

Globalisation and the Structure of New Media Industries

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Globalisation and the Media

Globalisation is a term used to describe, and make sense of, a series of interrelated processes including:

- internationalisation of production, trade and finance, with the rise of multinational corporations, reductions in cross-border tariffs upon flows of goods and services, the deregulation of financial markets, and the rise of Internet-based electronic commerce;
- international movements of people (as immigrants, guest workers, refugees, tourists, students and expert advisers), the development of diasporic and emigrant communities, and the increasingly multicultural nature of national societies;

- international communications flows, delivered through telecommunications, information and media technologies such as broadband cable, satellite and the Internet, which facilitate transnational circulation of cultural commodities, texts, images and artifacts;

- global circulation of ideas, ideologies and “keywords”, such as the so-called export of “Western values”, democratic aspirations or environmental consciousness;

- establishment of international regimes in intellectual property which entrench the enforceability of ownership of knowledge and information;

- emergence of local resistance to globalisation for domestic political and cultural objectives, by both nationalist movements of the political right, and progressive and anti-colonialist movements of the left;

- the development of international organisations, including regional trading blocs such as the European Union (EU), the North American Free Trade Agreement (NAFTA), the Association of South-East Asian Nations (ASEAN) and the Asia-Pacific Economic Co-operation grouping (APEC);

- cultural, professional and standards bodies such as UNESCO, the World Trade Organisation, World Intellectual Property Organisation, the European Broadcasting Union, the Asian Broadcasting Union and the International Telecommunications Union;

- the increasingly significant role played by global non-government organisations (NGOs), such as Amnesty International, Greenpeace, Medicine Sans Frontiers and the Red Cross in domestic and international politics;

- the growing significance of international law to national policies, such as the United Nations Convention on Human Rights, the 'Millennium Round' of the World Trade Organisation and the Kyoto Convention on greenhouse gas emissions.

Developments in communications media have an important role in all of these processes of globalisation. The technological forms that are used to communicate messages influence the communicative practice of individuals and institutions, and this in turn influences societies and cultures. Developments in communications media are important in all processes of globalisation. There are three dimensions to this centrality of media to globalisation. First, media constitute the technologies and service delivery platforms through which international flows are transacted. Second, the media industries are leaders in the push towards global expansion and integration. Finally, the media provide informational content and images of the world through which people seek to make sense of events in distant places.

Manuel Castells (1996, 2000) has provided an important contribution by placing communications media at the centre of the changes that are driving globalisation. Castells argues that the period since the late 1970s has seen a period of discontinuous historical and structural change in the economy, society and culture, driven by advances in information and communications technologies (ICTs). Central elements of this information technology paradigm, or *informational society*, include the pervasive effects of ICTs through all forms of social interaction, the networking logic of systems and social relationships and the flexibility of these networks, and the

convergence of specific technologies into a highly integrated system. As a result, economies have become globally interdependent with effects felt through entire societies as information and communications establish new forms of relationships ‘between economy, state and society in a system of variable geometry’ (Castells 1996, p.1). While there has been an integrated capitalist world-economy since the sixteenth century, the current configuration is, for the first time, a global economy ‘with the capacity to work as a unit in real time on a planetary scale’ (Castells, 1996, p. 92). While both globalisation and ICTs have a ‘fetish’ element to them, in that both are utilised as ideological rationales for political change centred around neo-liberal projects to deregulate national economies (Sussman, 1997), Castells cautions that ‘the prophetic hype and ideological manipulation characterising most discourses on the information technology revolution should not mislead us into underestimating its truly fundamental significance’ (Castells, 1996, p. 30).

The role played by communications media in overcoming barriers of space and time should not be seen as being without historical precedent, although the scale, pace and pervasiveness of change are historically unique. James Carey (1992a) has drawn attention to the profound significance of the development of the telegraph in the 1840s, which enabled the development of the modern, multidivisional corporate enterprise, monopolistic markets and futures exchanges. The telegraph was at the centre of the development of the electrical goods industries; and restructured everyday language through its impacts on popular journalism, as it required a new economy of writing style and made the concept of objectivity central to reportage. Most importantly, it meant that the movement of messages was separated from the movement of physical objects, and hence

communication separated from transportation, and this 'freed communication from the constraints of geography' (Carey, 1992a, p. 204). Associated with this, it changed the way in which communication was thought about, and provided a new model- the transmission model- for conceiving of communication as a social practice. Carey points out that, in this sense, 'the telegraph was not only a new tool of commerce but also a thing to think with, an agency for the alteration of ideas.' (Carey, 1992a, p. 204)

Media have been given a particularly significant role in globalisation debates, because of the particular role that global media are seen as playing in the cultural weakening of the bonds which tie people to nation-states. Drawing upon Ernest Gellner's observation that culture provides the 'political roof' that links a nation to its people (Gellner, 1983), and Benedict Anderson's account of the historical role of popular print media in enabling the development of the modern nation as an 'imagined community' (Anderson, 1991), some have seen the rise of global broadcast media as leading to an uncoupling between polity and culture within the nation, which is analogous to the uncoupling of polity and economy associated with the rise of multinational corporations and global financial markets. Utilising the work of Canadian communications historian Harold Innis (Innis, 1951), Joshua Meyrowitz (Meyrowitz, 1985) and James Carey (Carey, 1992b) have observed that while print culture was associated with the rise of nationalism, as it promoted continuity over time, decentralisation and regional differentiation, broadcast media were space-binding, promoting centralisation of production, decentralisation of dissemination, and international distribution. Drawing upon Anthony Giddens' interpretation of globalisation as a 'consequence of modernity' that involves a 'disembedding' of

social relations from local contexts (Giddens, 1997), Chris Barker has described television as both 'globalized because it is an institution of capitalist modernity', and as simultaneously 'contributing to the globalisation of modernity through the world-wide circulation of images and discourses' (Barker, 1997, p. 13). In other words, global media, and global broadcast media in particular, are globalising in their form as well as their content, and are controlled by corporate interests keen to expand their global market reach. Arjun Appadurai has referred to global mediascapes as one of the five 'landscapes' of global cultural flow- the others being ethnoscaples, technoscapes, finanscapes and ideoscapes - which have generated 'fundamental disjunctures between economy, culture and politics' in all societies over the last 20-30 years (Appadurai 1990, p. 296).

