees devise for defining "struggling" and for calculating the level of payment to be made? If it was made to all papers whose income from advertising fell short of a defined proportion of their total income and was intended to balance the deficiency, then once again it would favour the mass circulation paper at the expense of the small scale "heavy". In either case it would be an excuse for inertia by their management and advertising departments.

deficiency subsidy?

A deficiency in profits is the criterion by which receiving the subsidy which most publishers would accept. At present most profitable papers are being carried as non-viable parts of quite prosperous groups. *The Guardian* is supported by the *Manchester Evening News*, the *Sun* uses the vast resources of the IPC, the *Sketch* and the *Daily Mail* by the *Evening News* and *The Times* by the rest of the Thomson empire. It would be a simple accountancy operation to show clearly what each paper was losing and then easier to write off a backlog of losses if a deficiency subsidy were proposed. A heavy 10 per cent levy itself would render several papers non-viable. Of course, the Government could require that the losses of any individual paper in a group should first be absorbed from total group profits; but that would

merely continue the existing situation which allows the publisher the option (and the incentive which many, to their credit, reject) of closing down the paper which is a drain on group profits.

government advertising

Some Labour MPs have called for the Government to spread its own growing advertising into the papers which would not receive it if purely commercial criteria were applied. I cannot myself accept this outlook. I believe all Government departments should strive for the highest efficiency and cost consciousness in advertising. They should optimise their expenditure on purely cost effectiveness criteria—any departure from this is a subsidy given on an irrational social basis—the *New Daily* would be in the queue with *Tribune*, the *Daily Sketch* with the *Guardian*. Redistribution would bring a dangerous situation of political influence into a field where selection of media should be precise and purely commercial.

a price increase?

The unpalatable but basic fact is that newspapers in Britain are far too cheap. Even the most successful in circulation terms is subsidising its selling price by advertising—particularly in the case of the "heavies". Costs exceed prices charged by 25 per cent to 100 per cent or more, and it is this fact above all others which is the root of the problem. In the past the successful papers have

DISTRIBUTION OF ADVERTISING BETWEEN MEDIA

	£ million					percentage				
	1952	1956	1960	1965	1967	1952	1956	1960	1965	1967
National and provincial news	54	90	126	174	169	42	44	38	40	37
Magazines and periodicals	23	32	39	48	46	19	15	12	11	10
Radio, technical, etc.	21	24	32	42	47	17	12	10	10	11
Television	—	11	80	106	124	—	5	23	24	27
Between, transport, poster	21	34	35	41	41	17	17	11	8	9
Production and administration	7	14	20	26	29	5	7	6	6	6
Total	126	205	332	437	456	100	100	100	100	100

Sources: Royal Commission on the Press, 1962. Annual Report of the Press Council, 1968, Advertising Association.

kept their prices artificially low despite increasing cost pressures. The less successful have had the grim dilemma of either putting up their selling price above their rivals and risking a circulation drop or holding on at the lower unprofitable price. The decision of the PIB to prevent the *Daily Mirror* putting up its price by 1d to 5d was in direct opposition to the needs of Fleet Street. Other, less wealthy, papers were waiting for this increase to increase their own price. Any move in this direction should be welcomed, though the elasticities of demand in this field are rigid—the experience of the *Daily Mail* is eloquent witness. It gained circulation by staying at 3d when its main rival the *Daily Express* went to 4d. As soon as it rose to 4d it lost its gain, and of course lost the extra revenue in the interim. This problem of rising costs, diminishing advertising revenue, and prices which are held low by the most successful to the embarrassment of others, will be seriously aggravated in February 1971 when we go decimal. Then, with the minimum price increase possible being 2.4 times the present 1d, the stages of increases will be farther apart in time and the plight of the weaker papers will be more serious as they are pushed into loss by rising costs. It merits the Restrictive Practices Court's allowing the publishers to agree minimum prices on a higher plateau than at present if the long term concept of choice is to prevail.

