Can Media Policy do without "Culture" and "Society"?

Rob Schaap

University of Canberra Division of Communication and Education

Abstract

The profound changes that have beset Australian communications policy over the course of the last thirty years are often thought to have had their genesis in the technological shake-up which became manifest in Australia in the mid-1980s, in primarily local developments, or in the apparently autonomous realms of 'discourse' (O'Regan, 1993; Cunningham & Turner, 1997; Spurgeon, 1997). I think such analyses constitute a focus on symptom rather than pathology, often imply a dangerously anti-humanist technological determinism, and distract us from a wider and more decisive context - that of the profound political economic changes which occurred in the United States in the 1970s. In fact it was there and then that the institutional power relations which were to mark the rest of the century, in America and Australia alike, were forged.

This paper is based on the suspicion that the twin ideologies of technological determinism and economism have so permeated the Australian debate that the policy community's many critics there effectively share the world view of the objects of their derision. In its postmodern turn, the left has constructed for itself a worldview thoroughly incapable of critiquing, never mind surmounting, the current orthodoxy. A consequence of this effective conflation of views is that categories like 'society' and 'culture', the ontological mainstays of the nation-building ethos that sustained Australian media policy before the mid-1970s, are being effaced by a new hegemonic structure. Since the mid-70s, 'Media policy' has been left with ever less rationale and coherence.

This transformation cannot adequately be explained without recourse to the US political economy of the early 1970s, as a general crisis of accumulation coincided with a need on the part of companies formerly committed to Department of Defence and NASA contracts to find civilian markets, and a correspondingly new hegemonic order became necessary.

I suggest that the international political economic context should remain an important platform for analysis and policy as we may be approaching a moment in which the new mode of accumulation and its attendant hegemony are confronting a conjuncture of crises. As such moments occasion new constraints on the thinkable and the doable, so do they create new opportunities for reappraisal and action.

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Introduction

It is, after all, only common sense to say that we exercise our freedom through co-operation with others. If you join a social group - let us say a dramatic club - you expect that it will increase your freedom, give your individual powers new stimulus and opportunity for expression. And why should not the same principle apply to society at large? It is through a social development that mankind has emerged from animal bondage into that organic freedom, wonderful though far from complete, that we now enjoy (Cooley, 1922: 50).

From Charles Cooley (1922) to Raymond Williams (1981), the idea persists that needless constraints on mutual access and democratic expression undermine society's 'organic' essence, and thus represent an assault on human freedom. Culture is effectively defined as a self-enabling, self-defining but typically unconscious collaboration in the face of life's material opportunities and constraints. On such an account, media have the capacity to promote this social dimension of the self and facilitate the cultural process. They also have the capacity to do the opposite.

'Society' is a notion which has been bundled into the dustbin of history by neo-classical zealot (witness Thatcher's proclamation that 'there is no such thing as society') and earnest postmodernist alike (for to appeal to such a notion threatens 'to do violence to the particular'), and whatever is meant by 'freedom' today, it can have little to do with social development.

This is because the last thirty years have seen a profound shift in the contradictory but mutually constitutive relationship that pertains between the state (primarily in its role as function and guarantor of constitutional democracy) and commercial industry (whose economic - negative - freedom begins to impinge on the political freedoms upon which constitutional democracy is based). As Hawkins (1991) reminds us: "[n]ot only is 'cultural policy' a continual process of producing meanings for 'culture' but these meanings also emerge in a network of power relations between government and those who are funded or regulated."

Statements uttered in such Foucauldian terms are rarely taken as invitations to the prosaic realms of political economy, but, if we are properly to appreciate the transformations which have beset the discourse of social, cultural and media policy in Australia over the last thirty years, it is to political economy we must turn:

Political Economy ... is concerned with the historically constituted frameworks or structures within which political and economic activity takes place. It stands back from the apparent fixity of the present to ask how the existing structures came into being and how they may be changing, or how they may be induced to change. In this sense, political economy is critical theory (Cox, 1995: 32).

Cox defines 'structure' as an institutionalised 'picture of reality' and it is within these that policy is inevitably made. Cox stresses that these structures change over time and that people

have a hand in changing them. Structures condition our view of the world, but we condition them, too - and political economists of a critical bent hold that we can do so consciously. As Gramsci once told us (1992), and as thirty years of Australian experience have shown us, hegemony is neither complete nor stable . Much of the structure we call Keynesianism is gone, and a hybrid economism, part neo-classical and part Austrian, has become the new lens through which our policy makers apprehend their world. One even hears, in the mix of trepidation and triumphalism that marks our millenarian moment, a few tendentiously selected phrases from the pen of Joseph Schumpeter (1942).