These views represent conventional starting points for conceptualising globalisation of the media. However, they also reflect perceptions that are rooted in the study of North American or European media discourses. There is equal merit in recognising that media industries are regulated by national governments, and the markets for information and entertainment are national as well as international. Most nations continue to impose restrictions on ownership and control over electronic media industries and often use quotas or censorship to inhibit the importation of content (OECD 1999 pp.133-134). Moreover, media companies with ambitions to build global or multinational markets for services or products often face market hurdles including linguistic differences, preferences for local content and collapsing economic conditions. Even new media technologies like the Internet face regulation, although the traditional mechanisms used by governments have much less effect than on traditional broadcasting and related industries. Access to computers, reliable

telecommunications infrastructure and capacities to afford service are market factors inhibiting globalisation. Furthermore, linguistic and cultural factors ensure that only the educated and largely English-speaking elites can use global services, while inequalities of access mean that only about 2-3 per cent of the world's population have accessed the Internet, with 84% of Internet users being in 15 countries, and 40% of Internet users being in North America (Cyberatlas, 2000). Similar levels of disparity are evident in the infrastructure of the new global information economy including the secure servers with encryption technologies sufficient to support contemporary e-commerce and other forms of online business services and government operation. The OECD reported that 95 per cent of the 74 000 secure servers in the world were located in member countries whilst 52 000 were located in the US alone (OECD 2000a).

The Political Economy of Globalisation: 'Strong Globalisation' Theories and their Critics

Any listing of the trends and developments associated with globalisation raises the issue of whether, as Castells proposes, such developments point to a *qualitative* shift in the pattern of economics, social, political and cultural relations within and between states and societies, or whether they are extensions and intensifications of more longstanding trends i.e. as part of a *quantitative* change? There are also important questions of the relationship between local forms of agency

and external structural imperatives. Should globalisation be seen as an external force imposing changes upon local and national laws, institutions and policies, or as a set of developments induced primarily by these institutions? While communications technologies such as broadband cable, satellite and the Internet are often presented as forcing nation-states to become more open to globalising influences, others, such as Linda Weiss in her analysis of the role of the state in East Asian industrialization, have argued that 'globalisation must be seen as a politically rather than a technologically induced phenomenon' (Weiss 1997, p. 23).

Globalisation theories have been developed in the fields of economics, sociology and politics, as well as in media, communications and cultural studies. So-called *strong globalisation* theories argue that these developments mark out such a qualitative shift in societies that the analytical and normative categories that have guided social analysis in the 19th and 20th centuries, such as the nation-state, society, national economies, and national cultures, will be less and less applicable. In arguing that globalisation is a factor in the 'end of organised capitalism,' John Urry presents a 'strong globalisation' case in these terms:

There has been a 'globalisation' of economic, social and political relationships which have undermined the coherence, wholeness and unity of individual societies. Such developments include the growth of multinational corporations whose annual turnover dwarfs the national income of many individual nation states; the spectacular development of electronically transmitted information which enables geographically distant units to be organizationally unified; the fragile growth of international state organisations

which constrain the autonomy of individual nation states; the growth of means of mass communication which can simultaneously link 20-30 per cent of the world's population in a shared cultural experience; the possibility of technological disasters that know no national boundaries... There has been a 'globalisation' of economic and social relationships and of a greatly heightened awareness of the 'simultaneity' of events and experiences occurring in geographically distant locations (Urry 1989, pp. 97-98).

In economic terms, globalisation has been defined by the International Monetary Fund as 'the rapid integration of economies worldwide through trade, financial flows, technology spillovers, information networks, and cross-cultural currents' (IMF 1997, p. 1). An extreme interpretation of the impact of economic globalisation was developed by Robert Reich, former Secretary of Labour in the Clinton Administration, who argued that the erosion of national economic sovereignty since the early 1970s had proceeded to the point where it was no longer possible to claim that 'citizens are in the same large boat, called the national economy... bound together... by a common economic fate,' and that, in the United States context, 'as almost every factor of production- money, technology, factories and equipment- moves effortlessly across borders, the very idea of an American economy is becoming meaningless, as are the nations of an American corporation, American capital, American products, and American technology' (Reich 1992, pp. 7, 8).

Economists have always recognised the international nature of economic transactions and, at least in the mainstream traditions, have seen international trade

and investment as largely positive activities. Yet globalisation is perceived as a challenge to mainstream economic theory, since, from Adam Smith and David Ricardo to John Maynard Keynes and modern macroeconomic theory, the working premise has been that of an inter-*national* economy, or a world economy where transactions take place between sovereign nations and economic agents with an identifiable national economic base. The only major economic theorist not to have started from this working premise was Karl Marx, who argued with Freidrich Engels in *The Communist Manifesto* in 1848 that capitalism possessed a structural tendency towards globalisation, as ‘the need for a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe... [and] the bourgeoisie has through its exploitation of the world market given a cosmopolitan character to production and consumption in every country’ (Marx and Engels, 1969, p. 83).

Economists have cast serious doubts about the empirical and intellectual foundations of ‘strong globalisation’ arguments. Paul Krugman accuses writers such as Robert Reich of peddling a form of ‘pop internationalism’ that distorts international trade theory by treating nations as competing entities, analogous to capital and labour (Krugman, 1997). Political economists such as David Gordon have argued that the statistical evidence presented as proof of economic globalisation is misleading, and that capital is considerably less globally ‘footloose’ and independent of the actions of nation-states than is apparent from many of the absolute figures that are used as evidence (Gordon, 1988). A particularly misleading aspect of how evidence is used in globalisation debates, noted by Andrew Glyn and Bob Sutcliffe, is their focus upon trends in the manufacturing sector, which are then

taken as indicative of the economy as a whole; the inclusion of services would reduce overall globalisation trends, since services are considerably less internationally traded (and, in the case of many government services, less internationally tradable) than manufactured goods (Glyn and Sutcliffe, 1998).

In the most extensive critique of economic globalisation theories, Paul Hirst and Grahame Thompson have argued that while there has been an increase in international economic integration since the 1970s, this is not unique in international economic history since the overall level of international trade and investment in the period from 1890-1914 is equal to that of the late 1990s (Hirst and Thompson 1996). Further, while there has been an increase in international direct investment by major corporations, most remain multinational corporations, operating in a number of countries but with a clearly defined national base, rather than transnational corporations, whose activities are largely outside of a national base. Rather than leading to the demise of the nation-state, Hirst and Thompson propose that economic internationalisation has been marked by parallel political processes, where supra-national and regional organisations of government such as the European Union, NAFTA and APEC, are developed and strengthened, but where nation-states 'as the source and the respecter of binding rules remains central to an internationalised economy and society' (Hirst and Thompson 1996, p. 194). Like Gordon, Glyn and Sutcliffe, Hirst and Thompson critique globalisation theory on the basis of their belief that it presents an overly pessimistic view of the capacity of nation-states to control the activities of corporations, working from the 'race to the bottom' scenario, where the increasingly 'footloose' nature of capital is seen as generating a situation whereby 'capital will be increasingly able to play workers,

communities, and nations off against one another as they demand tax, regulation, and wage concessions while threatening to move...increased mobility of MNCs (multinational corporations) benefits capital while workers and communities lose' (Crotty, Epstein and Kelly 1998, p. 118). By contrast, these theorists believe that new forms of economic internationalisation can be responded to with 'the development of new forms of economic governance at the national and international levels' (Hirst and Thompson, 1996, p. 4).

