

32. [Introduction] The Endless Chain

The emerging dominance of new media over old is a common theme in press accounts: video games are a bigger business than the movies, the Web is drawing viewers away from television or readers away from books, AOL has acquired Time Warner.

If those who celebrate new media as inherently liberating (as in the hyperbolic quotations included in Langdon Winner's essay (¶40)) are correct, we should be entering an era of dissolving hierarchies and empowered individuals. Yet there is little reason to view Web sites like *ESPNOnline* and *MSNBC* as inherently liberating cultural forces. What these press accounts reveal instead is that old and new media are becoming increasingly compatible and comparable. Old and new seem to be integrating themselves into a single system. Radio and television took their places the media system not so long ago. New media is now also becoming big business, no longer a marginal phenomenon.

Therefore, understanding new media requires some understanding of the traditional media business with which it is colliding and converging. Perhaps the clearest way to understand the momentum of traditional media is to trace the changes over the nearly 20 years during which Ben Bagdikian has released 6 editions of *The Media Monopoly*. Bagdikian's book, initially released in 1983, was called *alarmist*, at first, for its predictions of increasing media concentration and narrowness. Now it is called *prescient*. As Bagdikian wrote in his preface to the 6th (2000) edition:

When the first edition of this book was published in 1983, fifty corporations dominated most of every mass medium and the biggest media merger in history was a \$340 million deal. At that time, the strategy of most of the fifty biggest firms was to gain market domination in one medium—to have the largest market share solely in newspapers, for example, or in magazines, or broadcasting, or books, or movies, but not all of them. By the time the second edition was published in 1987, the fifty companies had shrunk to twenty-three, by the fourth edition to fourteen. By the fifth edition in 1997, the biggest firms numbered ten and involved the \$19 billion Disney-ABC deal, at the time the biggest media merger ever. But “the biggest” of 1983, worth \$340 million, would give way seventeen years later to AOL Time Warner's \$350 billion merged corporation, more than 1,000 times larger.

There was reason enough, even then, for concern that so small a number of dominant firms had such a disproportionate influence on American culture, commerce, and political power. (xx–xxi)

As Bagdikian reported in his 2000 preface, *six* firms now dominate *all* U.S. mass media: “The top six firms, ordered solely on their annual media revenues, are [AOL] Time Warner, Disney, Viacom (an amalgam of CBS and Westinghouse), News Corp, Bertelsmann, and General Electric. These six have more annual media revenues than the next twenty firms combined” (x).

While elsewhere in the 6th edition preface Bagdikian shows an understanding of new media technology that is imperfect (as well as the rhetorical markings of having written during a dot-com boom) his understanding of traditional media, and of the business of media, is astute. In what ways will new media become part of the media business Bagdikian described in the following selection, from the book's 1983 edition, and for what reasons? At one point, the (somewhat) peer-to-peer music service Napster seemed the antithesis of the media business, thumbing its nose at recording industry notions of copyright. But as Napster became mainstream, even though some argued it actually was increasing traditional record sales, it was integrated into the media business via legal pressure and forced to fundamentally alter its operations, leading to bankruptcy and acquisition by Bertelsmann. When the political stakes of media control are as high as Bagdikian describes, and with advertising alone worth \$80 billion a year, will this pattern of integration—forced or through cooption—be inevitably repeated? Or will the ability to transmit, as well as receive, be preserved as

Remediation, by J. David Bolter and Richard Grusin, traces important respects in which borrowing and integration are being played out between old and new media forms. Bolter's essay (¶47) also deals with the idea.

The first five of these corporations control the vast majority of book publishing. Some small presses, as well as nonprofit university presses like MIT Press, do survive and continue their work. Beacon Press, Bagdikian's publisher, is one of the few sizable non-university non-conglomerate presses.

As Ted Nelson discusses in *Literary Machines* (¶30), there is an important distinction to be drawn between the “front end” and “back end” when discussing new media. Front end functions are those that are particular to an individual’s computer, while back end functions are those that take place at the wider, network level. Where an operation takes place is crucial. For example, a user may set their front end to filter out certain types of content. This is the exercise of preference.

However, when this content is removed at the network level it may be more appropriately called *censorship*. Bagdikian’s essay bears directly on such issues.

the Internet develops, providing the opportunity for alternatives such as those evoked in essays by Hans Magnus Enzensberger (¶17) and Jean Baudrillard (¶18)?

At first the “symmetric” aspect of the Internet—equal bandwidth for transmission and reception—seemed very natural. Now, like many natural things, it is endangered. Most companies offering high-speed connections have configured them so that the ordinary user’s computer can receive much more than it can transmit, and they often also prohibit users from running public servers. This makes it impossible for these users to provide each other with the rich media that they are capable of downloading, that media companies are able to supply from central servers. Most of the companies offering these new Internet connections are interconnected with, or identical with, media companies. The issue is seldom discussed in the mainstream media; this is no surprise to those who have read Bagdikian’s work.

—NWF

Further Reading

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Herman, Edward, and Noam Chomsky. *Manufacturing Consent: The Political Economy of the Mass Media*. New York: Pantheon Books, 1988.

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Original Publication

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Updated information from 6th edition, 2000.

The Endless Chain

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For where your treasure is, there will be your heart also.

—Matt. 6:22

The Headline in the first edition read:

FOR SAM SMITH, HOSPITAL ORDERLY

A BATTLE WHOSE TIME HAS COME

But in the next edition and every edition thereafter, Sam Smith and his battle disappeared, replaced by an innocuous syndicated story from the Associated Press. It happened in the Perspectives Section of a respected American daily, the *Baltimore Sun*, on December 7, 1969. The ghost item had passed editorial scrutiny for accuracy and relevance but someone, seeing it in the first edition, ordered it killed.

