

Continental shifts: capitalism, communications and change in Europe

Graham Murdock*

Abstract

This article puts forward the fundamental lines of thought on the Political Economy of Communications and the Media, since the development of capitalism up to the present day. Clarifying the distinction between Economy and Political Economy, this work examines the central split between two traditions within Political Economy: the Classic approach which is centred on markets and competition mechanisms and the Critical approach which is centred on the analysis of property and the distribution of power in society. Despite internal distinct traditions, for political economists' questions about cultural production and consumption are never simply matters of economic organisation or creative expression and the relations between them. They are always also questions about the organisation of power and its consequences for the constitution of public life. Based on different Political Economy perspectives, this article attempts to present the most recent developments on communications and media markets in Europe and the major challenges and opportunities the discipline faces in a time marked by the emergence of a digital public sphere.

Key words: political economy, communications, capitalism, change, Europe

Europe is the birth place of political economy. Its defining preoccupations emerged as part of a wider attempt to develop analytical accounts of societies transformed by the complex knot of changes that were forging a distinctively 'modern' world, both institutionally and ideologically. The rise of capitalism lay at the heart of these continental shifts. From his position as the Commissioner of the Customs and Salt Duties for Scotland, where he was centrally concerned with the trans-national flow of commodi-

* Professor de Sociologia e de Economia Política da Cultura, Departamento de Ciências Sociais, Universidade de Loughborough (g. murdock@lboro. ac. uk).

ties, Adam Smith's eye was caught by the European commercial empires operated by the state licensed private monopolies of the English and Dutch East India Companies, which he saw as restricting trade. In response he wrote his best known book, *The Wealth of Nations*, arguing passionately for modern economic life to be based on 'free' markets in which anyone wishing to do business could enter the sphere of commerce without restraint and compete to satisfy the demands and desires of customers at prices they were willing to pay.

Seventy years later, Karl Marx, exiled in London, still at the time the world's greatest trading port, looked out on an economic landscape transformed by the relentless rise of factory production. His grasp of the centrality of industrialisation was given added impetus by his friendship and collaboration with Frederick Engels whose family owned a factory in the northern city of Manchester, one of the central hubs of the new capitalism. Where Smith had seen markets as the least worst mechanism for allocating productive resources and matching supply to demand, Marx pointed to the systematic exploitation of labour beneath the appearance of equality of exchange and fair dealing. Behind the dazzlingly lit displays of fashions and consumer goods in the new shopping arcades and stores he saw the dirty realities of indentured labour in the colonies and sweat shops in the back streets of the metropolis.

This central split between those analyses which start from markets and competition and those that start with the ownership key productive resources and control over the production process, often characterised as a division between Classical and Critical approaches, continues to run through contemporary political economy. Indeed, the world wide romance with markets over the last decades has sharpened it.

The new capitalism that Marx confronted was marked by the reorganisation of production around industrialisation, identified with the mass production of standardised commodities in regimented factories, and the reorganisation of consumption around commercialism, identified with the promotion of goods which had been expressly designed to fit with already established popular tastes in order to maximise sales. Cultural critics of the time were alarmed to see communications goods being rapidly subjected to these same processes. Underlying much of this concern was a romantic conception of the 'true' artist or author as a figure driven by inner conviction and often at odds with ruling ideas and prevailing tastes. In an age where organised religion was steadily losing its purchase on the popular imagination, especially in the de ritualised climes of Protestant Northern Europe, many observers saw 'art' as the best chance of transcending the standardising logics of industrialisation and commercialism, ensuring the survival of alternative ways of thinking, looking, listening and feeling, and just possibly, affording a glimpse of the sublime. In this conception artists always appear as members of an avant garde, able to see through the lies of the powerful and the taken-for-granted routines of everyday life and penetrate to the deeper truths concealed behind. In contrast to this elevated ideal, routine workers in the emerging cultural industries inevitably appeared as hacks, turning out material to order, tailored to the tastes of the growing mass market of factory and office workers hungry for