a National Press Corporation

I have tried to demonstrate that some of the remedies suggested so far are in fact naive, double edged weapons which would not give us what we want. Indeed they express a very limited view of social policy. If one sees a paper as being more like a theatre than a brand of beans—something which should be shielded from unfettered capitalist forces—then it is myopic to suggest squeezing the more successful theatres to subsidise the less successful. There is no justification for the Government's shirking its responsibilities to provide a subsidy if that is what is necessary. Some will point to the

nucleus of extremely rich men who make fortunes out of the press, but this is surely an argument for a more progressive tax system, and a wealth tax not merely applicable to newspaper owners, but to members of all occupations. There are more profitable business areas than publishing in terms of return on capital employed, and it would be bizarre to concentrate one's policy only within the publishing field.

What I suggest as the best course of action is unashamedly ambitious and socialist. I believe the Government should consider the setting up of an independent National Press Corporation with power to purchase, if it so wished, the presses and assets of newspapers which were intending to merge or to close. This Corporation could then put out the business of producing a newspaper on the presses acquired, to contracting companies, on the same basis as the ITA chooses the independent television companies. The contracting companies would be groups of journalists and newspaper executives who would lease the assets and publishing facilities. The selection of contractors could be done in a similar way to the ITA, selections being made on a basis of previous experience, resources, ability and qualifications. The contractor could be awarded the lease for an initial trial period and would have absolute editorial and policy control over the paper published. It is obvious that a subsidy would be necessary in the amount charged to the contractor, for the return of the lease would normally be less than the real cost to the Corporation of the operational fabric and the newsprint; if it were an economic lease it would be prohibitive to the contractor—or the previous owner would not have failed. The advertising revenue to supplement income could either be obtained directly by the contractor as is done by the TV companies or it could be done centrally by the Press Corporation and offset against the contractor's lease payments.

This plan meets one basic social requirement—its subsidy element is concentrated on those who really want to run

newspaper as salaried journalists and executives, those who are not influenced by the motive of distributed profits. This would not result in the monolithic state publishing concern which is a dismal future of Communist countries, but could become a vibrant expression of what a civilised community's view of the press's prime function is—the diverse advocacy of different views and opinions. There would be many problems of detail unless safeguards were included, and there could be imbalances if, for instance, the papers which disappeared were evening papers, and the contractors who were chosen to replace them were only interested in operating regional weeklies. Although no balance of papers is ever likely to be ideal, there might be a case initially for the Press Corporation giving priority in allocating contracts to those who had the best plan for a paper to replace that which had failed.

If the advertisement selling operation were handled centrally by the Corporation, this would be a recognition of the Pilkington Committee's findings in the case of television—that the contractors should basically be creative rather than degraded to commercial advertising. In press terms it would mean the contractors could concentrate on the function they wanted to do and were best at: the production of newspapers; whereas the Press Corporation, as its base widened, could employ sophisticated and go ahead advertising management on a scale which is too expensive for a single newspaper to afford.

A policy along these lines is worth considering as being more wide ranging and creative than some of the merely restrictionist ideas suggested. It would be a socialist scheme parallel to the concept of the Industrial Reorganisation Corporation in that it would concentrate help to the right people in the right place and would give it in a way that ensured that it went straight to the newspapermen rather than to the proprietor seeking profit. It has the advantage that it would not penalise the existing press in the way a quota or levy scheme would. It would obviously be a difficult scheme to

work in what is a complex field, but the effort would be worthwhile if it halted the erosion of the press.

6. state commitment

Eric Moonman

The striking consensus of opinion amongst contributors to this pamphlet has been that any judgment on the press must take into account the scale of the industry and its peculiar problems: its place in the wider network of mass communication media must be given consideration in positive suggestions made for its improvement.

The press—the daily and weekly, London and provincial newspapers—it should never be forgotten, is physically part of the printing and publishing industry. That industry is credited with an annual turnover of some £900 million. It employs over 400,000 people; these are split between 7,500 firms. Of course, none of the very small firms in the industry produces newspapers. That, and other factors clearly mark off the press from the rest of the printing and publishing business; nevertheless, the press never loses entirely the characteristics it derives from this association with printing in general. Some of the purely technical problems, some of the technical challenges of the 1960s, which face the press, are common to printing and publishing as a whole.

