

Australian media “inquiry” designed to protect Murdoch empire

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The Gillard government last week announced a narrowly-focussed inquiry into the print and on-line media. The six-month inquiry, to be run by a former judge with no powers to compel witnesses, is clearly designed to defend Rupert Murdoch’s interests in the face of the ongoing phone-hacking and influence-peddling scandal wracking his News International group in Britain and globally.

Communications minister Senator Stephen Conroy flatly ruled out any examination of the two most obvious issues raised by the exposure of Murdoch’s British operations: whether his News Limited outlets have conducted similar activities in Australia, and the grip that Murdoch and a handful of other proprietors have over the Australian media—which has one of the most concentrated ownership structures in the world.

“In terms of a witch hunt to breakup News Limited or to attack News Limited, we’re not interested,” Conroy told a media conference last Wednesday. “I don’t need an inquiry to establish that the Murdoch press owns 70 percent of the newspapers in this country. We’ve all known that for years.”

In fact, the inquiry seeks to strengthen the virtual monopoly held over the Australian print media by News Limited and John Fairfax Holdings, which between them own 11 of the 12 capital city daily papers and the overwhelming majority of the regional and local papers. The government’s overriding concern is that the explosion of on-line media outlets over the past decade has undermined the power of the media moguls.

Conroy said: “The pressures brought about by the advent of digital technologies and the 24 hour news cycle are threatening the traditional business models that support the essential role of the media in our democratic society.” The Labor government, no less than the press barons, is concerned at the intrusion of

the Internet and its wider range of commentary and expression into the present, tightly controlled media monopoly.

The inquiry’s terms of reference speak of exploring means of “supporting the investment by traditional media organisations in quality journalism and the production of news.” This terminology echoes that used by Murdoch himself in 2009, when he announced measures to try to reverse the rapidly declining profits of his newspapers around the world by making readers pay for on-line content.

Murdoch denounced the “content kleptomaniacs” of the Internet, declaring that the time had come to shut the door on them. He told analysts in mid-2009 that the traditional newspaper business model had to change. “Quality journalism is not cheap, and an industry that gives away its content is simply cannibalising its ability to produce good reporting,” he said.

In reality, Murdoch’s media outlets have nothing to do with “quality journalism”. In Australia, as in Britain and the US, they pursue a relentless free-market agenda, coupled with flag-waving support for US-led military interventions and a constant diet of sensationalism, banality and the demonising of workers, refugees and other vulnerable people.

Through their monopoly, the media empires wield considerable political power. As Conroy himself declared: “They set the agenda every day for our national conversation.” Since being installed in June 2010 through a backroom coup, Prime Minister Julia Gillard has at least twice met with Murdoch personally, and time and again her government has taken its cue from his News Limited editorials.

There is nothing in the inquiry’s terms of reference about privacy breaches, the issue that triggered the British revelations. For all the self-serving claims of the

media groups that there is “no evidence” of similar practices in Australia, there have been frequent examples of the media intruding into the lives of particularly the most vulnerable layers of society, such as welfare recipients, in order to demonise them. Any probing of such practices might well open a can of worms—as it did in Britain.

To rule out any prospect of Murdoch or News Limited executives being called to testify in public, Conroy said the inquiry would have no coercive powers or ability to subpoena witnesses or demand evidence, and could conduct hearings behind closed doors.

Just before the inquiry was announced, Rupert Murdoch’s son James, who heads News International, was summoned to appear again before a British parliamentary inquiry into the phone-hacking. Evidence has emerged that he had misled MPs in his first appearance, during which he and his father denied all knowledge of the widespread practice.

By holding a token inquiry that will exonerate the Murdoch empire, the Gillard government only assists James and his father, who continue to maintain that the illegal bugging was simply the work of a few rogue journalists and editors at News of the World in Britain.

What else the inquiry is meant to examine is entirely unclear. There is some window-dressing about “the effectiveness of the current media codes of practice” and “strengthening the independence and effectiveness of the Australian Press Council.” The APC is a toothless self-regulatory body, funded by the media owners themselves, which smothers complaints from the public.

Recognising the inquiry poses no threat, the Murdoch group has expressed full confidence in its operation. News Limited chief John Hartigan declared: “We have strong editorial standards and we welcome public scrutiny of what we do.” Last Thursday’s editorial in the *Australian*, Murdoch’s national flagship, welcomed the limited character of the inquiry, noted that its “focus is on the impact of digital technology” and agreed that “there are legitimate issues about online operations.”

Substantial financial interests are at stake in Australia, and around the world. Murdoch’s Australian network includes News Limited and Cumberland newspapers, pay-TV company Foxtel, Fox Sports, Sky News, Fox Studios and Harper Collins publishers.

Foxtel is currently seeking permission to take over rival pay-television network Austar, and News Limited is pushing for control of the Australian Network, a publicly-funded broadcaster that airs in Asia and the South Pacific. Both proposals had been thrown into doubt as a result of the phone hacking affair. (See: “Murdoch’s News Corporation scrambles to defend its media interests in Australia”).

Greens leader Senator Bob Brown, who had earlier called for an inquiry into media ownership and bias in the wake of the British scandal, immediately fell into line. He congratulated the government for announcing its “inquiry”, which he claimed would be “focused on the public interest” and “have popular backing amongst everyday Australians.”

The response of Labor and the Greens is in line with that of the entire British parliamentary order—Conservative, Liberal Democrat and Labour—which has sought to protect Murdoch’s interests as much as possible. Just as in Britain, where every institution of the capitalist state—the major parties, the government, parliament, the courts, the police—is implicated, any genuine investigation into News Limited would expose a network of patronage and privilege.



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