



**SPECIAL REPORT: 1993 FULBRIGHT SYMPOSIUM
SYDNEY 27-28 OCTOBER**

The News Media: Whose Responsibility? Whose Power?

The 1993 Fulbright Symposium on the theme *The News Media: Responsibility and Power* took place in Sydney at the end of October.

The symposium was organised by the Australian Centre for American Studies, a 'national, non-partisan centre designed to act as a catalyst for discussions and debate' on issues relevant to the US and Australia, and their relationship. The centre, established last year and opened by then President Bush, is based at Sydney University.

The quality of the symposium was patchy. A number of factors contributed to this, including the variable standard of speakers and the non-appearance of some advertised drawcards, such as ABC Radio's Moscow correspondent Monica Attard. Another problem was an over-full program which resulted in interesting papers being curtailed, and little opportunity for debate or comment from the floor.

The nature of the principal sponsors, which included News Ltd, Time Australia and John Fairfax, dictated the choice of speakers to a significant extent, and may have had an inhibiting effect. Whatever the reasons, the overall ethos of the conference on a topic which could have given rise to some lively and thoughtful debate was somewhat bland.

Day One: The Responsibility of the Media

Littlemore Blasts News Ltd

One of the very few ripples on the otherwise calm surface of the symposium at the upmarket Park Lane Hotel was provided by barrister and media critic Stuart Littlemore. He said that the quality of our media is determined not by journalists but by those who own the media. Journalists will write in accord with what they believe to be Packer/Murdoch/Fairfax standards, even if it conflicts with their own code of ethics.

'Self-interest is the main determinant of what we see and read', Littlemore said. As an example, he cited the News group papers' coverage of News Corporation's business interests. It was a subject at the forefront of his mind since he had devoted that week's *Media Watch* to a stinging

attack on an allegedly sycophantic interview with Rupert Murdoch by The Australian's Terry McCrann, and uncritical coverage of the News share float in the same paper by Brian Frith.

Our media were 'too lazy' to look beyond the screen in front of them, and their reporting of matters like the Gulf War was 'subjective, tendentious and opinionated', Littlemore said. They all want to be stars, but don't want to do the research.

None of what Littlemore said was new to anyone who regularly sees *Media Watch*, and as usual his presentation was notable for its rhetoric rather than any depth of analysis. Nevertheless, it did breathe some life into the gathering. He also strongly criticised a presentation by media academic John Henningham, who shared his session.

The paper was one of a number commissioned specifically for this symposium, and was to focus on standards of excellence in gathering and reporting the news by comparing the ethical and professional values of US and Australian journalists.

Instead, it largely comprised a recital of statistics from 1992 surveys of the two groups of journalists. On the question of raising standards, Henningham's suggestion was that there might be a case for a new body, not a union but 'a truly professional association'. Journalism was not a profession in Australia, as witnessed by the transformation of former PM Hawke into reporter, Henningham said. In the US, four out of seven journalists are the products of journalism schools, and there is a great tradition of endowment of the profession through initiatives like the Pulitzer Prize.

A View from Time Inc

The keynote speaker on the first day of the symposium was Henry Muller, Editorial Director of Time Inc. Muller's main theme was credibility, and the ways in which *Time* has attempted to ensure journalistic integrity.

Looking back over the organisation's history, Muller said that *Time* had 'mastered power before we really understood responsibility'. Its founder, Henry Luce, had

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used this power to pick presidents and to influence US foreign policy. Before he died, he had realised that no individual should ever again be in a position of such dominance through a media empire.

Luce's solution was to set up two pyramids at Time Inc: editors and publishers, known familiarly as 'church and state'. Each reports to a different board and has, Muller claimed, no direct contact with the other. In this way, it is impossible for advertisers to influence content, and when complaints are made about stories critical of advertisers, the publishers can simply say that it is the fault of the journalists, over whom they have no control. He said that all major US publications now operate on a similar principle.