This observation presents the critical political economist with two tasks: the political economic component lies in explaining how and why this discursive transformation came about; and the critical component lies in identifying the inherent dangers and, perhaps, suggesting some potential solutions. What follows represents an attempt to make a start on these undertakings, with reference to Australian social, cultural and media policy, but in the hope that lessons of direct relevance to the Turkish context may be gleaned.

The Australian Historical Context

Throughout the century, communications policy in Australia has typically been informed by a fluctuating combination of two sensibilities: an awareness of the tyranny of distances, both from 'the old country' (Great Britain) and within the new; and an abiding faith in the good judgement of the British, where a public telecommunications carrier monopoly and Lord Reith's model of public service broadcasting had thrived in a political culture where even a Conservative Prime Minister had been known to assert that, "(m)ost of us recognize that the old system of free unplanned capitalism has passed away" (MacMillan, 1937: 1, quoted in Seaton, 1988: 123).

By the mid-1970s, it had long been a bipartisan article of faith in Australia that government should have a significant role in social and economic planning. Indeed, Butlin et al. identify centralisation at the level of public policy, corresponding concentration on the part of private organisations and increasing government regulation as the 'outstanding characteristics of allocative and regulatory intervention after 1945:'

> *The role of the Federal bureaucracy accentuated opportunities for autonomous action, by government and focused private pressures at the Federal level ... (due in part to) ... strong elements of constraint on private decision-making for aggregate economic purposes rather than for purposes of particular markets (108-9).*

In short, this tradition of *colonial socialism* (as Butlin termed it) had helped produce a centralised bureaucracy, committed to the promotion of articulated national goals, and strong enough to do this at the expense of substantial private interests.

Impassioned public debate about the socio-cultural functions of media persisted well into the 1970s. Medium theorists like Fred and Merilyn Emery with *A Choice of Futures* (1975) and class theorists like Humprey McQueen with *A New Britannia* (1970) and Bob Connell with *Ruling Class, Ruling Culture* (1977) warned us against the hypnotic medium of television and its capacity to perpetuate and normalise the pastimes, prejudices and world views of the bourgeoisie, both in its British and local guises.

Oft-criticised these days is the implicit (and sometimes explicit) proposition that the media were a channel (whether it be framed as technology or ideologically-bound institution) by or through which the passive audience was brought to heel. 'Culture', then, was something imposed from above rather than deployed from below. It followed then, for conservative and social democrat alike, that the logical, rightful and ultimate promoter and protector of 'culture' was the state. For the former,

only the state could ensure that the commercial broadcasters' populist 'lowest common denominator' fare would be balanced by healthier offerings; for the latter, the state was the rightful custodian of an agent so potent in the making of public opinion, so open to abuse, and in a market where sparse population and spectrum scarcity combined to limit viable alternatives (Australian Broadcasting Tribunal, 1984).

Contradicting such theoretical suppositions, but buttressing their effective appeal to the primacy of cultural policy and government intervention, was the cultural theory gaining prominence in Britain at the time. For thinkers of the British 'New Left', culture was most definitely a lot more than the unidirectional imposition of anything, whether it be 'correct values' or the evils of cultural catalepsy and political hegemony. Neatly summing up the New Left's general attitude to culture, Raymond Williams was to write:

> To say that all culture is 'ideological' need mean no more than that (as in some other current uses) all practice is signifying. For all the difficulties of overlap with other more common uses, this sense is acceptable. But it is very different from describing all cultural production as 'ideology,' or as 'directed by ideology,' because what is then omitted, as in the idealist uses of 'culture,' is the set of complex real processes by which a 'culture' or an 'ideology' is itself produced. And it is with these productive processes that a full sociology of culture is necessarily concerned (1981: 28-9).

This insistence, that 'culture' is 'ordinary' in the sense that it comes from lived experience in real social settings, whose constitutive relations are themselves dialectically intertwined with the forces of production, rendered culture, by intention and in effect, a very political act, for it rendered 'culture' political by definition:

> It was ... perfectly clear that the majority of the people, while living as people, creating their own values, were both shut out by the nature of the educational system from access to the full range of meanings of their predecessors in that place, and excluded by the whole structure of communications - the

character of its material ownership, its limiting social assumptions from any adequate participation in the process of changing and developing meanings which was in any case going on (1967: 29).

This association of culture with a democratic communications system is evident in both the policy and the rhetoric of the government of the day. Whitlam's social democrats forced through licences for new public radio stations, increased funding to the performing arts, introduced quasi-national multicultural radio and television stations, and introduced publicly-funded film finance authorities. In announcing the introduction of FM radio in 1974, Prime Minister Gough Whitlam declared:

> FM radio will bring new clarity of reception and make possible a new range of stations. It will enable greater participation by the community in media services, in entertainment, news, comment and discussion. It will enable proper recognition to be given to the needs of cultural and social minorities.