The story described imminent labor negotiations between hospital workers, who received pay near the poverty level, and the management of Johns Hopkins Hospital in Baltimore.

Reporters on the *Sun*, noting the story’s strange disappearance, remembered that a director of their newspaper, J. Crosson Cooper, Jr., was also a director of Johns Hopkins Hospital. Equally interesting was the fact that Cooper was also a director of Mercantile Safe Deposit & Trust Company, the most prominent bank in Baltimore, which, according to a congressional study, held 61.3 percent of the shares in the newspaper company.

The *Columbia Journalism Review* commented:

... it seemed evident that if Cooper or an associate in the ownership echelon had not ordered the story killed, a top editor, afraid that it might displease the owners, had done so. Either way, journalistic morality suffered an unhappy blow in Baltimore. And one reason for growing concern over conglomerate ownership of news media was underlined.

That was in 1969. The accelerated concentration of control of all American mass media had just begun. By the beginning of the 1980s most major American media—newspapers, magazines, radio, television, books, and movies—were controlled by fifty corporations. These fifty corporations, like the *Baltimore Sun*, were in turn interlocked with other massive industries and a few multinational banks. The potential for society-wide Sam Smith disappearances had become epidemic.

Twenty corporations control more than half the 61 million daily newspapers sold every day; twenty corporations control more than half the revenues of the country's 11,000 magazines; three corporations control most of the revenues and audience in television; ten corporations in radio; eleven corporations in all kinds of books; and four corporations in motion pictures.

This is more than an industrial statistic. It goes to the heart of American democracy. As the world becomes more volatile, as changes accelerate and create new problems that demand new solutions, there is an urgent need for broader and more diverse sources of public information. But the reverse is happening.

Today there is hardly an American industry that does not own a major media outlet, or a major media outlet grown so large that it does not own a firm in a major industry. These media report the news of industries in which they either are owners or share directors and policies.

The fifty controllers of most of America's news and views are partners in industries such as agribusiness, airlines, coal and oil, timber, banking, the loan business, insurance, video games, electronics manufacturing, electronic equipment sales, automobile rentals, automobile sales, telephone systems, weapons production, frozen foods, home furnishings, advertising, billboards, religious instruction, utilities, pipelines, auto parts, construction equipment, sugar, beef, tobacco, candy, computers, jet engines, travel agencies, rocket engineering, plastics, microprocessing, chemicals, and space flight engineering.

Legislation, regulations, taxes, and sales that affect industries like these are influenced by public opinion and government policy, both conditioned by the news. More and more, both the news and the industries belong to the same parent corporation. It is not an encouraging basis for unbiased selection of public information.

Most of the fifty biggest firms have a direct stake in foreign investments and, therefore, in foreign policy of the United States. There is almost no country in the world in which a subsidiary of the fifty media companies does not have a significant investment. One major media company alone, CBS, has foreign subsidiaries headquartered in thirty-four countries, ranging from Argentina to South Africa.

Conflicts of interest, real and potential, are infinitely greater because the large media companies exchange directors, and therefore have common policy views, with

nonmedia corporations. Potential conflicts are further intensified by connections like the *Baltimore Sun's* with the Mercantile Bank. A dozen of the country's largest multinational banks hold significant voting shares in many of the fifty largest media companies, control their debts, or exchange directors with them.

Some corporate owners intervene directly to control what their media companies produce; at times this intervention is brutal, as this book will show. Most do not intervene directly. But they all hire and fire the people who control the news and other public information.

Corporate owners of the media are not necessarily cynical. They believe, as most human beings do, in those forces that make them happy. But what satisfies a multinational corporation is not necessarily what will satisfy society as a whole.

The fifty corporations do not have total control of national news and views. In every medium there remain smaller competitors. Small voices have always been important, but their chief importance has been either to introduce new ideas or to permit society to look backward at past mistakes. In the 1980s the imbalance between the great voices of the mass media and the small voices of individual enterprises is so vast that it is more difficult than ever for society to hear minority voices in the majority thunder. And the last quarter of the twentieth century confronts potential errors of such catastrophic magnitude that a misled civilization conceivably will not have the luxury of looking back.

In some of the media owned by big business there are partial protections against direct manipulation. In newspapers, for example, professional conventions discourage tampering from above. But these conventions cannot stop an owner who wishes to control the content of his or her property, as the reporters at the *Baltimore Sun* discovered. Nor is there any way to measure or control the capacity of editors and producers to make decisions that they know will sit well with the owners, without waiting for direct orders from above.

Some of the fifty corporations are household words, like CBS and Westinghouse. Others have corporate parent titles that are less familiar than their media subsidiaries—S. I. Newhouse & Sons, for example, owns newspapers, Condé Nast and *Parade* magazines, and Random House book publishers. The titles of some parent firms have little

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meaning for the general public, though the personal or organizational connections are better known: News America Publishing and News Group owns the *New York Post*, *Village Voice*, *New York Magazine*, the *San Antonio Press*, the *San Antonio News*, and the national magazine *Star*, all of which are controlled by the Australian entrepreneur Rupert Murdoch; Bonneville International, with its Deseret Management Group, is the communications arm of the Church of Jesus Christ of Latter-Day Saints, the Mormon Church.

The identity of the fifty corporations shifts from time to time as companies buy and sell properties and a few enter and a few leave the list of firms that control 50 percent or more of their medium. In 1980, for example, Charter Oil, one of the fifty corporations with extensive magazine holdings, got rid of its communications properties when it encountered trouble in its petroleum business. It killed its newspaper, the *Philadelphia Evening Bulletin*, and sold *Redbook* magazine to Hearst and the *Ladies' Home Journal* to Petersen Publishing, thus enlarging the holdings of two corporations already among the top fifty. By the time this book is published, the number of corporations that control half or more of all the major media in the country likely will be less than fifty.