Journalists need freedom to report on companies which are advertisers, as well as on the group itself, Muller said. *Fortune* magazine had infuriated General Motors for years by castigating it for poor management, even though GM was a major advertiser. Another good example arose from the involvement in cable of Time Warner, when the church/state system of separation meant that readers could be confident that *Time's* coverage of the cable debate was not affected. Although *Time* was a major Olympics sponsor, a Time group magazine had written a 'scathing' piece on Olympic chief Juan Antonio Samaranch which had caused a major furore with heavy pressure applied to the publishers. Publishers know that it is easier to sell ads for a magazine which is respected for its journalistic integrity, Muller said.

Muller conceded that smaller publishers would not have the resources to withstand the kind of lengthy and costly litigation that *Time* was currently involved in as a result of a piece critical of scientology, for example.

Accuracy and editorial independence are the main planks of media responsibility, Muller said. The Eastern European media were destroyed when people had access to responsible information.

How *Time* Operates

Every *Time* story is assigned to a researcher who is obliged to question every word in the story and check details like proper names, ages, honorifics, as well as listening to tapes of interviews and verifying quotations. Frequently, two reference sources are required. Muller admitted that this system was not perfect, since journalists can come to rely too heavily on researchers and may become sloppy. Moreover, he said, every word in a story could be right but the story itself could be 'embarrassingly wrong'.

Kathy Bates of the *Washington Post* (which owns *Time's* rival *Newsweek*) asked how *Time* came to publish some pictures of alleged child prostitution in Russia which were probably fakes. Muller, who seemed somewhat embarrassed by this suggestion of *Time's* fallibility, said that the magazine had kept its readers fully informed about this incident, which demonstrated the need for vigilance.

Asked about *Time's* traditional technique of office rewrites of reports from the field Muller, said that *Time* had taken this to further extremes than any other organisation, and it had got 'right out of hand'. He said group journalism still had its place, especially when it was necessary to pull together a lot of information from different sources very quickly. But he believed a story is often more accurate and effective if it has the authentic voice of the person in the field. He noted that *Time* had encountered considerable problems in attempting to implement group journalism for its local publications, *Time Australia* and *Who*. *Who*, because the Australian journalistic culture was resistant to this approach.

Time encourages journalists to specialise and plans their careers so as to benefit from their special skills such as languages, but this is also balanced with a certain amount of movement to prevent people becoming stale: for example, they would not leave a bureau chief in Moscow for 20 years.

Dempster Weighs In

The ABC's Sydney 7.30 *Report* presenter and staff-elected ABC board member Quentin Dempster said he agreed with Stuart Littlemore's criticisms of the media generally. While journalists had played an important role in exposing corruption in the last ten years, the media overall had 'failed dismally' when it came to questioning conventional wisdoms.

What did the media do about the foreign debt binge of the 1980s, when the glossy business magazines 'rode the euphoria without a jarring note'? Where were the media when the excesses flowing from financial deregulation were happening (Tricon, VEDC, State Bank of SA, WA Inc) for which taxpayers are now paying the price? As for the 2000 Olympic Games, the media has a responsibility to question the finances, to ask credible critics for their views - if only to get politicians to 'focus', Dempster said.

Public broadcasting through the ABC and the SBS in the face of commercial media dominance and concentrated ownership is a major plank in democracy, he said. The ABC is flawed but its perceived independence is vital.

Dempster said that for over 20 years he has endured 'every conceivable form of pressure, coercive and in the form of reprisals, with showers of defamation writs, physical threats, gross abuse and proffered bribes'.

Dempster said that in his days as a newspaper journalist, 'some sort of mental telepathy' on the part of his editorial superiors would see the spiking of stories that journalists thought were provocative and worthwhile. (*Australian* editor Paul Kelly later said he had 'never had any direction from Rupert Murdoch about any story or how it should be handled', and that his paper's coverage of News Ltd's business had been favourable because the share price was rising).

Parliamentary press galleries had a 'herd mentality', Dempster said, with gallery leaders determining the story

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of the day. The decline in Cabinet leaks is 'suspicious', he said, suggesting that journalists these days prefer cosy private briefings from their political sources. He referred to the total public ignorance (until the series *Labor in Power*) of the hatred and rivalry between Hawke and Keating, even though journalists were well aware of it.