entertainment and distraction. Accordingly, they were roundly condemned for taking the capitalist shilling and trading in trivia and sensation. This romantic conception of the artist was shared by both radical and conservative critics. Marx, who had wooed his future wife Jenny, with self-penned poetry was in no doubt that “Milton Produced *Paradise Lost* for the same reason that a silk-worm produces silk. It was an activity of his nature. Later he sold the product for £5. But the literary proletarian of Leipzig, who fabricates a books under the direction of his publisher...his product is from the outset subsumed under capital, and comes into being only for the purpose of increasing that capital” (Marx, 1969: 401). Proof that industrial serial production aimed at the commercial mass market. Squeezed out diversity of expression was readily to hand. Between 1860 and 1890, the American dime-novel publisher, Irwin P Beadle & Co released some 3,000 titles, at an average rate of one every two and half weeks. By “offering the public more of the same, but not exactly” they combined the pleasures of familiarity with a particular genre (westerns, detective novels, romances) with the variations of novelty (the cowboy hero might fight a corrupt sheriff rather than cattle rustlers) (see Sassoon, 2002:118) This marketing strategy of repeating with variations, what had worked before was later adopted as the universal template for production in the emerging industries of popular music and popular film and later still, commercial radio and television.

However, as the prefix ‘political’ makes clear, for political economists’ questions about cultural production and consumption are never simply a matters of economic organisation or creative expression and the relations between them. They are always also questions about the organisation of power and its consequences for the constitution of public life. The modern discipline of economics, which emerged at the turn of the twentieth century in a self conscious effort to depoliticise the study of economic life and establish a new ‘science’ focuses on the efficient working of ‘the economy’ as a bounded institutional domain. Against this, both classical and critical political economists are interested in the relations between the production and circulation of goods and the constitution of the good society.

This concern has been fundamentally shaped by the shift in the political sphere that accompanies the rise of industrial capitalism. *The Wealth of Nations* was first published in 1776, the year of the American Revolution. Marx and Engels drafted *The Communist Manifesto* in 1848 as country after country in Europe experienced disruptions and insurgencies. People were forcing themselves onto the political stage. They were rejecting their assigned role as spectators of rituals mounted by princes, kings and emperors and claiming the right to participate fully in public life and to contribute to shaping its future forms. They were refusing to be subjects, subjected to forms of authority over which they had no control, and demanding to be treated as citizens with the right to elect the representatives who would make the laws under which they would consent to be governed. This transition from autocracy and absolutism in Europe proceeded unevenly from country and country and across social groups, with the right to vote coming considerably later for women than for men. It was also

arrested and suspended by the rise of new forms of autocracy – single party states, military dictatorships – and the emergence of Fascism but as an ideal it was fiercely defended and fought for.

For free market enthusiasts the coupling of advanced capitalism with mass democracy did not present a problem since they defined a good society as one that maximised freedom of personal choice and they saw market mechanism as the best guarantor of the information, open debate, and diversity of ideas and argument that political deliberation within mass democracies required. They concede that ‘market failures’ are likely to occur when the requirements of democracy run counter to the logic of profit maximisation governing corporate decision making but they see these as easily addressed by minor, remedial, public investment in supplementary forms of cultural production. In 1986, for example, a Committee appointed by the then Conservative Government in Britain to report on the future financing of the BBC and chaired by a convinced free-market economist, Sir Alan Peacock, argued that “there will always be a need to supplement the direct consumer market by public finance for programmes of a public service kind supported by people in their capacity as citizens and voters but unlikely to be commercially self-supporting in the view of broadcasting entrepreneurs” (Home Office, 1986: 133). The aim however was to fill these gaps with the absolute minimum of public funding. Their solution was to propose that the compulsory licence fee which funded the BBC should be abolished, that all the Corporation’s services should be converted to subscription channels, and that a modest public fund be established to support worthy projects proposed by programme makers. Interestingly, they rejected calls for the BBC to be funded out of advertising sales on the strict free market grounds that advertising interferes with the proper, direct, relation between buyers and sellers, and elevates the requirement of advertisers (for audiences of a particular size and social composition) over the preferences of audiences.