Analogous debates about globalisation have taken place in sociology and cultural studies. Robertson (1991), Waters (1995) and Shaw (1997) have posed the question of whether a global society has replaced or is superseding discrete national societies as the dominant structuring principle of social relations, with major implications for the methods of sociological analysis. Anthony Smith (1991) has expressed concern that such arguments are premised upon an overly rationalistic conception of culture as being in some sense determined by techno-economic structures, and ignoring the 'obstinate fact' that 'national cultures, like all cultures before the modern epoch, are particular, time-bound and expressive... [and] specific, historical cultures possessing strong emotional connotations for those who share in them' (Smith 1991, p. 178). Stuart Hall has expressed a similar concern that 'global cosmopolitanism', and a certain blindness to continuities of national cultural experience, is indicative of a certain 'wish-list' element of theories such as liberalism and Marxism, that see nationalism as essentially a transitory and political phenomenon, likely to decline over time as societies become more secular, rational and cosmopolitan. As a result, for Hall, these approaches 'expect, not the revival but the gradual disappearance of the nationalist passion [since] attachments to

nation, like those of tribe, region, place, religion, were thought to be archaic particularisms which capitalist modernity would, gradually or violently, dissolve or supercede' (Hall 1993, p. 353).

Hall points out the one-sided nature of this account with reference to the re-emergence of 'small' or suppressed nationalisms in Europe, as the relative weakening of nation-states by global economic and supranational political entities opens up, paradoxically, new spaces for revised forms of 'local' culture and identity. While John Tomlinson accepts the argument that, in contrast to strong globalisation theories, most people remain tied to particular places and territories, he believes that there is nonetheless a significant cultural deterritorialisation, that occurs less through the physical movements of people from one place to another, than through a complex transformation of everyday experience- what he terms 'mundane cosmopolitanism'- and the transformation of localities themselves arising from complex global economic, political and cultural flows (Tomlinson, 1997). Morley and Robins (1995) develop a similar argument in their analysis of European audiovisual culture, observing that while one of the implications of media globalisation is that 'audiovisual geographies are...becoming detached from the symbolic spaces of national culture' (Morley and Robins 1996, p. 11). One of the consequences of this is a renewed concern with developing strategies to 're-territorialise' the media, and to link it to local territories and communities, even if these communities are increasingly 'imagined' and identity-based, rather than the common cultures of long-established nation-states.

Media Globalisation: ‘Global Village’ or ‘Cultural Imperialism’?

Two approaches to media globalisation have been dominant. Mainstream economists and liberal communications theorists have emphasised the relationship between new technologies and markets, and argued that media globalisation promotes new opportunities for shared information, borderless communication and global commerce. Further, they believe that global media encourage the spread of liberal-democratic ideas and empower citizens worldwide against unjust forms of local authority, by allowing the ‘whole world to watch’ and witness such injustices. In *The Death of Distance*, Frances Cairncross concludes that ‘Free to explore different points of view, on the Internet or on the thousands of television and radio channels that will eventually become available, people will become less susceptible to propaganda from politicians who seek to stir up conflicts. Bonded together by the invisible strands of global communications, humanity may find that peace and prosperity are fostered by the death of distance’ (Cairncross 1998, p. 279). Not surprisingly, such arguments find favour with the heads of the giant media corporations. Rupert Murdoch once famously argued that cable and satellite broadcasting had not only ‘been a key factor in the spread of freedom’ worldwide, but would also ‘liberate people from the once-powerful media barons’ (Murdoch, 1993). This echoes the comments by Ted Turner when launching the 24-hour cable global news service CNN. ‘We’re gonna take the news and put it on the satellite,’ said Turner ‘and then we’re gonna beam it down into Russia, and we’re gonna bring

world peace, and we're gonna get rich in the process! Thank you very much! Good luck!' (quoted in Wark 1994, p. 36)

For critics of global media, such as political economists and critical communications theorists, these trends have pointed to *cultural imperialism* or *media imperialism*. The political economy tradition has long drawn attention to the adverse political and cultural implications of the unequal distribution of international communications power and resources, and how they intersect with broader structures of dominance and Western hegemony in the international political economy. The cultural domination approach, associated in particular with North American political economists such as Herbert Schiller, Edward Herman and Noam Chomsky (1988), as well as theorists of the New World Information and Communications Order such as Kaarle Nordenstreng and Cees Hamelink, has stressed the importance of the internationalisation and commercialisation of global communications to the status of the United States as the world's dominant capitalist economy (e.g. Schiller 1969, 1976, 1989; Nordenstreng and Schiller 1993). In *Mass Communications and American Empire*, the founding text of this tradition, Herbert Schiller argued that 'Nothing less than the viability of the American industrial economy itself is involved in the movement towards international commercialisation of broadcasting' (Schiller 1969, p. 95). Linking the study of communications dominance to theories of economic imperialism such as world-systems and dependency theories, Schiller defined cultural imperialism in *Communications and Cultural Domination* as 'the sum of processes by which a society is brought into the modern world system and how its dominating stratum is attracted, pressured, forced, and sometimes bribed into shaping social institutions to correspond to, or

even promote, the values and structures of the dominating centre of the system.’
(Schiller 1976, p. 9)

Anxieties about the influence of global media on culture and values, as well as their direct political and economic power, were expressed at an international level through the New World Information and Communications Order (NWICO) debate. This debate, which occurred through the United Nations Educational, Scientific and Cultural Organisation (UNESCO) from the early 1970s and was led by ‘Third World’ or so-called ‘non-aligned’ nations, sought to use UNESCO and other international fora to call for a redistribution of global communications resources to redress international inequalities and enable the development of stronger national and regional communications systems in the developing world. The NWICO debate peaked with the submission of the MacBride Report, *Many Voices, One World*, to the 1980 UNESCO general conference in Belgrade, (MacBride 1980) but declined in the face of hostility from the United States and Britain in particular, who withdrew their funding from UNESCO in 1985 (Gerbner, Mowlana, and Nordenstreng 1994).