Whitlam's sentiments were echoed in the media, and by technocrat and bureaucrat alike:

> The Radio Times opined in late 1975 that, "[t]here are numerous local pressure groups in the community who receive very little coverage in the media, and that which is given trivialises the issues and distorts their position in the political spectrum. The mass media thrives [sic] on the perpetuation of myths (4).

The authors of Telecom Australia's strategic directions report, Telecom 2000 wrote in that same year (1975) that: "a suitable balance between business performance and the social implications of future decisions requires that the commission be fully aware of community needs and attitudes which may not necessarily be reflected in the market place" (quoted in Reinecke, 1984: 30).

A member of staff on the Coombs Inquiry summarised public sentiment concerning the Australian bureaucracy at the

time (1975: 22, at 2.4.3) as follows: "(T)he administration is, consciously or unconsciously, the instrument of dominant social groups and the values which they espouse: that its composition reflects this domination" (Hawker, 1977: 158).

Yet, however strident and popular these effective identifications of culture, democracy and society with media and the *raison d'etre* of media policy appeared to be, the radical-democratic moment was soon to pass, and Australian social, cultural and media policy was quick to reflect this.

In late 1975, Whitlam's social democrats were removed from office, and by 1977, media magnate Kerry Packer was gaining government sympathy for a publicly financed satellite to relay metropolitan commercial television throughout regional Australia. This not only constituted a socialisation of the cost of augmenting private profit, it also heralded the introduction of a domestic satellite system which offered no practical advances to the Australian telecommunications system other than a potentially autonomous end-to-end alternative to it (Reinecke). *The Green Report* (Australian Parliament 1976) had recommended the public service broadcaster (Australian Broadcasting Commission) not be funded to compete with commercial broadcasters in the offering of popular genres, effectively recommending the marginalisation of the only medium to address Australians as citizens rather than commodities. The ABC has undergone a series of cuts in its appropriations ever since. For their part, the newly autonomous Telecom Australia (one of Whitlam's last acts had been to split Telecom off from the Australian Post Office and remove it from Public Service Board oversight) had adopted a corporate plan which effectively effaced the notions of 'community' and market-skepticism to which they'd committed themselves only months earlier (Moyal, 1983: 306; Chanter, 1989: 192). Even the *Coombs Inquiry* had effectively enhanced the power of departmental heads without enhancing the mechanisms and procedures which they might be held accountable (Troy, 1977: 94).

A New Consensus?

The tide was turning in the Anglo-Saxon academy, too. Courses in political economy had begun to disappear from Australia's economics faculties, often amidst vicious infighting and rancour. In a foreword to a 1976 text on Australian political economy, for example, Simpson-Lee had this to say:

> I should have liked to have been able to say in this Foreword that it is a matter of pride and propriety that this highly innovative and important book should have originated in the oldest, largest and most illustrious university in Australia, but that would be to mislead the reader into believing that things are as they should be in such an institution. In fact, this book is born of a long and bitter struggle involving staff and students in the Department of Economics for the right to try to come to a better and fuller understanding of how the economic system really works and how it can be made to serve the welfare of mankind (Wheelwright and Stilwell, 1976: v).

Communications departments were not to be spared. Adrian Mellor (1992: 664) and Jane Gaines (1991: 243) are two commentators to have remarked the pressures on 'Cultural Studies' to abandon its political *raison d'etre* and blunt its edge. Whilst, as Graham Murdoch has observed, "the takeoff of cultural studies to growth is almost exactly coterminous with neoliberalism's dominating economic and social policy and with the gathering crisis in the traditional rhetorics and organizational forms of established politics, and more particularly of socialism" (91), it is also true that cultural studies has largely "decamped from the political project" (Leivesley, 1997: 6). In their campaign to dissolve certitude, debunk the metanarrative, and efface theoretical humanism, the post-Althusserian apostles charged appeals to 'society', 'the public sphere' and 'the critical ideal' with logocentrism (universalising discourse in a reality of incommensurable particularities). That the Anglo-Saxon cultural studies faculties so readily took these French theorists to their heart annoyed the likes of Jameson (1991), Eagleton (1995), and Agger (1992), who discerned in this 'postmodern' *ennui* a

blurring of the public and the private realms which betrayed the same antipathy towards the state and the public sector evident in neoclassical economics and its corollary in political science, public choice theory.

James Carey has made the McLuhanesque move of explaining such structural transformations in terms of technological developments, which had "... cultivated new structures in which thought occurred - national classes and professions - new things thought about - speed, space, movement, mobility - and new things to think with - increasingly abstract, analytic, and manipulative models" (84).

This, argues Carey, makes thinkable a centralised technocratic social management and a concomitant 'high communications policy'. Such notions had been mooted in JK Galbraith's famous *The New Industrial State* in 1967 and then again by Daniel Bell, in his even more influential *The Coming of Post-Industrial Society: A Venture in Social Forecasting* (1973). In the latter, Bell envisages a new class of white-collar workers, which "functioned neither as catalyst nor as ruler of a debased and a dominated polity, but rather as the basis of a new social order, in which knowledge rather than market relations would be primary" (Schiller, 1996: 162).

