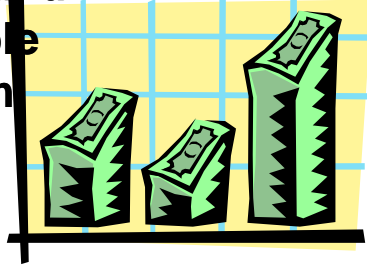


## Corporate interests and responsible journalism



## Libertarian theory

Similar to Enlightenment theory

Assumes people are rational and truth is discoverable in secular, empirical way

Knowledge can only be gained by experience and reflection on experience.

Knowledge isn't handed down from a higher authority

John Locke:

People control the government

People can remove a ruler who fails to secure the public good.

The ruler's authority is conditional rather than absolute.

The market place of ideas:

Differing ideas compete for our support

The market place is the media

Reporters must remain fair and objective in order for all ideas to compete fairly

The People find a "shared" truth in the prevailing idea

Marketplace of ideas is shrinking

- Fewer competing newspapers
- Handful of corporations own almost all media

## Who owns the broadcast media

Clear Channel: <http://www.cjr.org/resources/?c=clearchannel>

Viacom: <http://www.cjr.org/resources/?c=viacom>

Time Warner: <http://www.cjr.org/resources/?c=timewarner>

The Walt Disney Co: <http://www.cjr.org/resources/?c=disney>

General Electric: <http://www.cjr.org/resources/?c=ge>

News Corp.: <http://www.cjr.org/resources/?c=newscorp>

Source: Columbia Journalism Review

## Who owns the music industry

### ● recording giants

4 companies produce about 75% of all recordings

- Sony BMG Music Entertainment
- Universal Music Group
- Warner Music Group
- EMI

artists: <http://www.emi.com/page/emi/Artists/0,,12641.00.html>

- have huge economic advantage over independents

- > can mass produce copies at lower cost
- > have big promotion budgets

### ● independents (indies)

- risk takers
- more attuned to new sounds
- were first to record rock 'n' roll

### ● recording industry is in a financial tail spin:

- 1984: revenues were \$4.4 billion
- 1995: revenues were \$12 billion
- 1998: revenues were \$14 billion
- 2008: revenues were \$5.44 billion



## 2008 Year-End Shipment Statistics

202-775-0101

Manufacturers' Unit Shipments and Retail Dollar Value  
(In Millions, net after returns)

	2007	2008	% CHANGE 2007-2008
<b>Digital</b>			
(Units Shipped)	809.9	1,033.0	27.5%
(Dollar Value)	801.6	1,022.7	27.6%
<b>Download Single</b>	42.5	56.9	33.9%
<b>Download Album</b>	424.9	568.9	33.9%
<b>Kiosk<sup>1</sup></b>	1.8	1.6	-8.7%
	2.6	2.6	-1.2%
<b>Music Video</b>	14.2	20.8	46.7%
	28.2	41.3	46.7%
<b>Total Units</b>	<b>868.4</b>	<b>1,112.3</b>	<b>28.1%</b>
<b>Total Value</b>	<b>1,257.2</b>	<b>1,635.4</b>	<b>30.1%</b>
<b>Mobile<sup>2</sup></b>			
	362.0	338.4	-6.5%
	880.8	816.3	-7.3%
<b>Subscription<sup>3</sup></b>			
	1.8	1.6	-15.0%
	201.3	188.2	-6.5%
<b>Digital Performance Royalties<sup>4</sup></b>			
	47.0	81.8	74.1%

Physical	2007	2008	
CD	511.1	384.7	-24.7%
	7,452.3	5,471.3	-26.6%
CD Single	2.6	0.7	-71.7%
	12.2	3.5	-71.3%
Cassette	0.4	0.1	-62.8%
	3.0	0.9	-70.7%
LP/EP	1.3	2.9	124.1%
	22.9	56.7	147.7%
Vinyl Single	0.6	0.4	-30.9%
	4.0	2.9	-27.4%
Music Video	27.5	12.8	-53.6%
	484.9	218.9	-54.9%
DVD Video <sup>5</sup>	26.6	12.3	-53.8%
	476.1	215.7	-54.7%
<b>Total Units<sup>6</sup></b>	<b>543.9</b>	<b>401.8</b>	<b>-26.1%</b>
<b>Total Value<sup>6</sup></b>	<b>7,985.8</b>	<b>5,758.5</b>	<b>-27.9%</b>
<b>Total Retail Units</b>	<b>464.4</b>	<b>348.7</b>	<b>-24.9%</b>
<b>Total Retail Value</b>	<b>7,495.3</b>	<b>5,474.3</b>	<b>-27.0%</b>
<b>Total Digital &amp; Physical</b>			
<b>Total Units<sup>7</sup></b>	<b>1,774.3</b>	<b>1,852.5</b>	<b>4.4%</b>
<b>Total Value</b>	<b>10,372.1</b>	<b>8,480.2</b>	<b>-18.2%</b>

Boston University graduate student Joel Tenenbaum, who admitted illegally downloading and sharing 30 songs, must pay \$675,000 to four record labels.





**Cross ownership and conglomerates create conflict of interest problems**

- corporation's loyalty to its stockholders

vs.

- loyalty to a nation and its ideals (human rights, democracy etc.)
- loyalty to the tenets of good journalism (truth, fairness etc.)

**Social Responsibility Theory**

Media's responsibilities:

- > Provide a truthful and comprehensive account of the day's events in a context that gives them meaning
- > Serve as a forum for the exchange of content and criticism
- > Cover all of the diverse community
- > Present and clarify the community's goals and values
- > Provide full access to the day's events

**Conflict of Interest Checklist\***

Newspapers and broadcasters play a dual role in a community, as journalists and as corporate citizens.

While these roles are not mutually exclusive, media leaders must guard with vigilance their organizations' stewardship role in society.

\* "Doing Ethics in Journalism"

They must also ensure that their primary obligation to the public is not eroded by other legitimate goals, such as:

- a quest for economic gain
- the interest of being a good corporate citizen
- the concern for their own employees
- the desire to be competitive in the marketplace

**Ethical decision-making tools:**

- **Communitarianism**
  - your obligations to your community
    - > deals with society-wide issues
    - > community's needs are more important than individual's needs

### Ethical-decision-making tools:

- **The Veil of Ignorance**

- treat everyone equally and justice will prevail
- > we cover our eyes so we don't see differences in power wealth, education, responsibility etc.

### Ethical-decision-making tools:

- **Bok, Clark, et al**

- How do I feel about the action?
- How will my actions affect others?
- What good would publication do?
- Can I justify this to other people, the public?
- Is there any other way to achieve the same goal that will not raise ethical issues?
- Does this decision fit the kind of journalism I believe in and how people should treat one another?

### Ethical-decision-making tools:

#### Potter's Box

define  
the  
situation



define  
the  
values



chose  
your  
loyalties



define the  
ethical  
principles