In contrast, critical political economists identify the mismatch between capitalism and democracy as both fundamental and structural. For them the fact that core cultural and communicative facilities – newspaper offices, film and recording studios, book publishing companies, television channels – are privately owned by shareholders whose major interest is maximising the return of their investment or advancing their own economic or political ambitions necessarily privileges personal interests over the public interest. They also reject the undue influence on public culture exercised by capitalists in their role as advertisers on the grounds that it gives undue prominence to one particular way of talking about the world – commercial speech and squeezes the space available to other voices and perspectives. This leads them to argue for extensive public regulation of corporate behaviour to curb abuses of owner and advertiser power coupled with major investment in public cultural and communication facilities designed to provide everyone with the full range of symbolic resources required by participatory citizenship without falling back on either advertising support or additional payments at the point of use. By linking access to cultural and communications goods directly to ability to pay the price mechanism inevitably creates sharp differentials in access. Funding produc-

tion and distribution out of taxation goes some way to equalising them. Where market thinking fixes on the figure of the individual consumer making choices in the media marketplace, critical perspectives focus on meeting the communicative requirements of people in their role as citizens participating in a moral and political community.

Looking back to the development of critical political economy perspectives and their application to issues of culture and communication we can see that research and argument quickly came to focus on three key areas; the power of capital to determine the shape of public culture; the industrialisation of cultural production and its consequences for diversity and originality of expression; and the proper role of public regulation and subsidy. These core issues remain central to present debates in Europe but the terms of argument are continually shifting in response to changes in the media environment produced by a combination of technological innovations, corporate strategies, and national and EU policy responses. Underlying these movements is a widespread disillusion with traditional models of public intervention and a fundamental institutional and ideological shift in favour of private enterprise and market dynamics.

Redefining the 'Cultural Industries'

The term 'culture industry' was first proposed in 1944, by Max Horkheimer and Theodore Adorno, the leading figures in the group of Marxist intellectuals and cultural analysts grouped around a research institute based in Frankfurt. With Hitler's consolidation of power both men moved to the United States where they observed at first hand the continuous flow of popular movies and music that filled cinemas across the country and competed for a place in the weekly 'hit parade'. This confirmed them in their conviction that under the conditions of advanced capitalism cultural production aimed at the heartland of public culture would be overwhelmingly characterised by industrialisation and the radical curtailment of expressive diversity and experiment. For them, the relentless "assembly-line character of the culture industry, the synthetic, planned method of turning out its products" constructed a machine that "rotates on the same spot" in which the constant search for novelty and surprise disguises a deeply conservative system which "excludes the untried as a risk" and concentrates on "what is taken for granted but has never existed" (Horkheimer and Adorno, 1973: 163/134). Commentators have quarrelled with their romantic view that 'true' art can only be produced by inner-directed individuals and their consequent denial of the collective labour involved in much 'high' cultural production. But they have wanted to hold on to their central notion that the more culture becomes an industry like any other the less hospitable it is likely to be to projects that disrupt and challenge received ideas and established tastes.

From the 1970s onwards however, the term 'culture industry' has been progressively emptied of its critical content and assimilated into official policy discourse. Faced with the rapid decline of the traditional manufacturing industries that drove the

'first' industrial revolution governments in Europe and elsewhere have cast around for economic sectors that might provide the hub for a 'second' economic revolution .” If the industrial era was characterized by the amassing of physical capital and property” so the argument runs, “the new era prizes intangible forms of power bound up in bundles of information and intellectual assets” and in command over creativity (Rifkin, 2000: 30). In line with this view of change, the term ‘culture industry’ ceases to operate as a rhetoric identifying the antagonistic relation *between* cultural diversity, and industrialised production and commercial distribution and becomes a shorthand for a cluster of industries moving towards the centre of a new, ‘weightless’, economy. Worry over the plight of the creative artist is replaced by a concern with how best to promote those industries that depend on continuous creative work in order to make an impact in the global marketplace. No matter that this ‘creativity’ may consist of tweaking a well established generic formula or television programme format or devising more effective marketing strategies. “By calling something a ‘culture industry’ or ‘creative industry’” this new policy rhetoric effortlessly superimposes aesthetic value on market value (see Negus and Pickering, 2004: 51).