Whilst leading Australian communications scholar Tom O'Regan at least allows for some influence on the part of economic transformations in the reputed ascendance of this 'high policy' sensibility (31), he does confine this to specifically Australian developments and to the specific decade in which technological and policy change was most apparent there, the 1980s.

It is precisely the position of this writer that, insofar as we may speak of 'high communications policy' at all, its heyday had in fact passed by the 1980s, and that the rationales upon which such a policy could sensibility rest had been under the concerted attack of primarily US vested interests since the early 1970s. The

age of a centralised and integrated nation-building public policy, informed at once by an egalitarian bow to cultural democracy and the guiding hand of the engineer, was actually giving way to an order totally uninterested in such policy imperatives. Whereas technological convergence was pointing in one direction [as Herbert Schiller argued, "the separation of culture, politics and economics is now absurd ... when culture is the economy" (77- 81)] academic, bureaucratic and legislative tendencies were clearly headed in the opposite direction.

Beyond the secured corridors of the US military industrial complex (for much of the new technology was still an official secret), only the union movement seemed aware of technological convergence and its implications for policy. The Union of Postal Clerks and Telegraphists provide us with the first utterance of the notion of technological convergence in the Australian policy process in 1974. The union submitted that 'the direction of technological change implied a greater unification of all forms of communication' in its argument against the separation of Telecom from the Australian Post Office. Yet the separation went ahead, and the newly autonomous Telecom promptly forgot the social-ontological premises of its *Telecom 2000* policy guide, opting instead for the pursuit of four corporate priorities: "service and its improvement to meet customer needs; efficiency in the organisational structure and work environment; staff relations and development, and technological improvement" (quoted in Moyal, 1984: 306).

This reduction of society to 'customers' implied a divorce between 'communications' and 'culture' insofar as a direct, exclusive and purely commercial relationship is presupposed between medium and user. Importantly, the definition of 'technological improvements' depends on the definition of one's constituency. Basic universal service (in which respect Telecom had been an unrivalled success, with well over 90% of a huge country's irregularly distributed population enjoying access to the network) is the priority where the citizenry and the cultural

process are the focus; 'value-added services', 'red-lining' metropolitan fibre-optics and resale access to satellite transponders are less so. Implicit in this economistic trend is the definition of communication as the transmission of 'information' (a move Claude Shannon himself had warned against, when his information theory was so uncritically applied to the social sciences). As Dan Schiller argues: "Those who trumpeted the news of post-industrial society's imminent arrival pivoted their theory on information's apparent inherent singularity. Theirs is an uneasy but muted tension, with this antihistorical impulse" (161).

The economic analogue of this move lay in the new sub-discipline of 'information economics', in which 'information' becomes quantifiable (ie. is effectively reduced to 'data') and must thus lose its status as a process in which meaning is generated through the interaction of text, reader and historical context. As of this point, Raymond Williams has nothing to do with communications, and cultural studies nothing to do with communications policy: "In contrast to transportation models, which see media forms ... as vehicles for transmitting 'messages' to consumers, cultural studies approach them as mechanisms for ordering meaning in particular ways" (Golding & Murdock, 1992: 16).

To accept these scientistic compartmentalisations, and to accept 'information' as the discreet commodity theorised by Bell and fellow travellers in economics departments (eg Kenneth Arrow), is, as Dan Schiller argues, to accommodate: "A pronounced tendency to economism: the assumption, so prevalent in contemporary public discourse, that something called 'the economy' could be diagnosed and prescribed for as if it existed in pristine separation from 'politics' or 'culture'. The absence of any clear-cut difference between the two formulations, 'the information society' and 'the information economy,' was symptomatic" (169).

It is hard to see the benefits of the sudden hegemonic abstractions that 'communications' and 'information' underwent

in the Australia of the 1970s. Certainly, the process may be read as a defining moment in terms of Weber's 'iron cage of bureaucratic rationality', Postman's notion of 'technopoly', and Habermas's complaint that the 'lifeworld' is being colonised by the 'system'. Of course, western society had spent centuries inserting a dividing line between its conception of itself as a thing of discreet parts and the complexity of itself as a self-reproducing whole, this does not explain why the particular discursive transformation that concerns us here came to take place when it did, where it did, and in the way it did. For that explanation, I submit we need to take a look through the eyes of a political economist; at the US political economy of the early 1970s, where two apparently unrelated developments were unfolding: a crisis of accumulation and a reappraisal of strategic priorities.