In a major recent contribution to this literature, Edward Herman and Robert McChesney (1997) have outlined in great detail the rise of global media corporations such as News Corporation, Disney and Time-Warner, and shown how their global expansion in the 1980s and 1990s has been facilitated by national policies of trade liberalisation, deregulation of media markets, telecommunications privatisation, and the winding-back of funding to national public broadcasters and other non-commercial media and cultural forms. They argue that this expansion has

not been primarily the result of technological change or market competition, but is indicative of the extent of transnational corporate influence over national policy-makers and the hegemonic role that has been played by global media in the international dissemination of ideas. For Herman and McChesney, the global media are the 'new missionaries of global capitalism,' and their adverse consequences include the spread of individualistic values, displacement of the public sphere, the strengthening of conservative political forces worldwide, and the erosion of local cultures.

Oliver Boyd-Barrett (1998) distinguishes the cultural domination models, based upon neo-Marxist world systems theory, from approaches more directly rooted in Marxist political economy and the Gramscian model of cultural hegemony (see Brewer 1980 for a discussion of these distinctions). The latter approaches have been critical of the reductive nature of the 'cultural dominance' model and its inadequate treatment of 'local' conditions, lived experience, and the diversity of forms taken by what Annabelle Sreberny-Mohammadi terms 'the many ordinary, everyday ways that life in the South has been affected by the social structures of imperialism' (Sreberny-Mohammadi, 1997, p. 51). In particular, the focus upon conflicts and inequalities between nations in a global state system, and the 'diplomatic' solutions proposed by the NWICO framework, were seen as having the danger of downplaying structures of domination and resistance within nation-states, where the rhetoric of cultural nationalism could be used to promote a conservative and highly regressive national cultural politics (Mattelart *et. al.* 1984).

Two other changes in the dynamics of media globalisation were seen as challenging the assumptions of the cultural domination model. First, the process of globalisation, and the centrality of communications technologies to this process, meant that models of dependency which assumed direct conflicts with a politically and geographically defined power, and the capacity of the nation-building state to represent mass-popular aspirations for 'independence,' were becoming less adequate as a way of mapping the relations between economic, political and cultural flows in the world system and their local and national impacts (Canclini 1986; Martin-Barbero 1993). Second, the pattern of global media flows has become more complex, as new patterns of audiovisual flow emerged around geolinguistic regions, particularly among Spanish-speaking and Portuguese-speaking communities, and Indian, Chinese and Arabic communities worldwide (Sinclair *et. al* 1996).

An issue of particular relevance to all critical theories of global media is the relationship between United States hegemony in the global system and the 'soft power' deriving from U.S. media and cultural exports and their impacts upon the culture and values of importing societies. Joseph S. Nye, Jr., Assistant Secretary of Defence for international affairs in the Clinton administration, succinctly defined 'soft power' as the 'ability to achieve desired outcomes in international affairs through attraction rather than coercion. It works by convincing others to follow, or getting them to agree to, norm and institutions that produce the desired behaviour. Soft power can rest upon the appeal of one's ideas or the ability to set the agenda in ways that shape the preferences of others' (quoted in Thussu 1998, pp. 66-67). Jesus Martin-Barbero has observed that, in assessing the relationship between global media and cultural hegemony in Latin America, 'Much more than the many

percent of programmes imported from the United States (including programme formats), what will really affect us will be importing the US model of television' (Martin-Barbero 1988, p. 457). Sinclair *et. al.* make a similar observation in critiquing the cultural imperialism theory, which, they argue 'failed to see that, more fundamental than its supposed ideological influence, the legacy of the USA in world television development was in the implantation of its systemic model for television as a medium- the exploitation of entertainment content so as to attract audiences which could then be sold to advertisers' (Sinclair *et. al.* 1996, p. 9).

Case Studies in Media Globalisation: Disney and News Corporation

Disney

The Disney Corporation was founded in the late 1920s as a family company, and stands as an emblematic symbol of media globalisation on the basis of near-universal recognition of its children's film and television characters, most famously Mickey Mouse, and its famous theme parks and resorts. Its status as a leading global media corporation, rather than an American media corporation that exports cultural product, can be linked to the successful restructuring of the organisation in the mid-1980s, led by Michael Eisner. The 1990s have been referred to as the 'Disney decade', as the company shifted its focus to films and, particularly with its

\$19 billion takeover of Capital Cities/ABC in 1995, television. Disney's ascendancy in marketing media products to children has been strengthened by the capacity to profitably spin off home video sales, merchandise and other consumer products from successful animated films such as *The Little Mermaid*, *The Lion King*, *Aladdin*, *Beauty & the Beast*, *101 Dalmatians* and *Pocahontas*. At the same time, Disney subsidiaries such as Touchstone and Miramax have successfully distributed such decidedly 'un-Disney' films as *Pulp Fiction*, *Scream* and *Armageddon*, while Disney's control of the ESPN sports network, acquired with the ABC takeover has given it, in the words of one Disney executive, 'two horses to ride in foreign markets, not just one' (quoted in Herman and McChesney 1997, p. 83).

While Disney has always embodied themes that are today associated with globalisation, such as the famous 'It's a small world' song that concluded *Wonderful World of Disney* television programs and remains a core Disney philosophy, the Disney corporation is an archetypal American corporation that has internationalised its operations. Janet Wasko (2001, forthcoming) quotes *Fortune* magazine's 1989 description of Disney as 'the archetypal American corporation for the 1990s: a creative company that can move with agility to exploit international opportunities in industries where the US has a competitive advantage.' Its internationalisation strategies have occasionally struck problems, most famously in the case of EuroDisney (now Disneyland Paris) when it opened in 1992, when eggs were thrown at Disney executives in outrage at cultural imperialism and over-generous subsidies from the French government, but criticism of the 'Disney universe' as constructed through its texts, labour relations strategies and approach to

consumers is as strong inside the United States as it is in the rest of the world (Wasko 2001, Chs. 5, 8). It will always be a magnet for critiques of cultural imperialism, in part (and paradoxically) because of its centrality to American popular culture. Wasko discusses this in relation to negotiations between Disney and the University of Oregon about their shared ownership of a duck as a mascot, where she comments that negotiators at the University of Oregon observed that Disney could negotiate a contract with them that had minimal detail about licensing and use of the mascot because, in the words of Matt Dyste, Director of Merchandise Marketing and Licensing at the University of Oregon, 'They assume that their culture is so seeped into you, that you know what that means' (quoted in Wasko 2001).

