




# Ownership

Week 7



# Concentration

- It is important because it allows us to consider
  - Democratic distribution of communication power
  - Democratic safeguards against abuses of economic, political, and cultural power
  - Open up paths for creative contributions
- Power (to influence policy, the market; within and between firms);  
Institutional investors
- *Mode of ownership matters*



# Corporations Matter

- Policy and regulation
- Quality of products
- Labour conditions
- Mutual reinforcement of power (interlocking boards)



# History

- 1985-2000: Rise of the mega-corporation
  - Acquisitions, mergers (profits for investors through conglomeration)
    - Speculation around Telecom, Cultural Industries and IT
      - Enron
- 2000 onwards: IT mega-corporations
  - GAFAM (“running the internet”)
  - Continued corporate influence



# Conglomeration Synergy to Convergence

- Synergy; mergers & acquisitions (outcomes ??); volatile and risky
- Contemporary Concerns: Lobbying/Content & Cross-Promotion
- Vertical Integration (undulations in response to new tech, policy, new business fashion, yet still a significant factor in the market and media power of the major cultural industries)



# Interacting Mega-Corporations in 4 Sectors

- Enter IT after 2000 (Digital Disruptions); Crisis of financialization (disintegration)
- Cultural Industries, IT, Telecom, Consumer Electronics
- First Tier (Global), Second Tier (Regional, National)
  - Small companies and innovation
  - Proto-markets and independence (spaces of innovation) vs. centralizing tendencies of cultural industries



# Networks, interdependence, alliances

- Complex subcontracting/networks of interdependence
  - Low Risk; High Return vs. creative autonomy/independence
- Intercorporate alliances/joint-ventures
  - Share risks, power, rewards
  - Co-opetition



# History 2010

- Telecom Mega-mergers
  - Greater equality of access is less important than maximizing investment opportunities for business/consumer convenience
  - Mobile Telephony in the US (AT&T/Verizon/T-Mobile): providing “service”
  - Net Neutrality





# Cultural Industries: Growth?

- A matter of definition/politics
- Becoming more important as part of national economies; not the center of global business
  - Market Capitalization (real value)



# Expansion of Commodification

- Ambivalent process (access) (labor)
- Fueled by discourses; corporate “pull”