The Global Political Economic Context

US multinational enterprises (MNEs) in the mid-1970s were still decisively national in terms of their assets (of which around 78 per cent were based in the 'US), their sales (67 per cent), and their work force (72 per cent) (Cohen, 1990: 14). The figures were even more pronounced in the case of Japanese MNEs, some of which were in the process of replacing US MNEs among the world's fifty largest industrial corporations . But the Japanese economy had become much the more export-oriented of the two, especially since the US had made itself an attractive focus by lowering its tariffs at the Kennedy Round of the General Agreement on Tariffs and Trade (GATT) in 1967. The US economy, for so long relatively closed to the world, was responding to the Cold War competition for allies, by opening its markets to promising candidates, and the proportion of international trade of US GNP had grown from 9.4 per cent in 1950 to 13.7 per cent in 1973 (Batra, 1992). Yet foreign affiliates of US MNEs were still contributing only 2.3 per cent to US business gross product in 1977 (Cohen, 1990: 15). The economic problem associated with Washington's Cold War strategy was that it was

opening the US economy just as its typically oligopolistic manufacturing sector was falling into relative decline, and, for the first time in decades, US consumers were buying more foreign product than foreigners were buying US product. On most indicators, the US economy peaked in early 1973; painful years of deindustrialisation, corresponding drops in the real wages of the middle class, increases in the poverty rate, and spiralling personal debt can all be traced to that year (Korten, 1993: 1-4). A sudden decline in the utilisation of US capacity, especially in the manufacturing sector, not only pointed to economic crisis (table 1), but also to a paucity of avenues for accumulation for capital.

Table 1 : US Capacity Utilisation 1965 - 1975

	All	Manufacturing
1965		.89.5
1966		.91.1
1967	.87.0	.87.2
1968	.87.3	.87.1
1969	.87.3	.86.6
1970	.81.1	.79.4
1971	.79.4	.77.9
1972	.84.4	.83.4
1973	.88.4	.87.7
1974	.84.3	.83.4
1975	.74.6	.72.9

The Government faced structurally problematic current account deficits; a spiralling national debt (fast approaching one trillion dollars - see McWilliams & Piotrowski, 1993: 422-423), and continual demands from an insecure electorate for protectionist measures were increasing in number and desperation (Petitions to this effect submitted to the US International Trade Commission doubled between the mid-seventies and early eighties, according to Boltuck and Litan (1991) and *The Economist* (1984: 42)).

On some fronts, the US government was not the only one to give in to popular pressure. Whilst the GATT had been successfully bringing down tariffs throughout the world, corresponding non-tariff barriers were being erected to alleviate political costs after 1973. Such barriers were difficult to stem, as the line between 'legitimate' social policies to do with safety, reliability and compatibility standards and 'illegitimate' protectionism were rarely well defined (Wiener, 1997). The transnationalist advocates of the G7 were clearly faced with significant institutional and popular protectionist sentiment.

Three conditions had to be met if the role of the state was to be successfully transformed in such contradictory times. Firstly, a substantial proportion of corporate interests would have to favour, rather than fear, the transnationalisation process. Secondly, a decisive consensus had to be built on Capitol Hill. Lastly, a concerned citizenry had to be convinced of the need for radical and discomfiting change.

With the end of the 'Space Race' and the Vietnam War had come an urgent need on the part of the high technology and communications sectors for civilian markets and an associated global protection regime for the intellectual property rights upon which their profitability would depend. It was in these areas that the US economy held a decisive advantage over its ever more efficient industrial rivals, and it was here that a harmony of interests, between powerful corporate interests and a legislature looking for a way out, could be exploited and developed. The USA was the world's largest exporter of services and France the second largest. In both cases, trade surpluses were already growing in services to offset the trade deficits they were enduring in their merchandise sectors. By 1981, the former was in surplus by $38.9 billion in the USA, whilst merchandise was in deficit to the tune of $27.8 billion (Wiener, 1997). This coincidence of a conjunctural economic crisis, hoarded capital looking for new modes and loci of accumulation, and an information technology sector striving for civilian markets to absorb the capacity left idle by the loss

of Defense Department and NASA accounts was to be singularly decisive in shaping the economic and communications policy environments around the world for at least a quarter of a century.

Milton Friedman's monetarist prescriptions were translated into policy in 1979, when Trilateral Commissioner and US President Jimmy Carter appointed Trilateral Commissioner and Chase Manhattan Banker Paul Volcker chair of the Federal Reserve. Volcker promptly attacked the inflation rate by tightening the money supply, and the Keynesian era would not return until the rehabilitation (in practice, if explicitly not by name) of the cold-war military Keynesianism instigated by Ronald Reagan two years later. Friedmanism had effectively exacerbated suspicion of government enterprise, heralded the destruction of the social ontology that characterised hegemonic Keynesianism (Pusey, 1985), and introduced narrow view of the economy such that institutionally sensitive policy criteria and imperatives were all but effaced. In this sense, Friedmanism had consequences for hegemony in general (best characterised as a selective reinforcement of entrenched cultural assumptions and values) and certain institutions in particular (in the case of, for instance, the Federal Communications Commission, the consequence was to be much more dramatic).