Promoting marketisation

This convenient conflation is part of a more general marketisation of official policy and discourse. At the institutional level, marketisation entails a cluster of policy interventions designed to enlarge the playing fields open to private corporations, to increase their freedom of action, and to reduce the countervailing force exercised by publicly funded cultural organisations. At the ideological level it is marked by the installation of market criteria of performance as the yardsticks against which all institutions will be judged (including those still in the public sector) and the celebration of risk taking entrepreneurs and choice making consumers as the quintessential sovereign individuals of capitalism (see Murdock and Golding, 2001)

The rapid rise of marketisation since the mid 1970s marks a sharp break with the situation that obtained in most of (Western) Europe in the years following World War II. In contrast to the United States, where all key media facilities were privately owned from the outset and ‘public interest’ requirements were met through various forms of regulation, in most European countries the two facilities considered most central to an active social life and participatory citizenship – the telephone network and broadcasting – were publicly owned and charged with making key communications and cultural resources available to everyone, without discrimination, and at a price that even the poorest household could afford. To this end the costs of local telephone class were cross-subsidised out of the profits made on long distance and international business traffic and public call boxes were installed across the country for those without a domestic hand set. Public broadcasting was funded wholly or mainly out of taxation, charged with providing the cultural resources required for the full exercise of citizenship, and required to offer the full range of services to everyone without additional

payment at the point of use. These mechanisms for ensuring universality of provision, and in the case of public broadcasting, diversity of expression and argument, were seen as essential to the proper functioning of complex democracies based on the ideal of universal participation.

Marketisation has substantially dismantled this post-war settlement. This has been achieved through varying combinations of five major policy interventions; privatisation, liberalisation, commodification, the reorientation of public regulation, and corporatisation (which will come to in the last section).

Privatisation entails the transfer of publicly held assets to private investors and the conversion of organisations that were previously public utilities or corporations into profit seeking private companies. To date, with the notable exception of the major French channel TFI, almost no public broadcasting organisations in Western Europe have been fully privatised, though a number have sold off some of their assets. The BBC for example has divested itself of its transmitter network. In contrast, privatisation has become the norm in the telecommunications sector. Postal services have been separated from telephone and data networks and the old publicly owned PTT's (post, telegraph and telephone utilities) have either been sold off or opened to outside investors. The result is a sea change in corporate culture, away from the provision of services in the public interest, and towards a concerted search for new investment opportunities and profit centres, including the provision of entertainment over new broadband networks.

Liberalisation involves allowing new entrants to enter markets that were previously either monopolies or dominated by a handful of operators. In 1980, for example, only two countries in Western Europe, Italy and Great Britain had dual television systems with public broadcasters competing against commercial channels. With the exception of Luxembourg that had always had a purely commercial system, in all the others public channels enjoyed a monopoly. Over the course of the next decade and half however their privileged position was increasingly undermined by the arrival of new commercial cable and satellite services and new terrestrially based channels supported by advertising. By the end of the 1990s, the age of monopoly was well and truly over and public broadcasters found themselves locked in an intensified competition for viewers' interest and loyalty, and in a number of cases, for advertising revenues as well (see Siune and Hulten, 1998). One option was to play the commercial channels at their own game by concentrating prime-time programming on popular genres with known audience appeal. The resulting squeeze on 'difficult', contentious, or minority appeal programming such as investigative documentaries and one-off dramas prompted widespread criticism among commentators who saw public broadcasting as an essential cultural resource for citizenship. They argued that the historic mission to enlighten and explain by linking biographies to histories was being 'dumbed down', submerged in a sea of life style programmes, reality shows and talk shows that focused on individual choices and dilemmas detached from any attempt connect personal circumstances to social structures or policy options.