News Corporation

In contrast to Disney, News Corporation is perhaps the most truly 'global' of major media corporations. While it is a company incorporated in Australia, and Australia is the place of birth of its CEO, Rupert Murdoch, News Corporation in 1999 acquired 74% of its revenue from the United States, 17% from the United Kingdom and Europe, and 9% from 'Australasia', incorporating interests in Australia, Asia and the South Pacific. News Corporation is, as Herman and McChesney observe, 'the archetype of the twenty-first century global media firm... and is the best case study for understanding global media firm behaviour' (Herman and McChesney 1997, p. 70). This is partly due to its phenomenal global reach, operating across different media- books, newspapers, magazines, broadcast TV,

cable and satellite TV, films, music and the Internet- across six continents, making it 'the first vertically integrated entertainment-and-communications company of truly global reach' (Shawcross 1997, p. 399). It also indicates the influence of the 'Murdoch style' over other media conglomerates, which has involved identifiable leadership, a corporate strategy of global expansion and risk-taking, a strong orientation towards popular culture and sports as globally-tradeable cultural commodities, and a capacity to exercise political influence through control over popular media.

The latter two elements have been the most controversial. Murdoch-owned media have been accused of 'dumbing down' the populations of the United States and Britain. FOX Television, which Murdoch established as a fourth broadcast TV network with Barry Diller in 1987, was criticised for its new style of programs, including 'reality TV' formats such as *Cops* and *America's Most Wanted*, as well as 'dysfunctional family' comedies such as *The Simpsons* and *Married...with Children*. In Britain, the relentlessly tabloid style of newspapers such as *The Sun* and *News of the World* attracted considerable criticism, as did Murdoch's heavy-handed approach to editors who failed to 'toe the company line,' most famously Harold Evans, whom he hired and then fired as editor of *The Times*, when he took Britain's most prestigious newspaper over in 1981 (Evans, 1984). Perhaps more significantly, Rupert Murdoch was strongly identified in the 1980s with the conservative Reagan and Thatcher governments in the U.S. and Britain. In Britain, Murdoch-owned newspapers such as *The Sun* are infamous for the 'Gotcha!' headline to report the sinking of the Argentine *Belgrano* battleship during the 1982 Falklands War, their partisan approach to the 1984-85 coal miners' strike, the

sacking of journalists and printers associated with unions with the movement of newspaper production to Wapping in 1986, and the *Sun* headline that accompanied the surprise re-election of the Conservative government headed by John Major in 1992, 'It was *The Sun* wot won it.' In the United States, journals such as the *Columbia Journalism Review* would condemn Murdoch as a 'sinister force' (quoted in Kiernan 1986); in Britain, the enmity reached far deeper, and was perhaps best epitomized by the late TV scriptwriter Dennis Potter christening his cancer 'Rupert' and promising to 'kill Rupert Murdoch' as a last act before he died.

Of all the major media organisations, News Corporation has been the most active in the Asia-Pacific. As a consequence in part of Rupert Murdoch's belief that the 21st century would be dominated by the economies of the Asia-Pacific- including the United States- News Corporation purchased the Hong Kong-based pan-Asian satellite TV broadcaster in July 1993. At the time, Murdoch confidently predicted that advances in communications and information technologies 'have proved an unambiguous threat to totalitarian regimes everywhere', as faxes, satellite broadcasting and cable-based communications 'make it possible for information-hungry residents of many closed societies to by-pass state controlled television channels' (quoted in Weber, 1995: 51). By 1995, however, such rhetoric had disappeared, as Star TV fashioned localised programming formats for its various Asian markets, partly in recognition of the importance of cultural and linguistic difference to audience viewing patterns, but also to be allowed broadcast rights in countries such as China and Malaysia. Governments in these countries, as well as Singapore, were able to restrict access to satellite TV channels delivering content they believed to be 'inappropriate'; indeed, to be able to broadcast into China, Star

TV removed the BBC World Service Television channel from its service (Atkins, 1995).

Two points are apparent from the experience of Star TV in Asia. First, it disproves the claim that global media corporations are irrevocably undermining the capacity of national governments to control information flows, and that the extent to which such global media corporations can effectively operate in national territories is primarily determined by political rather than technological factors. As Will Atkins observes, in the Asian context:

The state is not withering away in the area of electronic information control: instead, element of the state are forming links with accommodating private sector partners in order to preserve elements of the broadcasting system most essential to power (Atkins, 1995: 62).

Second, the experience of cross-border broadcasters such as Star TV as well as Disney, MTV and CNN, has been that a significant degree of regionalisation and localisation of such services has been the condition for establishing commercially as well as politically viable transnational broadcasting services. In the words of a News Corporation executive, 'There's no money to be made in cultural imperialism' (Sinclair, 1997; 144). John Sinclair concludes from the experience of global media organisations choosing to 'go local' in the Asian region, as well as Latin America, that:

The business of international broadcasting is driven by commercial considerations, not any desire for ideological domination as such, and that the revival of the rhetorical critique of cultural imperialism has more to do with attempts by national governments to legitimise their positions in the era of global broadcasting, rather than with any actual cultural influence (Sinclair, 1997: 152).

Media Globalisation and the role of Telecommunications

Transformation of telecommunications over the last decades of the 20th century by a combination of technological, regulatory and industrial change must be recognised as key factors underpinning media globalisation and the rise of new media industries and services such as the Internet and increasingly interactive broadcasting platforms. From the outset, the liberalisation and privatisation programs began in the UK during the late 1980s and steady undertaken throughout Europe, Latin America, southern Africa and the Asia-Pacific during the 1990s transformed telecommunications systems from relatively static national utilities charged with the supply telephone and often postal services to become a dynamic engine of the global economy and communications infrastructure (OECD 1999).

Liberalisation and privatisation drew a vast amount of investment capital to the sector for a variety of reasons. Firstly, there was recognition that telecommunications infrastructures would underpin the new economy as distribution and transmission platforms. Secondly, that telecommunications had become an almost ubiquitous utility (primarily in developed economies) via long standing universal service programs that had required national telephone utilities to build infrastructures reaching almost every household and business. Thirdly, that these infrastructures had been increasingly upgraded to provide digital or high-speed data capability to support wireless, Internet or cable connections. Finally, that a new generation of personal communications technologies, including mobile

telecommunications (e.g. Blue Tooth, Symbian, and WAP) were increasingly capable of carrying information and entertainment services that were central to the emerging information economy and associated practices that can be described under the emerging descriptive lexicon of 'e-commerce', 'e-health', 'e-government', 'e-business' and so on (see OECD 1999; ITU 2000).

The scale of the growth in telecommunications and the size of the leading corporations illustrates the sector's power in the global economy and relevance to the expansion of services provided by media industries. According to the ITU, investment and turnover generated by these reforms to telecommunications during the 1990s are staggering with the market capitalization of some of the larger global corporations being larger than the gross domestic product in many developing countries (ITU 2000). Another indicator of the importance of telecommunications as a driver of the new economy can be derived from uptake of mobile telephony including that geared toward the sophisticated interactive information and entertainment services. In a comprehensive survey of mobile communications, the International Telecommunications Union (ITU) illustrated the growth in the sector with subscribers rising from 11m in 1990 to more than 500m globally in 2000 with more than 250 000 people connecting to new services each day (ITU 1999). Likewise, the growth of telecommunications spawned innovative suppliers of new communications technologies that provide the human interface with new media. Increasingly, globalised suppliers including Nokia, Motorola, and Ericsson have created the technologies which have placed new media in our pockets instead of desk tops, lounge rooms and offices (see ITU 2000).