An economic theory of politics lay immanent in the 'new' economics, but it was a theory within which a political theory of the economic was quite unthinkable. The promised transnational harmony of the new world order had been driven by the needs of commerce, and, to the extent it was to come about, would be at the expense of the political. The public had, in effect, been trumped by the private. As Self notes: "[T]he market system must be seen not simply or primarily as a spontaneous system of voluntary exchanges but as itself a political governed by objective economic laws, but as itself a political system" (203).

The pristine isolation of 'the economic' from the muddy waters of 'the social' was, as Friedman noted, good for model-building. But it was also singularly good at projecting its econometric assumptions into the political culture in general, and the academy in particular, in the form of commonsensical premises. The Heritage Foundation (founded, like the Trilateral Commission, in 1973), the American Enterprise Institute For Public Policy Research and the Hoover Institute (which combined to fund annual lecture tours by Hayek from 1974), research centers for conservative intellectuals financed by generous amounts of hoarded, or uninvested, corporate money, were providing Capitol Hill with position papers and the media with press releases on a variety of subjects, all opposing established fiscal policy in favour of a new approach to monetary policy, and all calling for a narrower conception of the proper role of the State. Major contributor to this research and dissemination programme were the International Chamber of Commerce (ICC) and the Coalition of Service Industries (CSI), both vastly interlocked peak bodies representing European and US transnational finance (American Express and Citibank, for two), both pressure groups for the liberalisation of trade on both sides of the Atlantic (Wiener 1997), and both represented on the Trilateral Commission. As Friedman's famous 'Free To Choose' made clear, there is only one freedom and that is freedom of the individual from constraint (a negative freedom, in Berlin's terms). Elster explains how such a political philosophical individualism must produce an exclusive methodology in which, "[A]ll social phenomena - their structure and their change - are in principle explicable in ways that only involve individuals - their properties, their goals, their beliefs and their actions" (5).

It was at this historical juncture that the philosophically materialist and holistic conception of cultural studies advanced by the British New Left first found itself challenged by Foucault's attacks on enlightenment notions like

materialism and humanism (*The Order of Things* was translated into English in 1970 and *The Archaeology of Knowledge* in 1972), Derrida's attacks on universalism and meaning (*Of Grammatology* was translated in 1976), and Lyotard's attacks on the rational and the whole (*The Postmodern Condition* was published in 1979). Joining the negatively free autonomous individuals beloved of the public choice theorists, were the dis-joined, de-centred, fragmented, incommensurabilities at the core of the postmodern anti-philosophy. The marriage has hitherto been a happy one.

Public Choice theory was left very much alone as it set about recasting the institutions of Keynesian public enterprise. If politicians and public sector workers were driven by selfish material goals, it followed that they should be constrained such that their rational pursuit of said goals not undermine the public good (ie. the aggregate of private goods). Furthermore, if the service or goods rendered by the public sector were offered freely, or even at subsidized prices, then the rational acquisitors who constituted 'the public' would have reason to 'over demand' said service or good. This would, in turn, ensue in a motivation for politicians and public enterprises alike to call on more funds from the public purse. All would eventually be complicit in the economic destruction of the polity. As Self points out, systems attuned to obviating potential market failures were being transformed to avoid government failure (3). In appealing to the 'price mechanism' as that which would equilibrate supply and demand, public choice theorists effectively assumed a perfectly competitive market (in which case the issue of market failure could not arise). Furthermore, an economic definition of 'public goods' was posited: "A pure public good is a jointly supplied one from which individual consumers cannot be excluded" (Self, 1993: 36). Public Choice's attitude to public telecommunications companies was consequently definitively antagonistic. Channels of information, and the data thus transmitted, could be confined to an individual consumer (albeit, at some cost), so telecommunications did not constitute a public good. Should access to those channels be free, the public purse would continually be charged with expanding the network's capacity. This development would suit the corporate interests of the telecommunications company (which would correspondingly grow in size, power and disposable funds) and, in the all-important short-term, the government generous enough to fund the supply of capacity.

'Keynesian' public enterprise telecommunications companies and public service broadcasters throughout the world would be assailed by these arguments from the mid-1970s, when new technology and new applications would be deployed, and new needs and wants created, to threaten governments with the prospect of huge infrastructure budgets and depleted rationales.

The Information Revolution in Context

Much of the development and diffusion of the computer and the satellite was undertaken within this context, and it this point most Australian commentators have ignored. Indeed, they represented important contributions to that context, as a new round of expensive fixed capital investment was born. The combination of this rise in the organic composition of capital (as the cost of fixed capital again represented an ever greater proportion relative to the cost of labour) with a secure and industrially assertive working class and thoroughly rejuvenated competitive economies in Western Europe and Japan, threatened US corporations with lower profits and higher inflation.