Commodification. As well as effecting production strategies the enlargement of the market sphere in culture and communication has had a major impact on public access to key resources. By making access conditional on ability to pay it ensures that the exercise of cultural rights is directly regulated by the amount of disposable income that individuals and households can command. Domestic internet access is a case in point. At present this requires as a minimum, ownership of a desk top computer an access to a suitable a telecommunications link. However, in order to access the Internet flexibly and use its full range of possibilities (such as video streaming) users need to upgrade from a basic dial-up link to a broadband connection and to own a laptop machine that can take advantage of the wireless (wi-fi) connections now being installed in a variety of public locations. Both these additions are relatively expensive. Consequently, as Manuel Castells has noted, just as “the huddled masses finally have access to the phone-line Internet, the global elites will have already escaped into a higher circle of cyberspace” (Castells, 2001:256)

Re-orienting regulation. Historically one of the principle aims of European regulation in the fields of communications and culture has been the defence of the ‘public interest’ in the sense of ensuring that commercial operators do not abuse their power and are required to provide resources for citizenship even when these are not profitable. The United Kingdom was the first country in Western Europe to allow commercial television companies to operate alongside the public broadcaster, the BBC. However, from the outset strict limits were placed on ownership (companies could only own one regional franchise) and on the amount and type of advertising permitted (with a ban on programme sponsorship). Companies were also required to produce a range of ‘public service’ programmes even though they would attract smaller audiences than more immediately popular offering in the same slot in the schedule. These included: regional news, religious programmes, documentaries on current issues, and programmes for ethnic and other minorities, such as the profoundly deaf. Recent years however have seen a steady watering down this regulatory regime. Mergers have been sanctioned which now leave the whole of England served by one consolidated company. The rules governing advertising have been relaxed to allow extensive programme sponsorship. And there are constant calls from the commercial operators for the public service obligations to be removed so that they can compete more effectively with cable and satellite services. This retreat from public service regulation, as it has been traditionally understood, is fully in line with the new thinking at European level. In the era of open markets, the public good can be best guaranteed by a regulatory system focused on fair competition and consumer protection. As Philip Lowe, European Commission’s Director General for Competition told a recent gathering of communications professionals; “the emphasis of regulation has shifted away from protection of some broadly defined ‘public interest’ towards opening up markets, ensuring free and fair competition between producers and promoting the interests of consumers” (Lowe, 2004:1). In this conception, public regulation is a last resort, to be mobilised only when Adam’s Smith’s ‘hidden hand’ of market dynamics has singularly failed to stop dominant companies abusing their

power to rig markets in their favour, overcharging their customers, or selling them shoddy goods. Even these modest aims are subject to revision however, when wider economic or political interests intervene.

Unshackling capital

Critical political economy's long standing concern over the potential for abuses of power conferred by the private ownership of public media have been forcefully underlined by the activities of two of the major media moguls now operating in Europe: Rupert Murdoch and Silvio Berlusconi.

Murdoch's ownership of *The Sun*, Britain's best sold daily newspaper and one of the most successful tabloids in the world, has made him a political player to reckon with. Successive British governments, both Conservative and Labour, have convinced themselves that their possibilities of being elected or re-elected will be seriously damaged, possibly beyond repair, if they do not have the support of *The Sun*. This was one of the main considerations behind the Thatcher Government's decision not to intervene when Murdoch's fledgling UK satellite television service, Sky, took over its only rival. This conferral of a de-facto monopoly gave Murdoch an unchallenged base on which he was able to build an enterprise, now called BskyB, that is the major commercial competitor to the BBC in the emerging multi-channel television. He has also benefited from the more relaxed regulatory regime at European level which by sanctioning the merger between his holding company, News Corporation, and the Italian satellite service Telepiu has allowed him to launch Sky Italia as the major player in the Italian satellite television market.