Although firmly lined in production techniques with the essentially mechanical industry of publishing, the press is at the same time an industry with facets that link it more closely with radio, television and the film industries: it is concerned with only immediate communication, it is affected significantly by changes in public mood and taste, it is dependent for its life blood on an entity—news—which it may manipulate but cannot, in truth, create; the press has also—unpopular as this may be—the character of an entertainment industry.

Why is the press these days the subject of concern among those who study the framework of the society in which we live? What is the major paradox that emerges from a review of the press in the last few years? I suggest it is that, at a time when more people are better educated and in some ways more alive to public affairs, there are fewer newspapers for them to read; while public debate grows, and with it a restlessness at lim-

ited alternatives of opinion, a dissatisfaction with the straightjackets of “either” and “or”, there is not apparently sufficient support from readers to ensure the continued life of large (but still minority) newspapers such as the *London Star* and *News Chronicle*. There is paradoxically, an ever shrinking press to cater for a potentially ever increasing audience.

Money, here as elsewhere, is the root of much of the evil. Various arguments are put forward from time to time to account for the financial situation, for it is indeed a pure question of economics that dictates whether a newspaper lives or dies. How does this come about? The sad truth is that the cover price (what the customer pays) for his newspaper does not represent anything like the actual cost of producing, printing and distributing the newspaper in question. Producing a newspaper is a complex operation—with high labour and machine costs—and it has to be done afresh every day or every week. It is an industry with high investment costs, and with the need for heavy reserves of capital to tide over difficult periods or cushion radical changes. Yet no newspaper publisher can build financial reserves through the stock holding of his wares. For the newspaper publisher there is no “back list” of books or stocks of goods previously produced (and with all costs absorbed), which still sell and bring a return for the newspaper producer. He is not in a business where you can continue to profit from old, but still good selling lines, long after initial and development costs have been written off. Tuesday's paper sells on Tuesday or not at all—and if it makes a loss, it is fairly certain that Wednesday's paper will make a loss too—and daily losses, added up over weeks, let alone months, produce astronomical and terrifying figures.

The compensation for the heavy “loss” on the cover price of the newspaper is, of course, in advertising. The revenue from the sale of newspapers set against the costs of production and distribution results in a loss; the revenue from sale plus the revenue from advertisers, set against the same costs result in a prof-

Micawber's facts of economic life operate so that happiness lies, for the newspaper, in the benign favour of the advertising agencies' media managers, and the cheques that follow the space by book. Advertising, however, is quantitatively, a somewhat inelastic figure; newspapers share the cake in unequal portions, and the gain by one newspaper is often the equal loss by another. It is a field in which the unfair, but difficult alter, rule of "to them that have, shall more be given" holds sway. A successful newspaper, with the money to attract good journalists, to risk innovations, to pay for the good feature article, increases readership and, in turn, attracts more advertising, to pay, in turn, for further improvements. The converse is also true and the descent down the slippery slope, when advertising revenue begins to fall, is rapid indeed.

Trade unions, by their alleged unwilling-

ness to countenance reductions in the labour force, and to take advantage of technical improvement are often attacked as the root cause of the financial instability of newspapers; inter-trade union rivalry is made out to be a secondary, but still significant, factor. Nevertheless, the restoration of health to the newspaper industry will not depend on change within the unions. No amount of union sacrifice (even if such were socially justified) would alter the basic economics of newspaper publishing. No change in union structure or attitudes could radically affect the long term problems with which the press is faced; moreover, there are already significant moves, within the unions concerned, to adapt to modern needs.