Deutsche Telekom

While telecommunications has not generated the same level of scrutiny as global media industries, it is worth presenting a case study of Deutsche Telekom which is one of the largest providers of communications services in the world. Deutsche Telekom (DT) began its development through the split and partial privatisation of Deutsche Bundespost into separate telecommunications and postal

operations in 1989 during the tumultuous events associated with the reunification of Germany. The reform program, like those undertaken in most countries involved the separation of service provision from the regulatory and policy functions that had previously been combined within national utilities. DT began its global expansion through the initial step of revamping the telecommunications services in the former Eastern Germany. While the German government maintained regulatory monopolies for some of the services provided by DT, the corporation faced competition for value-added services, data transmission used by business and the emerging mobile market. As liberalisation was sweeping across European telecommunications markets, DT quickly began building alliances or acquiring stakes in regional communications, broadcasting and media companies to capture developing markets in Eastern Europe (e.g. Russia, Ukraine, Hungary, Czech Republic, Croatia, Poland and Slovakia) before expanding globally to provide services in 65 countries (Deutsche Telekom 2000). Recognising the challenges from increasingly global competitors, DT formed a joint venture alliance in 1994 with France Telecom and US carrier Sprint to establish Global One which came to operate voice, data and Internet services involving more than 1400 network access points in 65 countries and maintained the furthest reaching ATM-based network to support financial transactions (Global One 2000).

Illustrating the ITU's contention that telecommunications is an inherently unstable industry, DT which by 2000 ranked behind Japan's NTE and AT&T as the third largest supplier of telecommunications globally (OECD 2000b), withdrew from Global One and established a joint venture with One-2-One (a former business unit of Cable & Wireless) to concentrate on growing its European presence (DT 2000). Like these other conglomerates which increasingly seek to reach global markets, DT remains deeply embedded in its 'home' market through provision of Internet services to 5.3m customers through T-Online; supports 7m online banking accounts (primarily in Germany) and delivers cable television services to 18m households (DT 2000). Thus, DT alongside Disney, News Corporation and the other giant global communications corporations (e.g. the UK's BT, Cable & Wireless and Vodafone; US entities AT&T, US West, GTE, Air Touch and Japan's IDC; and even

Australia's Telstra) illustrates how telecommunications has been the third pillar underpinning globalisation of new media through investment in networks, Internet and data services and development of consumer, business and government markets. Further, connection between telecommunications and computing conglomerates (e.g. AT&T – Phillips; US-owned but European based ITT and France's Alcatel; Siemens – GEC among others) illustrates the global financial, business and market shaping forces being generated by the effort for position in the new media and communications economy.

Global Media and National Policies: Influences and Intersections

There are two important elements that act as regulators of the impact of global media in particular local and national cultures. The first is that of *audiences*. Interpretive approaches, drawing on cultural studies methodologies, have challenged assumptions that global media flows can be identified through measurement of the economic interests of participants. Proponents of these interpretive approaches have pointed to the need to come to terms with the *cultural* meaning that are derived from flows of content and adoption of media practices particularly by assessing the relationships with local societies and contexts. Ien Ang has drawn attention to the extent to which 'global media do affect, but cannot control local meanings'; as a result, 'the construction of a "global culture"... should not be conceived as a process of straightforward homogenization,' but rather 'local cultures everywhere tend to reproduce themselves... through the appropriation of global flows of mass-mediated forms and technologies' (Ang 1996, p. 153).

At a more empirical level, Michael Tracey has argued that globalisation rhetoric disguises the extent to which US TV product tends to be less popular than local product in almost every country where both are readily available, as well as the degree to which the presence of US imports acts as a trigger to the development of local programming to meet the cultural needs and expectations of local audiences (Tracey 1988). These findings are supported by Straubhaar (1997), whose empirical analysis of the balance between local and imported programming in various Asian, Latin American, Middle East, and Caribbean nations finds that levels of national television programming have been increasing in the majority of these countries in the period from the 1960s to the 1990s. Lent (1993) also identified a trend for substitution of imports from the US with local content in Thailand.

The issue of 're-territorialisation' has become increasingly possible with new media such as the Internet and the creative use of household information technology and entertainment equipment. One of the fundamental characteristics of the 20th century was the mass migration of people across the globe. Many of these diasporic communities have sought to remain connected with originating cultures by maintaining links through use of media and communications systems. Sinclair and Cunningham (2000) illustrate the point with research on the ways that Thai, Vietnamese, and Filipino migrants have built communities and remain engaged with home societies with a mixture of old and new media. A variety of mechanisms are used ranging from shopkeepers maintaining videotape libraries, programs on community radio and television services, websites, and on commercial pay-TV services (Cunningham and Sinclair 2000). Such global media flows are illustrative of media globalisation, but not of cultural imperialism.

Such trends are a reminder of the second major element regulating media globalisation, which is *public policy*, and the role it plays in regulating the relationships between global flows and their local impacts within the nation-state. Philip Schlesinger has proposed that national media and cultural policies can be seen as exercises in ‘communicative boundary maintenance,’ out of which emerge distinctive national media cultures, and particular configurations of local and imported media content and styles (Schlesinger 1991, p. 162). This is particularly apparent in broadcasting, where national public broadcasters, national regulatory systems and audience preferences for locally-produced material have intersected with economic and technological forces that promote imported programming, and political, cultural and linguistic factors which make particular countries more or less open to imported English-language content from the United States. Countries such as Australia, Brazil, Canada, and Mexico, which have always been highly exposed to globalising cultural influences, have developed ‘hybrid’ program forms that negotiate local, national and international cultural markets. Sustained exposure to overseas television programming has been in these instances the trigger for strengthening national production systems, through protectionist cultural policies of *le defi Americain* (Schlesinger 1991), cosmopolitan program formats which ‘play at being American’ (Caughie 1990), or the fashioning of ‘national champions’ which can compete in definable global audiovisual markets, such as ‘soaps’ and *telenovellas* (Sinclair *et. al.* 1996; Moran 1998).