The list of fifty corporations presented here was compiled from 1980 to 1981 with occasional revisions for part of 1982 because the industries differ in the speed of their annual summaries. The alphabetical listing below has an occasional parenthetical addition for company names not mentioned in more detail later; a corporation's better-known media property is sometimes given to help identify it.

From 1st edition (1983)
American Broadcasting Co.
Bonneville International
CBS, Inc.
Capital Cities Communications
Central Newspapers
(*Arizona Republic*,
Indianapolis News)
Copley Newspapers
(*San Diego Union*)
Cowles Media Co.
Cox Communications
Doubleday & Co.
Dow Jones & Co.
(*Wall Street Journal*)
Encyclopaedia Britannica
Evening News Association
(*Detroit News*)
Freedom Newspapers
Gannett Co.
General Tire & Rubber Co. (RKO)
Grolier
Gulf + Western
Harcourt Brace Jovanovich
Harte-Hanks Communications
Hearst Corp.
Knight-Ridder Newspapers
(*Philadelphia Inquirer*,
Miami Herald)
McCall Publishing Co.
McGraw-Hill
Meredith Corp.
Metromedia, Inc.
National Enquirer
National Geographic Society
New York Times Co.
S. I. Newhouse & Sons
News America Publishing Group
Penthouse International
Petersen Publishing Co.
Playboy Enterprises
RCA Corp. (NBC)
Reader's Digest Association
Scott and Fetzer World Book
E. W. Scripps Co. (Scripps-Howard)
SFN Co./Scott, Foresman
Thomson Newspapers, Ltd.
Time, Inc.
Times Mirror Co.
(*Los Angeles Times*)
Triangle Publications
Tribune Company
(*Chicago Tribune*,
New York Daily News)
20th Century-Fox
U.S. News & World Report
Universal-MCA
Warner Communications
Washington Post Co.
Westinghouse Electric Co.
Ziff-Davis Corporation

From the Preface to the 6th edition (2000)

The Intertwined Six

Six firms dominate all American mass media. Each is a subsidiary of a larger parent firm, some of them basically operating in other industries. The six parent firms are General Electric, Viacom, Disney, Bertelsmann, Time Warner, and Murdoch's News Corp. Bertelsmann is based in Germany and News Corp in Australia, the other four in the United States. All the parent firms are listed in *Fortune* Magazine's 1999 Global 500 of the largest corporations in the world. Other giant firms in other industries clearly were on the prowl for new mass media in order to join the Big Six—like Sony, a Japanese hardware firm; Seagram's, a Canadian liquor firm; and AT&T, a telephone company traditionally providing one-to-one (not mass) communication.

The top six firms, ordered solely on their annual media revenues, are Time Warner, Disney, Viacom (an amalgam of CBS and Westinghouse), News Corp, Bertelsmann, and General Electric. These six have more annual media revenues than the next twenty firms combined.

The number of dominant firms remains six, even with an announcement in early 2000 that stunned the country's businesses and all computer-users—the world's largest Internet service provider, America Online, Inc., said it would acquire the world's largest media company, Time Warner, to form AOL Time Warner, Inc. Consequently, while six firms still dominate all mass media, the largest of those six would become a corporation valued at \$350 billion. It would be history's largest merger, in the media or any other enterprise. . . .

The merged firms will have more than 100 million global subscribers, 20 million cable homes, AOL access to Time Warner's 30 magazines and 75 million homes that receive the cable networks CNN, TBS, and TNT. Expected annual revenues are \$40 billion. Given Time Warner's vast holdings in all media, the ordinary citizen, whether a reader, TV viewer, movie-goer, or Internet user, would be forced to deal with a communications cartel of a magnitude and power the world has never seen before. . . .

The power and influence of the dominant companies are understated by counting them as "six." They are intertwined: they own stock in each other, they cooperate in joint media ventures, and among themselves they divide profits from some of the most widely viewed programs on television, cable, and movies.
(x-xii)

The degree of domination by the giants increases with time. There are 1,730 daily newspapers, for example, with a total daily circulation of 61 million. Twenty newspaper companies control more than half the daily sales. The disparity of information power in newspapers is typical for all the major media: 1 percent of owners own 34 percent of all papers sold daily. In 1900 there were 2,042 daily papers and 2,023 owners. By 1980 there were 1,730 dailies and 760 owners. In 1900 there was an average of one newspaper owner for every 38,000 citizens; in 1980 the average newspaper owner provided current social and political news for 300,000 citizens. The average population served by each of the twenty largest newspaper owners is 3.7 million.

The twenty corporations that control more than half of all daily newspaper sales are the following:

	Daily circulation	Number of dailies
1. Gannett Newspapers	3,750,900	88
2. Knight-Ridder Newspapers	3,464,300	34
3. Newhouse Newspapers	3,133,500	28
4. Tribune Company	2,806,600	8
5. Dow Jones & Co.	2,433,400	21
6. Times Mirror Co.	2,315,500	8
7. Scripps-Howard Newspapers	1,518,700	16
8. Hearst Newspapers	1,362,300	15
9. Thomson Newspapers	1,219,600	77
10. Cox Newspapers	1,165,100	18
11. New York Times Co.	1,137,000	12
12. Cowles Newspapers	953,900	10
13. News America Publishing Corporation (Murdoch)	917,600	3
14. Capital Cities Communications	774,100	7
15. Freedom Newspapers	798,400	31
16. Central Newspapers	774,600	7
17. Washington Post Co.	696,200	2
18. Evening News Association	678,900	5
19. Copley Newspapers	635,000	6
20. Harte-Hanks Newspapers	584,200	28

There are other kinds of newspapers—weeklies, biweeklies, triweeklies, advertising sheets, and free-circulation papers designed for saturation advertising. They are sometimes socially and journalistically important to their communities but as a class they are ephemeral and cover such a wide

From the Preface to the 6th Edition (2000)

The ownership of newspapers, like other media, went through a radical reversal after World War II. In 1946, three-quarters of all dailies were owned by local families and associates. Today, less than 2 percent of the country's fifteen hundred dailies are family owned. Most of the rest are owned by large national chains, whose top companies, in rank of total circulation, are Gannett, Knight Ridder, Newhouse, Dow Jones, Times Mirror, New York Times Co., and Hearst. Ninety-nine percent are monopolies in their own cities.