For instance, the National Graphical Association (created by the 1964 amalgamation of the London Typographical Society and the Typographical Associa-

THE PRESS: MAJOR COSTS AS A PERCENTAGE OF TOTAL COSTS

	newsprint and ink		editorial		production		distribution and circ'n		other	
	1957	1965	1957	1965	1957	1965	1957	1965	1957	1965
Quality mornings										
<i>Daily Telegraph</i>	42	37	14	12	20	26	14	16	10	9
<i>The Guardian</i>	27	20	21	24	25	37	12	7	15	12
<i>The Times</i>	26	19	20	20	21	25	11	10	22	26
<i>Financial Times</i>	13	14	19	17	30	35	10	12	28	22
	33	28	17	16	22	29	13	12	15	15
Popular mornings										
<i>Daily Mirror</i>	48	38	10	11	25	26	8	8	9	17
<i>Daily Mail</i>	41	35	16	16	19	25	10	8	14	16
<i>Daily News</i>	34	26	17	24	30	33	9	9	10	8
<i>Daily Sketch</i>	36	27	15	22	24	28	10	9	15	14
<i>Daily Express</i>	47	36	15	16	17	23	11	10	10	15
	44	35	14	16	22	25	8	9	12	15
Quality Sunday										
<i>The Observer</i>	25	23	20	18	31	31	11	12	13	16
<i>Sunday Times</i>	28	26	16	13	23	25	11	13	22	23
<i>Sunday Telegraph</i>	—	17	—	23	—	19	—	17	—	24
	27	23	18	17	26	25	11	14	18	21
Popular Sundays										
<i>The People</i>	39	36	8	13	27	31	12	12	14	8
<i>News of the World</i>	44	34	6	7	23	36	12	10	15	13
<i>Sunday Express</i>	44	35	15	14	19	28	14	14	8	9
<i>Sunday Mirror</i>	38	34	11	14	33	36	9	9	9	11
	42	34	10	12	25	33	11	10	12	11

Source: *Economist Intelligence Unit report*, 1966. 1965 figures estimated.

tion) has not only improved its own structure, but has taken the lead in supporting the use of management consultants in the industry to review management and union practices. The Economist Intelligence Unit Survey of the Press (whose analysis has stimulated much constructive work) was sponsored jointly by the proprietors and the unions. The unions have shown great and constructive sympathy towards the problems of some leading dailies outside London. Although there is a history of some obstruction in the past, the present record of the unions stands up to close examination. The future, with the new collective bargaining system envisaged by the Cameron report and in an era of stronger, more secure and comprehensive unions, augurs well for the solution, by co-operative efforts between proprietors and unions, of these challenges which it is *within the power of the industry to resolve itself*. But it is doubtful if this is enough.

the function of the press

Today the press, to be a viable, significant force in public debate in a democracy, needs to have the support and encouragement of outside bodies. It requires, if not direct state subvention, some form of economic assistance to redress an imbalance brought about by external factors. This is essential if the press is to survive in its present form.

What is the function of the press in an age of radio, television and other mass media? It is still essentially a vehicle for news—no other medium can, as yet, give the coverage, in breadth as well as depth, that newspapers give, not only to news of primary importance, but also to news of secondary, but still significant, local importance. To divide news into “primary” and “secondary” is to exercise a value judgment which I do not suggest is philosophically justified. Yet it illustrates an important point in my thesis. Some news is obviously more important than some other news—for immediate global purposes this is an easy judgment to make—and it is done by news editors on tele-

vision every day. But in a democracy news of “secondary” importance is still vital in the localised situations which contribute to a true democracy of content. The decisions of an international peace conference are primary news, and the public would doubtless be informed of such a matter whether newspapers existed or not. But what of secondary news? Would the reactions of two political parties to the speech by a leader or a third, or the provision of a new theatre in Wales, or the desire for more freedom within the Scottish church, or the army new policy on boy soldiers, be given the same treatment in depth on a medium constant, but only instant, impact such as television, as now they receive in a newspaper? Present evidence is that, even with local radio they would not. In any case, neither radio nor television is a medium of record—if you do not hear or see a particular programme, its contents are gone for ever. You can read a newspaper at 9 am or 9 pm. Yet such items of news as those mentioned above form the basis for discussion and public debate in a democracy.