Documents are the best sources of all, and some bureaucrats who understand this now put their own 'spin' into documents knowing it will be reported, Dempster said.

A View from Business

Barry Murphy, Chairman and CEO of Caltex, said that despite all the debate about the media recently, there had been little discussion about the relationship between media and business. 'Balance' means something different when you are on the other side, he said.

Consciously or unconsciously, the media are influenced by prevailing 'myths' like the viability of an electric car, or a new wonder fuel which the oil companies will not allow to be manufactured. For over a year, Caltex has been trialling an ethanol-mix fuel in NSW but even journalists who have written about ethanol as an alternative fuel have not contacted the company, Murphy said.

The media mistrust everything oil companies say and there is a distinct media bias, with its own language: 'oil giant', 'multinational', 'price rip-offs', 'disaster waiting to happen'. Murphy questioned whether the public really wanted journalists deciding who are the goodies and baddies.

He claimed that a celebrated 1990 media story which involved Greenpeace plugging a Caltex effluent pipe was 'carefully stage managed' and that their claims were highly questionable. In a later incident, when a drum of 'toxic waste' was displayed on the company's steps, the drum actu-

ally contained rainwater, Murphy said.

Caltex agreed to participate in a Film Australia documentary about Greenpeace on the understanding that other business leaders would appear and there would be a balanced approach. He said that the result, '*Heroes of Our Time*' (shown on *Four Corners*) presented a highly favourable picture of Greenpeace with very selective editing. Interviews with other business people were not used. Despite complaints from Caltex and others, the ABC had repeated the program.

Murphy conceded that the oil industry annoys people on a number of counts including pollution, discounting, and the fact that they collect taxes. But he said that the Australian community is not automatically anti-business, as the media appear to assume. He asked journalists to seek a comment, to report the facts, and not to simply tack a denial on to the end of a 20 paragraph piece.

Murphy said he agreed with Dempster's comments about the media, but proceeded to criticise the *7.30 Report* for what he claimed was one-sided and poorly researched coverage of a story involving his company earlier that week.

Barry Murphy's presentation raised many issues and begged many questions, and it was regrettable that there was no time following it for questions or comment from the floor.

Noonan Responds

One response to the Caltex position was supplied by Gerry Noonan of the *Canberra Times*, formerly editor of the *Financial Review*, who said that business was obsessed with competition and secrecy, and had a 'juvenile' desire to be loved.

The media on the other hand had limited resources to apply to covering the corporate sector, and it was difficult for journalists to 'keep up to speed' on the complexities of business activities. Australian journalists had no opportunity for 'time out' to hone their skills in complex areas like banking. On his own paper, there are no formal

structures aimed at staff development, and this is typical of our newspaper culture in his experience. There is a high staff turnover, the majority are very young and inexperienced, and as a result there is no corporate memory.

Noonan compared the *Financial Review*, which has 100 journalists preparing 70,000 words daily, to the *Financial Times*, which produces the same number of words with 350 journalists, and the *Wall St Journal*, with 650 journalists producing 100,000 words a day.

Noonan said that the more thoughtful business person should realise that media does not have to be either friend or foe; and equally, journalists should not start every day with the view that business is some kind of rabid animal.

Editor in chief of *The Australian*, Paul Kelly, giving what he called an insider's view, said that these days editors were inevitably involved in the commercial side of their papers. Commercial pressures pose a threat to journalistic standards: advertisers have considerable leverage and pressures for advertorial are 'greater than ever'.

In response to television, papers had chosen to offer more opinion and comment even though many readers do not like this trend, and it can harm the paper unless it is 'intelligent and insightful'. He said the extent to which journalists now indulge in commentary is a sign that journalists, not proprietors, hold the power.

The strong emphasis on 'lifestyle' editorial can be justified, Kelly said, by both reader demand and advertiser potential, though this sort of 'soft' journalism is light years away from the journalism of 20 years ago, and is permeating through the whole paper. Nevertheless, the lifestyle journalist was 'a new and important kind of journalist'.

'New news', exemplified by commercial television, is all about ratings, revenue and entertainment value, so that the Gulf War for example became a popular spectacle.