The corporate response was to fund a public relations campaign of unprecedented proportions, identifying 'free enterprise' with the myths upon which US identity had long depended. This contribution to the 'closing of the American

mind' needed to be extended beyond US shores, both at the level of popular ideology ('grassroots') and policy elites ('treetops'). In 1974, for instance, the United Kingdom, West Germany, The Netherlands, Australia, New Zealand and Israel all had distinctly left-of-center governments, and Portugal and Spain lay on the verge of sharp deviations to (respectively) socialist and left-liberal governments. Of this campaign in Australia, Carey wrote: "There should be no doubt that the objective of corporate grassroots and treetops propaganda is an expansion of neo-conservative doctrine" (105).

All this was making its mark within the context of the sudden need for new markets for technologies developed during the recently concluded race to the moon and the recently lost Vietnam War (Lyon, 1988: 26-35). The US response to Soviet nuclear capacity was to integrate its radar system, a computer 'net' to analyse the data, and the telecommunications network, to which was added digital processing equipment to render radar signals communicable. The Soviet 'Sputnik' launch, in 1959, moved President Kennedy to institute the 'space race', and it was the concomitant need for component miniaturisation which prompted a federal programme to seed and support research and development firms, some of which would base themselves on the relatively cheap real estate of Santa Clara County, in what was to become 'Silicon Valley'. A more succinct technological definition of the 'technological convergence' which has reputedly revolutionised our world can hardly be imagined, and its political economic roots are equally evident: Keynesian stimulus, enabled and constrained through Defence Department funding and coordination of research, development and production, within the context of a 'Cold' War.

Given the need for the capital hoarded immediately before and during the 1973-1976 crisis, the need to find new avenues of accumulation was intense if depression was to be avoided : "[T]he real challenge for individual firms and for capitalism as a whole was to find new markets able to absorb a growing productive capacity of goods and services" (Castells, 1999: 80).

The US information technology sector had the wherewithal to provide this. To create the world system necessary for the valourisation of this capital, several conditions would need to met.

A transnational intellectual property regime would be essential to protect the US's singular advantage in the decisive sector. If information is not excludible and rivalrous it can not be a commodity (Delong & Froomkin, 1998).

> The movement to deregulation of public telecommunications ... is partly the offspring of ideologically right-wing governments and monetarist economics. But it is also part of the process by which the United States seeks to establish its technological and economic leadership in the world trade of services ... The majority of records and data bases are centred in the United States, and global business demands the right of free passage of such information around the world (Hills, 1983: 2).

Secondly, an increase would be required in the categories of communication to be commodified. Public custodianship of the electromagnetic spectrum, public service broadcasters, sport, and public libraries all represented foregone opportunity from the point of view of capital. As the first industrial revolution had been generated by the enclosure of the commons, so would the third require its own round of enclosures.

And thirdly, it would be necessary to gain control over the carriage infrastructure, most of the world's telecommunications companies were publicly owned and controlled, and this state of affairs represented a danger to large corporations. To rely on the dissemination of information is to rely on communications channels, and the corporate response to resource dependence is to wrest control over the germaine resources. That this task was an urgent one was more apparent to corporate America than it

was to the governments of the world, few of which showed any understanding of the potential market power inherent in controlling digital networks (price structures become possible under a digital regime that reflect the 'user-pays' model much more accurately than those possible under an analogue system).

> It is necessary to break the PTT monopolies before they are able to institute their plans for Integrated Services Digital Network ... under public control ... would not only make redundant the provision of private information networks, but would also introduce higher costs to multinational business ... ISDN would instigate a costing of transmission by the 'bits' of information passed. Costs would therefore escalate for the major users of the system - multinational and large business (Hills, 1983: 3).

The political implications of the satellite, too, were generally not grasped. Inevitably expensive and commercially non-viable satellite projects, such as IBM's SBS satellite of 1979, show that at least some corporations understood them rather better. AT&T's long history as monopoly carrier were numbered. And what could undo AT&T, could undo any monopoly carrier anywhere.

In Australia, these commercial imperatives and corporate strategies were to take a variety of forms, from the US-financed Business Telecommunications Services (BTS) public relations and lobbying organisation, to the gratuitous launch of effectively useless satellites to afford potential end-to-end autonomy from the Telecom network, to the slandering of the publicly owned Telecom by programmes on Packer's network (a founding member of BTS) , and to the marginalisation of communication (as 'information'), culture (as 'audio-visual product'), society (as 'market'), and citizen (as 'consumer'). Shorn of control over the national telecommunications network, and bereft of categories which evince the links between society, polity, culture and communication, the Australian government had lost the capacity to formulate anything worthy of the tag 'media policy' by the late eighties.