Newspapers are also, traditionally, organs of opinion; radio and television, even if they lay exaggerated claim to a public conscience and an obligation to provide the basis for public debate, studiously avoid “a point of view”. The claims of newspapers to actually influence public opinion are often exaggerated (*pace* Northcliffe), but their value in crystallising otherwise inarticulate shifts in public views are, within a democracy, significant. Finally newspapers are a medium for that cultural and aesthetic communication, the increase in which is a measure of an educated state. That popular journalism can discharge the duty to educate and inform is exemplified by the success of *MirrorScope*.

It would thus seem that newspapers are essential to the health of any state in which opinion, debate and discussion based on general and particular information, have a part to play. The obscurantism and dubious prognostications of Marshall McLuhan, forecasting the rise of society based solely on the audio and

visual, to the discomfort and neglect of the needs of the literate, do not invalidate this assessment. The inevitable practice of tyrannies is immediately to stifle free comment in a free press—we should heed the significance they attach to the press, for tyrants are crafty and subtle as a rule, and we should be guided by them, in that, if in nothing else.

to assert the value of a free, informed, opinionated press is to assert the values of democratic society. To acknowledge the imperfection of current society is to realise that the law of the marketplace, if not the justice of the forum, leads inevitably in the present situation to the decline of newspapers which present a minority point of view. A newspaper identified as having an unfashionable, or a low income bracket readership, will not appeal to advertisers. There is a danger (and a real danger, divorced from its partisan political point of view), that the economics of newspaper production, even when the press is dependent upon advertising revenue, will lead to fewer newspapers, with those remaining being either a monolithic (but depressing) representation of consensus, or the bastions of mediocre majority opinion. No democracy can survive if the minorities of tomorrow (possibly the prophets or progressives of tomorrow) are denied by economic circumstances, the opportunity to express and expound their views.

government subsidy?

If the forces of the market will not guarantee the continued existence of a varied press, if the efforts of unions and management within the industry cannot ensure financial viability, what is the solution. Either there must be a redistribution of resources between one newspaper and another, or there must be an injection of capital from outside.

Government subsidies for the press were rejected by the Royal Commission, but it is interesting that successful experiments in this field have been put into practice in Scandinavia. In Sweden, the newspapers (more closely linked to

true, with political parties) are subsidised at a rate related to the number of representatives each party has in Parliament. The *Financial Times*, commenting on the experiment, wrote: "... having subsidies and still, it is claimed, remaining free of government control ... it appears ... is the only workable solution that has been found so far in Sweden. Whether it would work in Britain is another matter, but Finland has followed Sweden's lead by introducing subsidies last year and Norway has recently set up a committee to study the same problem, leaving only Denmark of the four Nordic countries who have not yet tackled the problem."

In the United Kingdom, in what is virtually a two party state, this procedure could lead to complications, and a great variety of possible means of both direct and indirect subsidy have been suggested in this pamphlet. George Matthews in his essay suggests a form of levy on newsprint on the basis of need. It is my opinion that a levy within the industry itself, based on the quantity of newsprint consumed, and allocated to each newspaper in accordance with the imbalance of (or in inverse proportion to) editorial matter and advertising, could provide a solution. Administered by the industry itself, it could avoid the suggestion of state interference; though even George Viner's state sponsored agency for the supply and pricing of newsprint precludes in practice government control. A levy would give necessary support to the less favoured newspaper although it might seriously inhibit the publishing of new newspapers.

George Matthews and John Ryan have examined the arguments for and against the support that might be given by means of government advertising. The Royal Commission of 1961-62 declared that the Government must, in effect, be allowed to place its advertising in accordance with the advice of professionals in the field; as John Ryan points out this is valid in economic terms, but it is questionable whether the same market research factors should dictate the placing of advertisements designed to inform and

persuade, as control the placing of advertisements to sell.