While national media and communications policies can set limits to the impact of media globalisation on national media cultures, such policies can also act

as catalysts for globalisation. Media policies such as liberalisation of media and communications markets are fundamentally shaped by the interaction of domestic politics with global structures and flows, out of which frequently emerge opportunities that become available to local industries. Although corporations based in Europe and North America are most often cited as driving globalisation, it is the partnerships and opportunities they offer domestic businesses which often hold the key to market entry. The partnership between the US computer software giant Microsoft and powerful Australian media conglomerate Publishing & Broadcasting Ltd in Australia in building a web portal called NineMSN, that draws viewers from a range of existing television, print and software businesses to the new media, illustrates this trend (Barr 2000). The Indian satellite broadcasting system provides another key to conceptualising media globalisation. As a vast and multicultural country, it has attracted foreign investors seeking to establish media and telecommunications businesses. Yet, successful entry to the market was not possible until privatisation allowed local media and telecommunications interests to develop joint ventures (Mehta 1998; Thussu 1999). These commercialised and privatized services could also improve the capacity to reach the various language markets within the country and address political and cultural considerations (Thomas 1996).

Understanding new media globalisation also requires the unpacking of content from the infrastructure that supports production, distribution and exhibition. Establishment of satellite broadcasting systems and telecommunications networks that support the seamless distribution of content is actively supporting the globalisation of new media. These mechanisms are being used by local, regional and

global businesses to build markets. Several Sino-Thai entrepreneurs have grasped the opportunity to provide the Thai market and regional countries with an alternative to imported programming from either western countries or Japan. The Thaksin Shinawatra controlled Thaicom satellite carries telecommunications services, Internet services and television broadcasts from the five free-to-air Thai language stations as well as the pay-TV services featuring CNN, BBC-World and Nickelodeon to more than 70 million people in Thailand, Laos, Burma, Cambodia, and Vietnam (Anon 1997 pp.179-193; Thaicom 2000).

Transnational corporations have long been associated with globalisation. Communications and new media systems have supported the expansion of business beyond national markets to a system whereby components are developed, manufactured, assembled and sold far from where corporations exercise control over these activities. Communications technologies and new media are both enabling mechanisms for these practices and businesses in their own right that support the de-territorialisation of industrial practices. Some transnational corporations provide communications infrastructures and software that supports the activities of other businesses which may also be transnational in nature. More recently, the Internet has provided the platform for businesses to reach consumers or to provide services to other businesses. It has been argued that such arrangements lead to the *disintermediation* of traditional approaches to production, distribution and supply of goods and services. The Internet has allowed consumers to communicate directly with producers of certain types of goods (eg books, music, and software) and services (eg banking, finance, government-transactions, and information) without the need to use existing channels including retailers. While

these trends became increasingly prevalent in the late-1990s, business models remained in flux as these 'convergent service industries' models are tested by traditional and new media, communications and other service industries.

Intellectual property and copyright have become increasingly important factors in the globalisation of media and related communications industries. Bettig (1996) notes copyright provides the means for controlling information and entertainment products and ensuring that they can be exclusively exploited in a particular national market. He also argues that the bulk of the information and entertainment products traded globally are controlled by a handful of corporations based in North America, Europe and Japan. Copyright allows content to be packaged and exploited in different ways across old and new media. For instance, a television program can be packaged for free-to-air, pay-TV, and cable systems. It can be modified and placed on other services and with digital technology re-versioned through inclusion of different sound tracks for multiple markets. At all stages, the copyright owner is able to determine how the content is used and can generate a different pricing schedule for each use. With the establishment of global media markets, copyright has been an increasingly important issue in trade negotiations and international relations. US and European software and media industries, in particular, have lobbied for stronger international regimes that require governments to enact laws to protect intellectual property ownership rights that permit the commercial exploitation of content. As trade in intellectual property becomes increasingly important sectors in the US and European economies, with the growth of new media and related software industries, industry groups including the Business Software Alliance, Motion Picture Distributors Association of America and

Recording Industry Association of America have sought to have retaliatory trade actions be launched against countries that do not adequately protect copyright, through organisations such as the World Trade Organisation (WTO) and World Intellectual Property Organisation (WIPO) (US Trade Representative 2000).

The capacity of new media to support the collection, use and storage of vast amounts of personal information by business and governments has underpinned debates on the need to build mechanisms which protect the privacy of individuals using the Internet and other technologies (Garfinkel 2000; Whitaker 1999). Use of technologies including cookies and web bugs to track behaviour across the web and the increasing capacity to profile consumers using data gathered from purchases and page accesses has encouraged the development of international agreements, including the Safe Harbour arrangement between the European Union and United States (see Federal Trade Commission 2000), to manage the use and trade in personal information (see Garfinkel 2000). Both Simon Garfinkel (2000) and Reg Whitaker (1999) also argue that traditional notions of privacy have been curtailed by the development and application of new technologies to the collection and monitoring of personal information by both commercial interests and governments. The Internet and interactive media permit business and government to track and monitor individual behaviour in ways that would have been impossible for even the most authoritarian regime through the establishment of databases, data mining techniques, and the application of e-mail monitoring and interception technologies including the 'Carnivore' system utilised by US security agencies. Equally, governments and businesses have sought to adopt technological and procedural measures including web seals and encryption to protect information they have collected from unauthorized access and use. This sensitivity has been argued to be a factor retarding uptake of e-commerce and other online services promoted by government and business including electronic health, banking and other records (OECD 2000c).

To address the privacy implications of the Internet and other new media, the US Government, member states of the European Union, Australia, Canada, Hong Kong, New Zealand and other nations have begun to develop legislative regimes to regulate the collection and use of personal information (OECD 2000c).

Globalisation and Policy Discourse: From Development Communications to the Global Information Society

One of the ways in which media globalisation has influenced national media policies is at the level of dominant policy discourse. Theories of cultural and media imperialism had an analogy with the approach of development communication that emerged from countries in Asia and Africa in the mid-1970s. The approach of *Development Communication* was popularised as a means for governments in economically developing countries and post-colonial societies to determine which technologies and approaches they would take to improving the lot of their citizens. The approach encouraged governments to introduce policies that limited foreign control over local industries, emphasised the primacy of the domestic development task, encouraged cultural and information autonomy, valued democratic institutions and offered support for other countries following similar trajectories. Governments of developing countries often placed provision for basic needs above expenditure on advanced communications and media systems, in the belief that raising capital to pay for these infrastructures would drain national budgets, increase levels of foreign debt and require adoption of technologies that were not proven in local conditions. Moreover, there was recognition that skills to build and operate these systems would not be locally available or could be used for tasks that are more important.

Other concerns related to the likelihood that foreign investors would only be interested in providing technologies to profitable customers that would be found concentrated in cities, earnings would be repatriated, and governments would lose the capacity to directly intervene in the provision of services.

