

Grandes gigantes: media concentration in Latin America

By Silvio Waisbord,
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A lively polemic has developed in **openDemocracy** about media ownership. Where [Bob McChesney](#) [0] finds nothing but a bleak world of concentration, [Ben Compaine](#) [0] optimistically sees the flourishing of media choices.

For Compaine, the market is the most efficient way to distribute media goods. Business responds to the preferences of audiences. New technologies eliminate bottlenecks that limit media choices. A “new brave world” of unfettered competition characterises contemporary media markets.

For McChesney, Compaine’s argument is utterly wrong. At best, it confuses the availability of more channels with democratic media; at worst, it is propaganda for rapacious corporations. Markets have become increasingly concentrated as a result of policies that privilege the interests of corporations, not citizens.

A multi-channel environment may superficially suggest that media democracy has arrived, but new technologies have been swiftly incorporated into the corporate order. The notion that markets transparently and effectively reflect audiences’ preferences is ludicrous; media systems reflect, above all, corporate interests.

Thinking of the Latin American media, I share McChesney’s concerns about the inherent incompatibility between media concentration and democracy. I believe, however, that applied to Latin America, a political economy approach has some limits. Ownership concentration is important. But it is not the whole story of the current situation in the region.

If we only focus on concentration we miss two important facts. First, media concentration in different political regimes (military authoritarianism and today’s “illiberal” democracies) has different consequences for public life. Second, even when property is highly concentrated, the media is not a vast anti-democratic wasteland. There are spaces for conflict and change.

Within the formidable constraints of a highly concentrated, commercial system, some media try to give voice to dissent and criticism while others simply produce pap. Some media workers try to offer content that serves democracy rather than propaganda. There are journalists who investigate wrongdoing and television producers interested in expressing the lives and concerns of marginalized citizens.

Changing concentration in Latin America

Since the late 1980s, the global politics of privatisation and liberalisation combined with homegrown cronyism have perfected, to borrow from my six-year-old daughter’s argot, “gianormous” media conglomerates in Latin America.

In Mexico and Brazil, the Televisa and Globo companies respectively, have dominated the media for decades. Taking advantage of their close association with authoritarian governments, both companies were able to consolidate their control, particularly in broadcasting. Currently, they hold extensive interests in television, film, newspaper, music, radio and in other industries.

Other media markets are becoming imperfect duopolies, such as Argentina (Grupo Clarin and Telefónica), Colombia (Grupo Santo Domingo and Grupo Ardilla Lule), and Venezuela (Grupo Phelps and Grupo Cisneros). Elsewhere, media systems are typically controlled by a handful of family-owned companies, often close to ruling politicians.

The latest globalisation push has not substantially altered the pattern of foreign/domestic ownership. Domestic companies still control the lion's share of broadcasting and print media.

Global and regional companies have entered many markets partnering with domestic giants in some business (e.g. satellite television), but generally, do not own media properties. An exception is Spain's Telefonica which, in the last decade, has become a dominant presence in the Argentine media market and also owns the popular regional portal Terra.

Also, European media companies have gained control of leading book publishers in the region. It remains open whether foreign ownership would make inroads in the broadcasting and newspaper/magazine industries.

An interesting case to watch is Brazil: Globo's competitors, in need of substantial injection of cash, have pressured the government to relax the limitations on the amount of foreign capital.

Media concentration is hardly news, however. We are not leaving behind a golden era of diversified ownership and unbound media democracy. Decades ago, party leaders, military officers, and captains of the industry ruled over mini-media empires of broadcasting stations and newspapers. Peron's Argentina, Pinochet's Chile, or the PRI's Mexico were not exactly paragons of media tolerance.

Nor were Peru's Fujimori, Brazil's military or any of the dictators that ruled Central American countries more committed to democracy than today's media magnates. Authoritarian rulers used an arsenal of means to guarantee a docile media, from direct censorship to arbitrary allocation of state advertising, from verbal intimidation to persecution of dissident journalists.

Latin American media systems are experiencing a gradual transition from family-owned, partisan media to globalised corporations. The transition is happening at unequal pace across the region. It is more evident in larger and wealthier markets such as Argentina, Brazil, Chile, Colombia, Mexico, and Venezuela.

Although old clientelist practices and favoritism still remain, media corporations swim in different capitalist waters than the empires of the past. Today's media corporations are conceived primarily as moneymaking enterprises rather than as political tribunes or public avenues for the many ambitions of their owners. They have sprawling interests across various industries. Unlike yesterday's media bosses, today's moguls are more business-minded and fluent in the patois of global capitalism.

The new concentrations and democracy

Is this transition good or bad for media democracy? Neither the *ancien regime* nor the new order offers a favorable environment for the media to serve citizens.