The Australian government is an enthusiastic member of the World Trade Organisation (WTO), as it was a signatory to the General Agreement on Tariffs and Trade (GATT) before it. The 'Uruguay Round' of GATT of 1994 was where what was left of 'culture' met the ideology of neo-liberalism head-on. Canada and France had angered transnational vendors of audio-visual product by claiming that their periodicals and audio-visual product constituted media of national culture and thus warranted exception from the list of categories of commodities freely to be traded between nations. The legal basis of their argument evinces conceptions of culture redolent of Raymond Williams and the radical democracy aspirations of yore. The Canadian and French delegates had cited the right of peoples and nations to maintain permanent sovereignty over their natural wealth and resources, as guaranteed by the United Nations Charter of Human Rights.

> Sovereignty has historically referred to a nation's right to protect its borders from military invasion; to preserve natural resources, and to choose and protect political social, economic and cultural systems without interference by another state (Frederick, 1992: 121).

It is tenable to read into this defence a dual conception of 'culture'. For the Canadians and the French, 'culture' was to be defined as both the medium through which political and social self-reflection and reproduction took place and those artefacts taken to be representative of that process.

The US delegates, responding to complaints from the likes of Time Warner that such claims constituted a 'ploy', to disguise simple economic protectionism. For them, even if 'culture' did manifest in an artefact, that artefact's status as a commodity was not compromised by the relation. Polanyi's old argument that the market should be embedded in society, rather than society in the market was formally forgotten and his exhortation that,

> [t]he human economy ... is embedded and enmeshed in institutions, economic and noneconomic. The inclusion of

the noneconomic is vital. For religion or government may be as important for the structure and functioning of the economy as monetary institutions or the availability of tools and machines that lighten the toil of labour (Polanyi, 1957: 34),

was taken to mean that 'business certainty' required the subsumption of these otherwise problematic institutions by 'the market'. Like public telecommunications monopolies, public service broadcasters and publicly subsidised film-finance authorities would be marked for death on the grounds they represented distortions of a free international market place. As Karl Marx noted over 130 years ago:

The separation of public works from the state, and their migration into the domain of the works undertaken by capital itself, indicates the degree to which the real community has constituted itself in the form of capital (Marx, 1857, notebook V, in Tucker, 1978).

Whilst roughly the first 75 years of Australia's communications policy seemed to contradict this prognosis, it seems the normal course of capitalist development has been resumed. The Australian state's capacity to promote the constitutional democracy, without which it has no formal legitimacy, has been so weakened, and it has been so complicit in that abrogation, that we now face a future in which governments do not oppose transnational conglomeration (as once they did, albeit arguably on domestic capital's behalf as much as out of nationalist principles) but facilitate it, as bouts of mergers produced a decisively powerful finance sector, the ascendance of neo-liberal economics to make sense of the new order, and state bureaucrats versed in that discipline:

The result is popular or democratic consensus in rule by the experts (usually bureaucrats) of the modern state whose structures are such that it is unreasonable to demand any alternative to expert rule. Indeed it is 'unreasonable' since the structures of the modern state provide the only conditions for 'truth statements' within it (Beilharz, 1992: 132).

Closing Comments

... the signified of 'free trade' is the self interest of the most powerful (Miller, 1993: 127).

The Keating Labor government's 1994 document, *Creative Nation*, showed that the retooling of 'culture' into a narrowly economic category was complete. Henceforth, 'culture' would be an industrial sector in which the government might invest with an eye to future profits rather than protect and promote as the process of national self-appraisal and development. Even left-leaning critic Jock Given has opposed the Australian government's current efforts to come to a bipartisan agreement with the United States on the issue of trade in ' audio-visual product' because the lack of rules governing such negotiations with the powerful threatens the *industry* (Usher, 2001). No longer, it seems, is a society's capacity to collaborate in its own reproduction of its own structures within its own material setting a sensible idea.

Horkheimer and Adorno's theory that the serialised standardisation of commodified culture would deprive society of avenues for critical self-reflection are to be tested in the Australia of today and, I dare suspect, the Turkey of tomorrow. As people come together at last to question the tendentious fait *accompli* of neo-liberal 'globalism', they might be well advised to look again at the institutionalist political economists of culture out there who call what they see. Marjorie Ferguson is one of them:

Protests about ``competition'' ring hollow from trade czars pushing for unrestricted access to smaller markets, with threats of tariffs or American market exclusion, when the U.S. itself imports less than 2% of its movies and television. For nations attempting domestic cultural protection against the forward march of Western popular culture and the icons of Disney and MTV, the ``realist-mercantilist'' odds are still skewed towards the audiovisual economy elephant rather than the culture-defensive mouse (Ferguson, 1995).

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