From the late 1970s, development communication approaches were progressively abandoned as the technological transformation in media and communications industries increased the sophistication and interconnection of media and communications industries. Further, neo-liberal economic theories became increasingly influential over national policy formation in both developed and developing countries. In the media and communications sectors, the neo-liberal policy agenda could most readily be identified with the trend for countries to privatize national telecommunications monopolies, and allowing the private sector to introduce new television services such as pay TV, cable and satellite broadcasting. The demise of the New World Information and Communications Order (NWICO) agenda in multilateral fora such as UNESCO in the 1980s marked the symbolic end of development communications as a core element of international media and communications policies. By the early 1990s, incorporation of telecommunications and audiovisual policies into the disciplines of the General Agreement on Trade in Services (GATS), with its expectations of progressive trade liberalisation and the elimination of differential treatment of domestic and foreign investors, constituted the dominant discursive and policy landscape informing communications policies worldwide.

A globalised, neo-liberal policy agenda was given further impetus by the proposals of the Clinton Administration for the establishment of a Global information Infrastructure. U.S. Vice-President Al Gore announced the core principles of the GII, which overlapped with both the GATS and the United States' own National Information Infrastructure (NII) initiative announced in 1993. These core principles included: promoting private investment; service development driven by free markets and competition; flexible regulatory systems; non-discriminatory access to foreign investors; and the more traditional policy objectives of universal access and universal service. The principles of the Global Information Infrastructure and the Global Information Society (GII-GIS) have been endorsed by the OECD, which looks toward 'the development of high-speed communication networks, and a set of core services and applications in digital format, into global integrated networks capable of seamless delivery' (OECD, 1997 p.8). Through such initiatives, champions of the GII such as Al Gore believe that the GII will 'promote robust and sustainable economic progress, strengthen democracies, facilitate better solutions to global environmental challenges, improve health care and, ultimately, create a greater sense of shared stewardship of our small planet' (White House Press Release, 1995).

The concept of 'citizenship', with its political connotations of egalitarianism and nation-building being central to most national media policies, was increasingly displaced by the idea that individual interests could be more readily encapsulated in a privately-operated, liberalised, and market driven media and communications environment by applying the discourse of 'consumer sovereignty' (Golding and Murdock, 1989; Mosco, 1998). Such arguments appear, at first glance, to readily fit the new media environment of global communications networks, trans-border

delivery infrastructures, and technologies such as the Internet and digital broadcasting. Sir Alan Peacock (1997) has argued that consumer empowerment is the only sustainable policy option, since ‘we have entered an age in which governments will have to accept that the thrust of technology and the growing experience of viewers and listeners of its benefits to them will make it well nigh impossible to exercise firm control over the broadcasting market’ (Peacock, 1997: 302).

By contrast, William Melody has argued that much of the literature on the information society ‘is either unsupported “blue sky” speculation about future technological and service possibilities, or promotional “hype” by the industries trying to sell the new technologies and potential future services’ (Melody, 1996: 243). Melody sees a critical role for public policy in shaping the development of national information societies, in the context of an emerging global information infrastructure, arguing that ‘there will be as many “information societies” as there are societies [and] all countries should not try to charge down a single path emulating the perceived leaders in technological development at any moment in time’ (Melody, 1996: 244). Melody makes the critical point that much discussion about information society policies is focused upon developing the technical infrastructure through which to supply new media and communications services, with considerably less attention paid to developing a society of users of new ICTs, and the sorts of infrastructures that support universal low-cost access to basic information services.

Diane Northfield (1999) has undertaken a critical evaluation of national policies towards the new ICTs, and argues that while many countries have faced a

similar range of issues, industry players, and local interests, they have responded to these trends in distinctive ways. The effects of globalisation in opening national markets to competition between local and foreign interests forced the establishment of policies to accommodate the 'information economy' in recognition that it would underpin other industrial activities as well as be an important sector in its own right. Confronted by the inadequacy of existing media and communications policies to deal with new business models and stakeholder demands, governments began to formally enunciate national policies for the 'information economy'. From the mid-1990s, these countries began large-scale programs to support the transition to the 'information society', often setting up agencies to coordinate activities between governments, the private sector and other relevant stakeholders. While general goals of building advanced telecommunications networks capable of broadband or high-speed Internet were raised and the concept of universal service for all consumers promoted, national responses naturally varied depending on domestic circumstances. Some countries, including Australia, utilised the promise of liberalisation and competition combined with Government coordination and effort to make services available online to drive the information economy. Canada's 'Information Highway' policies had a similarly market-driven approach, although emphasised questions of local content, access and cultural sovereignty. Other national approaches that were more state-led and *dirigiste* included the Singaporean 'Intelligent Island' model that relied on strong government intervention to create a networked society, Malaysia's Multimedia Super Corridor (MSC) development that enticed foreign capital through development of a massive enterprise zone under different forms of governance, and South Korea's 'Informatization' policy that sought to balance corporate sector demands and

competing bureaucratic agendas (Northfield 1999, pp. 87-89; cf. Mathews, 2000). The effect of the globalisation of capital has not only created difficulties for national governments in fostering growth of the information economy. The stagnation of traditional industries has forced many local and state governments to develop policies to attract investment in new media and communications sectors. Vincent Mosco provides a particularly ironic example of this trend with analysis of how the state and municipal governments of the iconic 20th century industrial city New York, have been forced to compete with other locations to attract new media companies to replace industries that have been able to shift to lower cost locations by the combination of effective global communications systems and implementation of national information economy policies (Mosco 1999 pp.103-116).

Conclusion

Globalisation is a central trend of the late 20th and early 21st centuries. Media and communications technologies, corporations and services have been central features of Globalisation by both being part of its structural formation and by transmitting its social, cultural and political consequences across geographic, linguistic and national boundaries. Rather than leading to the demise of nation-states or the homogenisation of national cultures it has involved the dual processes of synchronization of economic and technological infrastructures and the re-emphasis of valued cultural and social differences for domestic political purposes. In practical terms national governments have responded to global policy discourses promoted by the GATS and the GII by opening national markets to investment and trade across a range of media and communications properties while retaining ownership and control mechanisms that prevent foreign takeover of key industries. In recent

years national governments, sensitive to domestic political and economic pressures, have sought to establish new media industries that enable local business to compete with transnational enterprises in local and global markets. Although governments have traditionally intervened in media and communications industries through direct investment, the market liberalisation associated with economic globalisation has forced sophisticated national regulatory responses. The new media industries have played a central role to these trends, but their capacity to exercise influence independently of supportive arrangements through the negotiating strategies of major economic powers such as the United States, the rules and norms established by multilateral agencies such as the World Trade Organisation, and the support of particular national governments, is limited. The 'global information economy' is an unequal one, and one where transnational corporate power is certainly significant and perhaps hegemonic, but its basic contours have similarities with the distribution of power and resources in earlier economic regimes.

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