Italy also provides the most dramatic contemporary instance of the potential abuses accruing to owner power. Silvio Berlusconi is a long standing fear made flesh. He exploits a loophole in the Italian regulations barring the establishment of national commercial television services to construct three networks with national reach. He mobilises these networks, together with his extensive press interests, to create and promote a new political party, Forza Italia, building a momentum that elects him to the highest political position in the land. He is forced to leave office but is later re-elected for a second time promising to separate himself from his media holdings to avoid conflicts of interest. He fails to do so and repeatedly uses his media interests to attack his opponents and defend his decisions to introduce new laws designed to protect his personal interests and give him immunity from prosecution on various criminal charges. To further reduce the spaces available for critique and opposition he sets about incorporating the public broadcaster RAI into his orbit of influence.

Berlusconi is an extreme case of course, but his career reveals a wider logic that Jürgen Habermas dubbed 'refeudalisation' and which he saw as the primary force undermining the vitality of the public sphere. It is a striking metaphor and one that points to perhaps the most important consequence of marketisation. Just when they have finally obtained the right to full citizenship people are being returned to the status

of subjects, subjected to the power of media barons who behave like feudal overlords and enveloped in the rhetorical orthodoxy of market discourse promoted with the same evangelical vigour that Catholic missionaries brought to spreading the Gospel. This new religion offers its own potent vision of salvation. Dedicated consumption is all that is acquired, allowing the healing touch of commodities to re-make the self, abolishing bodily blemishes, ugly homes, and daily drudgery, with cosmetics, stylish interiors, and high performance cars.

Reconstructing the public sphere

Against this radical privatisation of personal fate, Habermas proposes a vision of collective cultural space as a public sphere in which people come together to deliberate on issues of shared concern and try to forge a provisional agreement on what collective action should be taken. He sees this sphere emerging in the great European commercial cities of the late Eighteenth century and finding its major forms in coffee-house debates and the emerging newspaper press. Alongside this ‘political public sphere’ devoted to issues requiring policy decisions, he identifies a parallel ‘literary public sphere’, centred on the other great medium of the time – the novel – and concerned with exploring what it means to be human and how it feels to walk in another person’s shoes. This cultural resource, though not directly related to the exercise of citizenship in the narrow sense of participation in the democratic process, is essential to fostering the empathy and openness to difference required by deliberation in a complex society.

The history of public broadcasting can be read in part as a history of successive attempts to translate these two idealised public spheres into cultural forms that allow people to discover things about themselves and the world around them that they might otherwise have missed and to enter into debates on possible futures having possession of comprehensive and disinterested information and access to the widest possible range of analysis, interpretation, and explanation. However, these aims can only be achieved, so supporters argue, if public service institutions are relatively independent of undue influence from both the state and the government of the day and the pressures of market competition. Over the last two decades this principle of keeping commerce at arm’s length has been steadily eroded by corporatisation.

This entails governments requiring or cajoling public institutions to act more and more as though they were commercial companies. This aim can be achieved in a variety of ways.

Public subsidies can be cut, forcing public institutions to look for additional sources of income. Accepting advertising, seeking commercial sponsorship, and charging users for services that were previously free, are the most obvious options and have been mobilised in varying combinations by a wide range of public institutions from museums and schools to public broadcasters.

At the same time, governments may seek to exploit the positive brand identity of major public institutions by nominating them as ‘national champions’ that can com-

pete effectively in the international marketplace. This policy has been vigorously pursued by the British Government in relation to the BBC. As a consequence the Corporation's commercial arm, BBC World, has entered into a series of co-production agreements with major American programme makers, aggressively marketed the formats to a range of its high rating shows, and devised an expanding range of merchandise based on its programmes, from books and videotapes to children's toys.

The outcomes have been contradictory. On the one hand these initiatives have gone some way towards fulfilling their stated ambition of raising additional revenues to finance domestic programme production and support innovation and experiment. On the other hand by introducing commercial calculations into programme planning they have helped shift the locus of decision making from commissioning editors and programme makers to marketing specialists and international partners tipping the balance away from the untried and risk and towards to the safe bet.