These same "newspaper companies" are, without exception, also owners of electronic media and are well aware that their television and cable properties pay even higher profit margins than their newspapers. Many observers predict that readers and owners will soon abandon dailies. But, as described later in this book, the United States, uniquely among major nations, leaves a multitude of vital questions to local voters. Since most local television news is disreputably void in daily coverage of civic bodies, except when melodramatic camera shots are possible, and since no other medium even attempts systematic reporting on local schools, taxes, policing, land use, and other relevant civic news, it is likely that members of today's young cyber-oriented generation will still read daily papers when their children are born.

(xxxii)

variety of content and function that they cannot be measured accurately as systematic purveyors of news. It is the printed daily news that provides the country's data base for current events—for other media like weeklies, radio, television, magazines, books, and even movies. The giant newspaper chains are now actively purchasing the weekly newspapers and local advertising sheets to achieve even greater control over both news and advertising.

Control of other media is, if anything, tighter than among the 1,730 newspapers. There are at least 10,830 magazines in the United States. They cover an extraordinary variety of subject matter and quality. Measuring ownership control of the total audience is more difficult than for newspapers because some magazines are issued weekly, some biweekly, some monthly, some bimonthly, and some quarterly. The most reliable measure is the proportion of sales controlled by each owner. Among the 10,830 magazines, twenty corporations have just over 50 percent of the annual sales of total industry revenues of \$12 billion. For 1981, these twenty corporations and their major magazines were, in order of their dominance:

1. Time, Inc., *Time*, *Life*, *Sports Illustrated*, *People*, *Money*, *Discover*
2. Triangle Publications, *TV Guide*, *Seventeen*
3. Hearst Corp., *Colonial Homes*, *Cosmopolitan*, *Country Living*,

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Electronic Products, Good Housekeeping, Harper's Bazaar, House Beautiful, Motor, Motor Boating & Sailing, Popular Mechanics, Redbook, Sports Afield, Town & Country

4. CBS, Inc., *American Photographer, Audio, Cycle World, Family Weekly, Field & Stream, Mechanix Illustrated, Road & Track, Pickup, Van and 4WD, Woman's Day, World Tennis*

5. McGraw-Hill, *American Machinist, Architectural Record, Aviation Week & Space Technology, Business Week, Byte, Chemical Engineering, Chemical Week, Coal Age, Electric World, Electrical Construction & Maintenance, Electronics, Engineering & Mining Journal, Engineering News Record, Fleet Owner, Modern Plastics, Postgraduate Medicine, Power*

6. S. I. Newhouse & Sons (Condé Nast-Parade), *Bride's Magazine, Glamour, GQ, House & Garden, Mademoiselle, Self, Vanity Fair, Parade, Vogue*

7. Washington Post Co., *Newsweek, Washington Post Magazine, Inside Sports*

8. New York Times Co., *Family Circle, New York Times Magazine, Golf Digest, Tennis*

9. Reader's Digest Association, *Reader's Digest*

10. Playboy Enterprises, *Games, Playboy*

11. Meredith Corp., *Better Homes & Gardens, Metropolitan Home, Sail, Successful Farming*

12. Penthouse International, *Forum, Omni, Penthouse*

13. Ziff-Davis, *Boating, Business & Commercial Aviation, Car & Driver, Cycle, Flying, Meetings & Conventions, Modern Bride, Pan Am Clipper, Popular Electronics, Psychology Today, Skiing, Stereo Review, Yachting*

14. National Geographic Society, *National Geographic, National Geographic World*

15. McCall's Publishing Co., *McCall's, Working Mother*

16. U.S. News & World Report, *U.S. News & World Report*

17. National Enquirer, *National Enquirer*

18. News America Publishing (Murdoch), *New York Magazine, Star*

19. Times Mirror Co., *Cross Country Ski, Golf, Homeowners How-To, Outdoor Life, Popular Science, Ski, Ski Business, Sporting News*

20. Petersen Publishing Co., *Car Craft, Guns & Ammo, Hot Rod, Ladies' Home Journal, Lakeland Boating, Motor Trend, Motorcyclist, Petersen's 4 Wheel & Off Road, Petersen's Hunting, Petersen's Photographic, Pick Up, Rudder, Sea & Pacific Skipper, Skin Diver, Teen, Van & 4WD*

These twenty companies have 50.7 percent of all magazine revenues. Thus, 1 percent of magazine owners have more than half the revenues of all 10,830 magazines published regularly.

There are 1,000 television and 9,000 radio stations on the air. Audience size varies from hour to hour and week to week. In television the three networks clearly dominate the American television audience, which consists of 98 percent of

From the Preface to the 6th Edition (2000)

Magazines have continued to enjoy their charmed life in the history of American printed media. In 1999, magazines as a whole had \$11 billion in revenues and were enjoying 4 percent annual growth. Many behaved like recombinant DNA molecules, a single big-name magazine giving birth to several specialized offspring bearing parental surnames. *National Geographic* gave birth to *National Geographic Adventure*, and *Sports Illustrated* to *Sports Illustrated for Kids*. As individual publications, *TV Guide* continued to have the largest circulation, while *People* ran second, and *Sports Illustrated* third. In August of 1999, when Disney sold its Fairchild group to Condé Nast, it further concentrated the magazine field among the three leading conglomerates, Time Warner, Condé Nast, and Hearst. (xxxiii)

all households in the country and in which the average TV set is in use six and a half hours a day.