The Chairman of the housing or education committee of a great municipality, trade union officials at all levels, co-operative officials and other people in the broad Labour movement will not usually be in the upper income brackets. But they represent influence and control of economic factors just as much as the high salaried managing director of a great company. They may be worth persuading even if they are identified as readers of the less affluent (and curiously always the more radical) newspapers.

The general conclusion of contributors to this pamphlet has been unanimously in favour of increasing rather than decreasing the number of newspapers printed. One of the most prevalent and strongest suggestions for reversing the present detrimental trend has been the setting up of a public authority, company, or corporation on the lines of that operating in broadcasting. Raymond Williams, Richard Briginshaw and John Ryan all emphasise the advantages of such a proposition, as well as the risks and the vast structural reorganisation involved. This idea will repay further study and discussion in depth, but there is yet another alternative. The licence to print money in commercial television could be endorsed by an insistence that some percentage of the money so coined be turned into a subsidy for newspapers. To review the communication industry as a whole, is to conclude that newspapers have a vital part to play (albiet not always a very profitable one) in the education of public opinion, which may only be stirred (as well as entertained) by television. To enforce the transfer of funds from one sector to the other within this communication industry would be to redress an existing lack of balance. This would be to do no more than extend the principle already operating successfully in the film industry.

Thus we should note carefully the implications of the Eady Plan. The Eady Plan is now statutory—a method by which a fixed percentage of takings is siphoned

from the cinematograph exhibitors and given to film producers, on a fixed scale. Purely objective criteria operate; there are no value judgments by those concerned. There are variations in the subsidies but these are dictated solely by the size of the units; comparable variation would have to be built into a scheme for newspapers. By such a method one could subsidise newsprint or whatever else was agreed, as the measure at a higher rate for the lower circulation papers in any group (national daily, national Sunday, local weekly, and so on). A scale could be worked out whereby for example the *Mirror* received nothing, but the *Sun* or *Guardian* received significant help.

The Eady Levy is administered by the Board of Trade on the advice of the Cinematograph Films Council. This is composed of representatives of different sections of the film industry plus an independent chairman and four or five independent members appointed by the President of the Board of Trade.

conclusion

The press, as we have seen in the previous chapters, is part of a dynamic industry. It is for this reason that all the contributors—although from different backgrounds, and political standpoints—have rejected the thesis put forward by Rex Winsbury in the earlier Fabian pamphlet, *Government and the press* (Fabian tract 379). He says that it is better that there should be fewer national newspapers than that the press fall under Government influence. This is an unfortunate and unfair assessment of the way decisions are already taken in the industry and of the success in this country of government assistance to social, educational and cultural enterprises without attempts to control their quality.

Colin Seymour-Ure in his book, *The press, politics and the public* (from which we have gratefully extracted a number of the tables), argues on the same line for fewer newspapers. This argument breaks down on two main grounds. Or

the implicit assumption that a semi-monopoly newspaper, supposedly politically neutral, very wealthy, will do an adequately alert job as a watch dog on governments. The other is the risk of conformity to our culture. To rely on a very few newspapers to carry the main institutional role of the press is to leave, in effect, the determination of the agenda of debate in very few hands. As Mr. Seymour-Ure says, newspapers may not determine what people think, but they do decide what people should think about.

The semi-monopoly consensus will, I believe, be dangerously indifferent to the minority interests, to the minority grievances, to new ways of thinking—in fact, to many of those things that are now ignored only because not every paper is content with the middle ground in politics. It is dangerous to minimise the political influence of newspapers. True, they are not intended to persuade their readers how to vote, but on particular matters they can influence decisions (whether it be the reconsideration of the London telephone exchange project or the revision of the application form, to name but a couple of recent examples), and they can significantly alter the direction of political argument. To minimise the political importance of newspapers is to miss the point that they are instruments of social and cultural change.

The answer lies not only with management, the trade unions and the reader, but with Government itself to ensure that an important means of expression in a democratic society is not curtailed because of a failure to act in time.

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Fabian society the authors

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