This retreat from experimentation has been given an extra push by the rapid casualisation of the creative labour force and the greater proportion of projects allocated to 'independent' production companies. As Joan Bakewell, a leading presenter of one of the BBC's best known cultural programmes of the 1970s, *Late Night Line Up*, recently remarked, television today has "become an industry where loyalty to a single lifelong employer and identification with its aims has given way to a ladder of personal ambition [and as] more television people move from one independent company to another. They pick up the small change of television style and presentation. Programmes come to look more alike" (Bakewell, 2003: 306). The result is industrialisation without factories, standardisation as a routine reflex.

Paradoxically however, the shift from analogue to digital technologies within the broadcasting industry has the potential to interrupt this unimpeded migration towards the market. At first sight this looks unlikely. The proliferation of new channels made possible by the compression of spectrum space and the installation of new 'fat' cable networks is subjecting public service broadcasters to even more intense competition for viewers and reinforcing calls for them to be confined to the museum of communications history on the grounds that everything they offer is now readily available either on cable and satellite services or over the Internet. This argument is superficially attractive but it ignores two key points. Firstly, public broadcasting differs fundamentally from commercial channels offering ostensibly the same fare (such as programmes for children or sports fans) in not being interrupted by advertising and/or not requiring additional payments (in the form of subscriptions) as a condition of access. Secondly, as noted earlier, even convinced supporters of a free market in broadcast services concede that not all social constituencies will be adequately served by a system driven by profit seeking. They may be too small or too poor to merit attention.

A more convincing case can be made for the Internet as a universal provider, catering to every possible interest and taste. Here again however enthusiasts ignore both the deep economic and social inequalities that still structure access and the Net's tendency to radically deconstruct the public sphere. In common with multi-channel

television systems, the parcelling out of interests on the Internet, hollows out public life by making it possible for people to consume only what they already know they like and to speak only to those they know already share their tastes and opinions. Such fragmentation works powerfully against the formation of the new points of contact and communality that can support broadly based deliberation in search of solutions to emerging collective problems.

In contrast, public broadcasting is in a unique position to facilitate these connections and to provide the hub for a new digital public sphere. Firstly, it is already integrated into everyday life. It is familiar, accessible and continues to provide a shared point of reference. Secondly, the switch from analogue to digital technologies of production and reception offers an opportunity to integrate broadcasting with the internet in new ways. Thirdly, because public broadcasters still enjoy high levels of public trust they are well placed to become portals of choice, the first place people look to when surfing the net. Fourthly, and most importantly, current experiments already suggest eminently practical ways of breaking with the logic of marketisation and creating shared resources based on a revived conception of public goods. The BBC's proposal to establish a Creative Archive is a particularly interesting case in point. The plan is to make all of the Corporation's past programming that is not subject to non negotiable copyright constraints, freely available on-line for anyone to download and re-use as they wish, providing those uses are not for monetary gain. This principle of open access runs directly counter to the renewed emphasis on intellectual property and commodification that is so central to market thinking in the cultural sphere. Since the original productions were paid for out of public money, so the argument goes, the public already owns them collectively and should not be required to pay again on an individual basis. The potential uses of the Creative Archive are enormous but it is only one stand in a wider BBC strategy of integrating what appears on screen with what is available on-line. In this vision programmes cease to be self contained events and become jumping off points for a range of activities conducted on line, from following up additional information resources, to engaging in debate with programme makers and other members of the audience about the issues raised and making contact with movements and groups working in the same area.

On the last page of his major book on the public sphere, originally published in 1962, Habermas holds out the hope that the struggle between critical and open deliberation and communication skilfully managed in the interests of corporate and governmental power "remains open" (Habermas, 1991). In the intervening years the relentless push towards marketisation has progressively closed this space down. In the coming decade the creation of new digital public sphere may go some way towards providing an alternative. Developing arguments and practical proposals that will facilitate this presents critical political economy with a major challenge, but also an unprecedented opportunity.

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