The three networks—ABC, CBS, and NBC—dominate not only access to the television audience but, together with their owned and operated television stations in the major markets, received more than half of the \$8.8 billion of television revenues in 1980. (Some of these revenues later find their way to affiliated stations, but networks control network programming and most of the advertising revenues. This, plus their direct control of audience shares, gives three corporations domination over the most powerful communications instrument in history.)

Domination of the radio audience is less precisely measured than for newspapers and television. Of the 9,000 radio stations in the country, 8,000 are commercially operated. Their sounds go to 99.9 percent of American homes equipped with radio and to most cars. Because so many leading radio station owners are also in other industries and do not publish separate revenues of their radio operations, each owner's share of the industry is estimated. Each owner's share of audience in each market is measured by rating services, and these measurements of listeners per week, combined with the estimates of Wall Street firms that specialize in radio finances, indicate that ten corporations have well over half the audience for AM and FM commercial radio. Those ten are American Broadcasting Company, Columbia Broadcasting System, Westinghouse, Metromedia, RKO, National Broadcasting Company, Capital Cities, Bonneville, Cox, and Gannett.

Communications laws in effect in 1982 limit ownership of radio stations to seven per corporation, but by purchasing stations in the largest markets these corporations can obtain

access to far more than the average audience for the 8,000 commercial stations.

On the surface the book industry, like radio, seems to present a picture of diversity. There are 2,500 individual companies publishing books, and together they produce 34,000 new titles a year. But most of the 2,500 book publishers issue only from one to five books per year. Overall, eleven corporations received more than half the \$7 billion in book sales for 1980: Time, Inc.; McGraw-Hill; Reader's Digest; CBS; Doubleday; Grolier; Harcourt Brace Jovanovich; Encyclopaedia Britannica; Scott and Fetzer World Book; SFN Co. (Scott, Foresman); and Times Mirror.

These corporations publish under many imprints or special subcompany titles. Some of the imprints they own are the following:

Time-Life Books

Time-Life Books; Little, Brown and Co.; Book-of-the-Month Club and numerous specialty book clubs; Lloyd Hollister, Inc.; Pioneer Publishing Co.; Pacifica Ltd. (Japan); New York Graphic Society

McGraw-Hill

Shepard's; Schaum (paperback); Osborne; Standard & Poor's; McGraw-Hill; Gregg Publishing Co.; Webster Publishing Co.; Herder and Herder; Sweet's Handbook

Reader's Digest

Reader's Digest Condensed Books; QSP, Inc.

CBS

Holt, Rinehart and Winston; Praeger Publishers; W. B. Saunders; Dryden Press; Fawcett Service Group—Gold Medal, Premier, Popular Library, Crest; Curtis Books; Editions Doin (French); NEISA (Spanish); Movie Book Club

Doubleday

Dell; Delacorte Press; Dial Press; Laidlaw Brothers; J. G. Ferguson; Anchor; Feffer and Simons, Inc.; Aldus Books; Rathbone Books; Literary Guild; Doubleday Book Club; Western Writer's Club; Military Book Club; Doubleday Romantic Library

Grolier, Inc.

The New Book of Knowledge; Encyclopedia Americana; Encyclopedia International; Franklin Watts, Inc.; Scarecrow Press; Marcus-Campbell Co.; reference sets—The New Book of Popular Science, Lands and Peoples; The Book of Art; Disney's Wonderful World of Knowledge; Disney's Wonderful World of Reading; Value Tales; The Ocean World of Jacques Cousteau; Dr. Seuss Beginning Reader's Program; international encyclopedias—Nuevo Enciclopedia Tematica; Enciclopedia Ilustrada Cumbre and El Nuevo Tesoro De La Juventue; La Livre des Connaissances and Pays et Nations; Nuova Enciclopedia Internazionale

Harcourt Brace Jovanovich

Academic Press, Inc.; Grune and Stratton; Johnson Reprint Corp.; HBJ Legal and Professional Publica (Gilbert law summaries);

Coronado Publication (subsumed Benefic Press); Harvest; Voyager; HBJ Press; Dansville Press; Jove; Instructor Publications; Weber Cotello; Law and Business, Inc.; Media Systems College Publications; History Book Club; Instructors Book Club; Young Parents; Academic Press and Professional Publications (Canada, Australia, London, Brazil, and Japan)

Encyclopaedia Britannica

G. & C. Merriam; F. E. Compton Co.; Great Books of the Western World; Library Resources, Inc.

Scott and Fetzer World Book

World Book-Childcraft International; Science Year; World Book Finance, Inc.; direct-sale book club, with Bertelsmann AG on joint venture

SFN Co. (Scott, Foresman)

University Park Press; Southwestern Publishing; Silver Burdett (Dale Seymour Publications); Fleming H. Revell; Lothrop, Lee and Shepard Co. under Morrow, sold to Hearst in 1981; Science Year

Times Mirror

Signet; Signet Classics; Mentor; Meridian; Abrams Art Books; Mathew Bender law books; New American Library; Yearbook Medical Books; Southwestern (home reference books, journals, and college texts); New English Library (British paperbacks); Denoyer-Geppert Co.; Popular Science Publications

Trade books published for the general public, while not always among the top moneymakers, are the most socially influential. Trade book publishing is controlled by a number of corporations whose main interest is in other industries. According to Knowledge Industries, in 1980 the leading owners of trade book companies by sales were the following:

1. Newhouse Publications: Random House
2. Gulf + Western: Simon & Schuster
3. Harper & Row
4. Doubleday
5. Crown/Outlet
6. Time, Inc.: Little, Brown
7. MCA: Putnam's
8. Hearst: William Morrow
9. Houghton Mifflin
10. Filmways: Grosset & Dunlap

Mass paperbacks sell in far larger numbers than any other type of book. They are sold in drugstores, supermarkets, and air terminals, and their deliveries are regulated by computers that remove books that fail to sell quickly. The leading owners of paperback sales are:

1. Bertelsmann AG: Bantam
2. Gulf + Western: Pocket Books

3. Harlequin of Canada: Harlequin
4. Times Mirror Co.: New American Library
5. Doubleday: Dell
6. CBS: Fawcett Books
7. Hearst: Avon
8. Newhouse Publications: Ballantine
9. MCA, Inc.: Berkley/Jove
10. Warner Communications: Warner

Five companies have half of all paperback sales and the top ten have 86 percent of the market.

Textbooks represent another major portion of the book publishing industry. Leading controllers of that influential market are SFN (formerly Scott, Foresman), Harcourt Brace Jovanovich, CBS, McGraw-Hill, Houghton Mifflin, Xerox (Ginn & Co.), Macmillan, Prentice-Hall, Addison-Wesley, Doubleday, IBM/Science Research Associates, Encyclopaedia Britannica, Esquire Educational Group, and Dow Jones (Richard Irwin).

The best estimates from Wall Street analysts are that eight corporations have most of the adult trade book business, four have most of the mass paperback sales, and four a majority of the textbook business.

Beginning in the 1960s electronics companies, sensing a trend to computerized learning, bought book companies to control content as well as hardware. In a relatively short period book publishing subsidiaries had been bought by IBM, ITT, Litton, RCA, CBS, Raytheon, Xerox, General Electric, Westinghouse, and General Telephone and Electronics.

But even large, sophisticated firms failed to understand fundamental characteristics of the book business. The usual business techniques of increasing the volume of production, selling by massive promotion and advertising, and building brand loyalty by emotional association, thus swamping competition, did not work well with book publishing. The conglomerates failed to understand that books could not be sold like soap. Even if a few of the 34,000 new titles each year are sold in the millions by high-pressure promotion, such sales do not carry over to the next year, and there is almost no brand loyalty to book companies among consumers.

As quick investments, books do not respond ideally for Wall Street investors or other entrepreneurs. In thirty-five years, for example, Bantam Books has had five owners: Grosset & Dunlap, National General, American Financial, IFI International (Italian), and Bertelsmann (German).

From the Preface to the 6th Edition (2000)

Books—Grandfather of Them All

In the age of the Internet, books, for more than 2,300 years the foundation for all mass media, remain alive, though annual sales increases have become more modest in recent years.

Even so, conventional books, both hardcover and mass market paperbacks, along with texts and specialized books, have \$50 billion annual revenues. Books continue to sell to a generation seen as image-oriented and no longer interested in words printed on paper.

Between 1982 and 1997, book sales rose from 1.7 billion to 2.2 billion volumes, with prices that rose an average of almost three times per book. The dominant firms had most of the profits; 80 percent of smaller companies had gross revenues of less than \$2 million a year each.

The five largest book publishers are Bertelsmann, by far the largest with 10 percent of all English-language book sales in the world, followed by Time Warner, Disney, Viacom (owner of, among other firms, Simon & Schuster), and News Corp. Thus two of the firms are based abroad, Bertelsmann in Germany and Murdoch's News Corp in Australia.

Bertelsmann's power in the marketplace is unmatched. It is the world's third largest conglomerate, with substantial ownership of magazines, newspapers, music, television, on-line trading, films, and radio in fifty-three countries. It has a major stake in the U.S. Internet service provider America Online (AOL) and a 50 percent interest in barnesandnoble.com. By purchasing Random House, it acquired a publisher that already had under its wing fifty formerly independent publishing houses and imprints, among them Knopf, Pantheon, Crown, Fawcett, Ballantine, Vintage, Anchor, Bantam, Doubleday, Dell, and Delacorte.

With each succeeding consolidation of publishing houses, the merged publishers cut back on the number of titles each had published while independent. Contracts with authors have been canceled and books in process eliminated or shredded.

Andre Schiffrin, former director of the once prestigious Pantheon Press, has said that since their emergence as consolidated giants, none of the three leading book firms has published a book of serious history, scientific inquiry, or translation. Medium and small publishers still publish serious books, but they lack the power to produce and promote books at a level that is competitive with the major firms, and they lack equal access to the global sales machinery.

(xxxvi-xxxvii)

The care with which books generally have been produced has been diluted as editors have suffered lowered status in favor of packagers and promoters. In conglomerate-owned publishing houses, the process is governed as much by the vagaries of the stock market as by those of the book market. Random House listed its stock on Wall Street in 1959 after

which, according to Bennett Cerf, head of Random House at the time, “we were publishing with one eye and watching our stock with the other.”

In the movie industry, all movies are made by eight or nine studios, numbers that change quickly in the shadowy world of Hollywood finance. But if film revenues from 1975 through 1979 are averaged, four studios, in this order, dominated their industry with more than half the business: Universal-MCA, Warner Communications (Warner Brothers), 20th Century-Fox, and Gulf + Western (Paramount).

The total number of corporations that share half or more of the audience in each major medium is sixty-eight. But some control audiences in more than one medium. In 1980, for example, CBS was among the dominant companies in television, radio, magazines, and books; Capital Cities in newspapers and radio; Hearst, Washington Post, New York Times, and Newhouse in newspapers and magazines; ABC and NBC in television and radio; Cox and Gannett in newspapers and radio; Time, Inc., McGraw-Hill, and Reader's Digest in magazines and books; and Times Mirror in newspapers, books, and magazines. The net result is fifty corporations that share half or more of the audience in the combined major media.