A question from the floor raised the possibility of owners exerting indirect influence for commercial reasons, for example by setting program formats,

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influencing the trend to lifestyle reporting, indeed changing the whole climate of journalistic discourse. Kelly rejected this notion. He said that there was a current repositioning of *The Australian* in the marketplace, by which he seemed to mean it was moving towards a more liberal stance. He said that the paper was now taking positions it would not have taken a few years ago, for example its support for Mabo.

Brave New News World

Jack Lunn, editor of the Brisbane *Courier Mail*, another News Ltd paper, highlighted another trend which is influencing content: the use of colour in newspapers, a move which he said was changing the way the news is presented. While it is primarily revenue-based, he said, it will also make papers more reader-friendly (a victory for the one finger readers?).

He painted a picture of newspapers affected by new technology in all kinds of areas, including work stations of 'tremendous versatility' which could search through thousands of databases and call up real-time news stories as well as resources from the past. It would be possible to use them to conduct land title searches; or to find out what boards someone sits on.

Newspaper libraries would be fully computerised and accessible via key words. Artists would have access to graphics and graphics software. Journalists would make up whole pages on their computer screens, and re-working papers for different editions would be simplified. Photographers would soon use digital cameras and transmit the results via phone lines.

Few problems seem to cloud Lunn's brave new world. The potential for invasion of privacy with the use of data bases was outweighed by the potential benefits, such as unmasking crooks, Lunn believed. The potential for doctoring or enhancing images could be handled by means of a new code of ethics, he thought.

The newspapers of tomorrow would probably be designed to appeal to the different interests of individual readers, Lunn said. In the US, the magazine *Sports Illustrated* already has a system of tailoring some pages to readers' interests in particular sports, by coding their preferences into their mailing sticker. He saw the possibility of giving people more of what they want and less of what they do not want.

This theme was later picked up by Dr Peter White, who also saw a future of electronic newspapers tailored for individual readers, and operating systems which would allow people to use their TV set as they use their computers today, for a wide range of purposes. □

All Go at TIO

On November 30th, the first Telecommunications Industry Ombudsman was jointly launched by Minister for Consumer Affairs, Jeannette McHugh and Minister for Communications, David Beddall.

While the scheme (see *CU 91*) was largely modelled on the Banking Industry Ombudsman scheme, recent comments by the BIO highlight important differences between the schemes.

Banking Industry Ombudsman Graham McDonald complained that he did not have jurisdiction to handle complaints made by incorporated organisations. There are no similar restrictions on the TIO.

The rationale behind the TIO's jurisdiction was to provide an effective complaints resolution mechanism for those unlikely to have the resources to pursue the complaint themselves. That includes not only individuals but small businesses; large corporate customers usually have enough resources to handle their own complaints, and represent enough revenue to telecommunications providers for their complaints to be properly dealt with.

The appropriate limit on TIO jurisdiction was therefore based not on an individual or company's status, but on the remedies which the TIO could award. The TIO can, after investigation of a complaint, make a determination in the complainant's favour of up to \$10,000 which is binding on the carriers and other scheme participants. The TIO can also make recommendations for an award of up to \$50,000 against a carrier or scheme participant. If a complaint involves sums above \$50,000, the TIO can make findings of fact, but cannot make determinations or recommendations about compensation or other remedial action.

The second of the BIO's complaints was that he could not make awards above \$100,000. On the face of it, the TIO's remedial powers are far below the BIO's. However, where complaints involve sums above \$50,000, the TIO, with agreement of both parties, may arbitrate the dispute. The obvious example is the now infamous 'COT' cases (Casualties of Telecom) which remain unresolved - and may be the first major issue to hit the TIO's desk. If they do wind up on the TIO's desk, it will be an early test of the TIO scheme.

The TIO office: Ground Floor, 321 Exhibition Street, Melbourne Vic, 3000. The toll free number is 1800 062058. The toll free fax number is 1800 630 614. The toll free TTY (telephone typewriter) number is 1800 675 692 and the toll free interpreter number is 1800 112 477. □

Holly Raiche