There are differences worth considering, however. In the past, media caudillos waged crusades against corruption out of personal convictions and political ambitions; today, anti-corruption journalism is more likely to be informed by marketing calculations and the professional aspirations of reporters.

In the past, government-owned television stations basically functioned as official megaphones. They shied away from producing content and heavily relied on foreign programming; today, global corporations are more inclined to produce drama and other genres to attract large audiences and advertisers. In the past, the State was the largest advertiser and government officials pulled all media strings; today, mega-global advertisers enjoy tremendous power in shaping media content.

Although concentrated media ownership presents numerous problems for democracy, not all content should be put in the same anti-democratic basket. While some *telenovelas*, the bread-and-butter of Latin American television, walk a conventional ground, others critically address issues that are relevant to public life (unemployment in Peru's *Los de Abajo*, land distribution in Brazil's *Rei do Gado* and poverty in Argentina's *Vulnerables*, to name but three).

Likewise, while some news organizations cozy up to the powerful, others produce challenging reporting (some examples are Mexico's *Proceso*, Argentina's *Pagina/12*, Peru's *La República*, Panama's *La Prensa* and Guatemala's *Siglo 21*). Often they put their lives on the line.

No doubt, it would be mistaken to wax romantic about the democratic possibilities of media organisations in a system chiefly designed to serve elites, not citizens. But it would be equally shortsighted to ignore or dismiss them.

The multi-channel environment

McChesney's point about the fallacy of the argument that "more technologies equals more choices" applies to Latin America. The putative plurality of media channels is hardly synonymous with budding democracy.

First, established companies have gobbled up large chunks of new media real estate. Regional and international behemoths control cable systems and satellite television dominate presence in the Internet.

Second, only a small minority of the population can take advantage of the increased number of channels. If willing to pay, literate and relatively well-to-do citizens have more choices. Little has changed for the impoverished majority whose media diet consists of radio and free-to-air television.

Contrary to what Compaine affirms, media markets do not just serve audiences. They serve some audiences more than others. Much more content is at the fingertips of anyone with sufficient resources, access to electricity and telephone or cable connection, and a computer (conditions that only a minority of Latin Americans actually meet).

To acknowledge the limitations of new technologies, both in terms of ownership and user access, is not to deny that there is more content available. There are more films, wildlife documentaries, golf championships, community talk-shows, cooking shows, monster-truck extravaganzas, roundtable chats and any imaginable cheap genre on cable television.

Who could flippantly argue that there is nothing redeemable in the Web or that the Internet only serves voracious media buccaneers? Let's skip the question of "what is quality?" to avoid

opening the box of individual taste (unlike Compaine, I found *There's Something about Mary* riotously funny, and was not moved by the nostalgic patriotism of *Saving Private Ryan*).

Just because the content of new media is awash in commercialism, it doesn't mean that it is uniformly antidemocratic. It is not self-evident, at least in the Latin America case, that media concentration inevitably reduces all content to mush.

There is no solid evidence that the latest round of mergers and the reduction in the number of media owners has substantially changed content. Both before and now, television is fundamentally commercial and sensationalistic, while newspapers generally serve the comfortable.

Nor do we know whether concentration has similarly affected all industries. Perhaps business pressures limit content in some industries more than in others. There seems to be more room for diversity and innovation in the book, film, and music industries than on television and newspapers, even when a handful of companies wield power.

More than unidimensionally reactionary or seamlessly homogeneous, media cultures in late capitalism are dynamic, crossed by contradicting forces and conflicts. Even when oligopolies roam the land, the Latin American media landscape is dotted with some bright spots (an incomplete personal list includes watchdog journalism, intelligent telenovelas, rebellious and pleasurable music, community radio, eye-opening documentaries, original fiction, creative filmmaking).

To recognise these bright spots is not to ignore the fact that the overall media landscape is hardly democratic. The point is not whether one finds content that suits one's political expectations and cultural preferences. Rather, when the whole system is organised around the principles of profit and power, little of the content that the media constantly dishes out serves political and cultural citizenship.

Media concentration does exacerbate this situation in particular ways. It pushes out unprofitable content that appeals to cultural minorities or poor citizens. It makes it more difficult for media organisations with modest commercial aspirations and "citizens' media" to stay afloat.

It is prone to be heavily influenced by big advertisers (particularly problematic in countries where a handful of advertisers, the government included, are dominant).

It is friendly to formulaic, conventional ideas. And is hostile to news and entertainment that make us explore cultural differences, give voice to minorities and marginalized citizens, reflect critically on society, and tell stories that express the diversity of contemporary Latin America. But it is not worse than what came before.

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