Many of these same firms have additional holdings in other media, even if they do not share in half the sales in those media. Time, Inc., for example, also produces films, including television movies, and Hearst and the Washington Post are active in broadcasting. In 1980, three firms—Universal-MCA, Columbia, and Gulf + Western—made half of all prime-time television shows. In the record and tape industry, not counted here as a major informational medium, some of the same names appear. More than 80 percent of all records and tapes are made by Warner Communications, MCA, CBS, RCA, and Polygram. Some of the fifty corporations appear in new cable-related media, whose impact is still unclear.

It is dangerous enough that in a democracy fifty corporate chiefs have so much power over the national consciousness and that this power can be exercised in ways that serve other interests. But even that is understated.

There are 360,000 industrial corporations, the nominal base of what is sometimes referred to as “corporate power” in the United States. But in terms of their share of the industrial economy, the vast majority have almost no power. The 500 largest of these, less than 1 percent of all

corporations, have 87 percent of all sales. They are the aristocrats of the American industrial economy; the remaining 359,500, in terms of their national power, are the peasantry.

The largest mass media corporations are now part of this American economic aristocracy, acquired in morganatic mergers in the manner of fourteenth-century monarchs who gained valuable territory by marrying heirs to distant duchies. Among these 500 largest corporations are 21 of the 50 largest media companies (Westinghouse; RCA; Gulf + Western; Charter Oil; CBS; Time, Inc.; ABC; Warner Communications; Times Mirror; MCA; Gannett; Knight-Ridder; McGraw-Hill; 20th Century-Fox; New York Times; Washington Post; Scott and Fetzer; Dow Jones; Harcourt Brace Jovanovich; Capital Cities; and Metromedia). Twenty years ago only 9 media companies were in the Fortune 500 (RCA; Time, Inc.; Hearst; McGraw-Hill; New York Times; Times Mirror; McCall; and Grolier).

As we shall see, the degree to which the parent corporation controls the content of its media subsidiary varies. The most powerful influence, possessed by all, is the power to appoint media leaders. It is a rare corporation that appoints a leader considered unsympathetic to the desires of the corporation. And when it feels threatened by law, public opinion, or the marketplace, no corporation will permit a subsidiary to harm the parent. Real independence for a media subsidiary is, at best, a disposable luxury.

Media subsidiaries owned by these ruling American industrial corporations include seven of the twenty largest newspaper chains, eight of the leading twenty magazine companies, seven of the ten largest radio operators, all three dominant television networks, seven of the eleven leading book publishers, and three of the four leading movie studios.

Dominant media companies are further integrated into the ruling forces of the economy. Through interlocking directorates—sharing members on boards of directors—the country's newspapers, magazines, radio and television companies, book publishers, and moviemakers are now directly influenced by still other powerful industries. The same media firms are part of the global banking and investment community through their loans and lines of credit; they share directors from the top multinational banks and investment houses.

Under law (and business ethics) the director of a firm is obliged to act in the best interests of that company. Under

some circumstances it is a federal crime to do otherwise. This creates a dilemma in the present pattern of corporate boards, a dilemma largely ignored but one that now descends on the governance of the news media: What happens if the same person sits on the boards of two different corporations and it is in the best interests of one of the corporations to do something that will damage the other corporation?

The energy crisis of the last part of the twentieth century for example, is one of the most contentious issues facing American society. The information presented as news, background and analysis about the oil industry in newspapers, magazines and television is crucial to the American public. What happens if the oil industry has deep influence in the governing of the news media? This is not an academic question: Oil representatives sit on the boards of the most powerful news media. In 1979, sitting on the board of directors of RCA, owner of NBC were people who simultaneously were directors of Cities Service Atlantic Richfield, and the American Petroleum Institute (the leading oil and gas lobby). Legally, each of these directors is bound to act in the best interests of each corporation on whose board he or she sits. But what happens if it appears to NBC to be in the best interests of the public to do a critical documentary that will damage the public image of the oil industry? Which way will the common oil/RCA director vote "in the best interests" of conflicting corporations?

Louis Brandeis, before joining the Supreme Court, wrote

The practice of interlocking directorates is the root of many evils. It offends laws human and divine. . . . It tends to disloyalty and violation of the fundamental law that no man can serve two masters. . . . It is undemocratic, for it rejects the platform: "A fair field and no favors."

Members of corporate boards have impressive power over their corporations. They hire—and fire—the corporate leaders. They set corporate policy. They decide if the corporation will borrow money (or lend it) and for what purpose. They decide how the corporation will deal with the public and with the government.

When individuals sit on more than one board they have powers that can affect all the corporations they govern. They can provide implicit cooperation that will permit two or more corporations to behave in a synchronization that would be illegal or unwise if done explicitly. This is most obvious if directors sit on boards of corporations that are

ostensible competitors. At least one in eight interlocks of large American corporations is between competitors.

In 1978 when the Department of Justice wanted to use its computer to show the extent of interlocks among major American corporations, business leaders were powerful enough to prevent it. Through more tedious methods the department found that in 1976, of 130 major companies, the largest interlocked through their directors with 70 percent of the others. Exxon, for example, interlocked with its leading competitors, Atlantic Richfield, Mobil, Standard Oil of California, Standard Oil of Indiana, and Texaco.

Brandeis called this "the endless chain." The corporations from which Americans get most of their news and ideas have now entered "the endless chain."

