SPECTATOR | AUSTRALIA

Can democracy survive an increasingly biased media?



Getty Images

Alan Moran

16 September 2020

The ACCC is seeking to force Google and Facebook to pay for the media content they redistribute which has led to their capturing the advertising revenue that previously went to newspapers. The issue is ostensibly one of <u>bargaining imbalance</u> but behind it is the notion that social media is undermining a vigorous free press. The struggle for freedom of expression was not one of "the people" but one of what we would today call the liberal elites seeking to promote their political preferences. It developed in England and in 1640 the press became free, allowing the Puritans to campaign against the Crown. Having executed the king, the Puritans quickly reimposed censorship in 1643. This lapsed 50 years later and in what would become the United States, de facto press freedom was formally established in a 1734 trial fronted by Alexander Hamilton; it was enshrined in the First Amendment in 1791. Many other nations have adopted this, mostly without practicing it.

Most people, especially the press itself, see unbiased freedom of reporting as a buttress against tyranny. Objectivity in newspapers, however, only emerged during the middle of the nineteenth century due to advertisers coming to dominate the media's finances and generally seeking that newspapers carrying their messages appealed to a wide spectrum of readers.

But the explosive growth of social media has cannibalised the media's advertising revenue. In the US today, advertising and subscriptions are roughly equal in providing newspapers' revenue, whereas in 2005, Pew estimated US newspapers derived 82 per cent of their revenue from advertising. This was out of a total revenue less than half that of today (newsroom employment has also halved). Free to air electronic media is financed by advertising, which accounts for half of the revenues of subscription TV.

In Australia, that same change was well underway before 2014 but in that year PWC estimated that ads comprised 67 per cent of revenue

and sales 33 per cent; by 2019, in a revenue base 30 per cent smaller, the share of sales had grown to 37 per cent.

This has had a marked effect on the tilt towards objectivity which characterised media during the 20th Century. Partly in recognition that their audiences were increasingly taking a liberal perspective, and partly because journalists themselves tended to a liberal perspective, (reinforced by the university journalism schools training they received) most media has become less objective. While "fake news" is a longstanding term, it was considerably popularised and its accuracy recognised during the US 2016 election campaign. Until the past 20 years, in Australia and Britain, newspapers argued, with some plausibility, that their political stance was confined to the editorial. This is no longer the case. In Australia, the near 100 per cent leftist slant of the ABC as a result of journalist and staff control, is also doubtless a factor in the Fairfax press. However, as with most US media, liberal perspectives are aligned with readership.

The US media has become very highly tribalised. In the electronic media, it is Fox against the rest, with the former brooking very little criticism of President Trump and the rest attacking his every action from border walls, COVID, climate change and foreign policy. Fox was spawned by a view that other US media's tracking to the left, created an opening on the right, which Fox has successfully filled; the same may be true of Sky in Australia.

Some of these trends have long been evident. Thus, for the 1998 election, the IPA hired a Canadian expert to assess bias in the electronic media's campaign. After the first week, she scored a massive pro-ALP bias by the ABC and by Ten, with Seven and Nine

more-or-less neutral. The ABC bias was to be expected (actually, perhaps as a result of the publication of these findings, the ABC was much closer to neutral in the second week). According to Liberal Party sources, the Ten bias simply reflected their base's audience preferences.

Malcolm Turnbull was an early recogniser of the changed nature of journalism. In 2013, politically unable personally to bankroll the Guardian Australia himself, he prevailed upon like-minded business tycoon Graeme Wood to inject the \$20 million funds necessary to float a newspaper with the radical environmentalist agenda they share. In Australia however, the US Two Camp dichotomy is less pronounced. The Australian generally takes a position opposed to lurid climate change forecasts, offers qualified support for Trump and has become increasingly opposed to lockdown and other regulatory intrusions regarding COVID.

The Nine Entertainment mastheads have tended to align themselves with the liberal media in the US. The SMH, for example republishes environmental material from the UK Daily Telegraph by Ambrose Evans-Pritchard, who though conservative on some issues, is an inveterate supporter of renewable energy and carbon capture and storage. Similarly, it has featured Californian Governor Gavin Newsom in a photo op wrongly declaring anyone thinking his state's wildfires are not related to climate change to be infected with "ideological BS". On COVID, the Age reports on optimism from the Victorian Premier, while the uncritically publicises Premier Daniel Andrews describing lockdown protesters as "selfish and unlawful' but reporter Chip Le Grand offers dissent.

The Age's Nine sister, the AFR, is however more <u>critical</u> of the Victorian lockdown. But on climate change the AFR is unmoveable,

featuring the head of the <u>Paris based IEA</u> calling for a green led recovery, ex-Liberal leader and renewables investor, <u>John</u>

<u>Hewson</u>, decrying gas and its favoured energy contributor, <u>Tony</u>

<u>Wood</u>, calling for "integrated energy and climate policy" – that's a euphemism for a carbon tax in a code that few readers would have cracked. As with other Fairfax newspapers, the AFR, with the exception of the US-based <u>Joe Aston</u>, the paper has been unswerving in its contempt for Donald Trump throughout the past five years.

Joe Mazor raises some major issues where media claims to be impartial but is not. Those following only one side may be led to view the other as totally unreasonable and "that many citizens on the other side of the political divide are either stupid or malicious." He goes on to argue, "some partisans who do not see a minimally-reasonable case for voting for the other side might conclude that powerful, sinister forces are in control of society." This can easily lead to a demise of acceptance and becoming hostile to compromise viewing the opposing side as "a malevolent enemy that must be defeated."

Such attitudes are readily discernible in the US. They are more muted in Australia. Even so, biased news is the new norm and the ACCC's attempt to redirect funding back to newspapers will fail, as it should, since in the US, social media brought price falls between 2009-19 of 52 and 24 per cent respectively for 'search and text' and 'online display' advertising. We just have to hope that, though democracy appears to accept governments' progression to bossiness, it is sufficiently puissant to temper government tyranny and ideologically-driven economic destructiveness.

Alan Moran is with Regulation Economics.