For example, Exxon, the world's largest corporation, has two directors on the board of Citibank, alongside directors of Mobil and Standard Oil of California, General Electric, Westinghouse, General Motors, Ford Motor Company, Du Pont, AT&T, IBM, and RCA. RCA and Westinghouse, two major media companies, are interlocked competitors and both are interlocked with corporations, like Exxon, whose news they report.

Today the country's major organs of public information are no longer local. Consequently, any conflict of interest is on a national or global scale, as are the consequences.

...

A 1979 study by Peter Dreier and Steven Weinberg found interlocked directorates in major newspaper chains. Gannett, the largest seller of newspapers in the country, shared directors with Merrill Lynch (stockbrokers), Standard Oil of Ohio, 20th Century-Fox, Kerr-McGee (oil, gas, nuclear power, aerospace), McDonnell Douglas Aircraft, McGraw-Hill, Eastern Airlines, Phillips Petroleum, Kellogg Company, New York Telephone Company.

Knight-Ridder, the second largest purveyor of daily newspapers, had interlocks with banking, other media firms, the automotive industry, oil and gas, public utilities, and tire manufacturing.

The Tribune Company of Chicago, another major newspaper chain and publisher of the leading paper in Chicago, has on its board executives or directors from Commonwealth Edison, G. D. Searle, Zenith Radio, Continental Illinois, General Dynamics, and U.S. Gypsum. (Also on the Tribune board is a director from Sears, Roebuck. When Sears was accused by the Federal Trade Commission of

dishonest advertising and sales promotion, the *Tribune* was one of the major papers that failed to carry a word of it, although Sears's national headquarters are in Chicago. Even Sears's national news director, Ernest Arms, commented, "I was really surprised at the lack of coverage.")

Times Mirror of Los Angeles has on its board directors from Bank of America, Norton Simon, TRW, Rohr Corporation, Kaiser Steel, Ford Motor Company, American Airlines, Colgate-Palmolive, and Carter Hawley Hale Stores (a major advertiser in the paper and owner of Waldenbooks, second-largest bookseller in the country, which sells books published by Times Mirror.)

The most influential paper in America, the *New York Times*, interlocks with Merck, Morgan Guaranty Trust, Bristol Myers, Charter Oil, Johns Manville, American Express, Bethlehem Steel, IBM, Scott Paper, Sun Oil, and First Boston Corporation. (It also interlocks with the Ford Motor Company. In 1974 the publisher of the *Times*, Arthur Ochs Sulzberger, was told by Henry Ford II that federal safety and pollution standards would increase car prices. According to Sulzberger, "I said it certainly would affect the advertising coming into our newspapers. I said I would set up a forum." Sulzberger sent a letter to major newspaper publishers announcing a meeting with Ford officials, adding, "I would strongly urge you to bring with you your editorial page editor and your business and financial editor, for the story that Messrs. Ford and Iacocca wish to tell goes far beyond the scope of an 'automotive' story." As a result the Associated Press, United Press International, Dow Jones, Reuters, and the Washington Post—Los Angeles Times wires carried Ford and Iacocca's presentation arguing against the federal safety and pollution controls. Most papers whose reporters attended the meeting put the story on page 1, including the *New York Times*, which ran it at the top of page 1 with a two-column picture of Ford.)

The second most influential paper in the country, the *Washington Post*, interlocks with CBS, Allied Chemical, Blue Chip Stamps (which controls Berkshire Hathaway textiles, *Buffalo Evening News*, Pinkerton's, and Munsingwear), IBM, Ford Motor Company, Levi-Strauss, TWA, Utah International, and Wells Fargo Bank.

Another study of interlocking directorates, by this author, found that an even greater concentration of international industrial and financial figures dominates other major media. American Broadcasting Co., for example, has on its

board executives from the oil and gas industries, major banks, insurance companies, IBM, General Motors, and General Dynamics. CBS shares directors with major international banks, Aerospace Corporation, Institute for Defense Analysis, Eastern Airlines, Gannett Co., Trilateral Commission, Memorex, Aluminum Company of America, Pan American Airways, and the Asia Society.

Time, Inc. has so many interlocks they almost constitute the leadership of American business and finance. A small selection of its interlocking directorates include the chairman, chief executive officer, and chairman of the executive committees of Mobil Oil and directors of American Petroleum Institute, AT&T, American Express, Temple-Eastex (a Texas wood products firm that controls Time, Inc.), American Paper Institute, Abbott Laboratories, Firestone Tire & Rubber Company, Mellon National Corporation, Borg-Warner, Atlantic Richfield, Xerox, Pan American Airways, Volvo, Colgate-Palmolive, General Dynamics, and most of the major international banks.

Gulf + Western is interlocked with Freedoms Foundation, Houston Natural Gas, Societa Generale Immobiliare (an international financing corporation), Roosevelt Raceway, Madison Square Garden, Winn-Dixie Stores, and Flying Diamond Oil.

Almost every major industry whose activities dominate the news of the 1980s—the leading defense contractors and oil companies—sit on controlling boards of the leading media of the country.

There is hardly a major international bank or insurance or investment company that is not represented on boards of directors of the major media that control most of what Americans learn about the economy. In crucial times decisions of directors and banks can spell life or death for a company's independence. When American Express almost captured McGraw-Hill, it was able to make the attempt because McGraw-Hill's banker—who had innermost knowledge of McGraw-Hill's finances—and a McGraw-Hill director from American Express switched sides, and so could use their inside knowledge of McGraw-Hill to aid American Express against McGraw-Hill.

In a war to take over Conoco Oil in 1981, the *Wall Street Journal* noted that a few crucial banks, insurance companies, and big investment firms held influence among all the bidders. A research concern, Corporate Data Exchange, said,

“In effect, the same shareholders will be deciding the fate of this merger on both sides of the transaction.”

Banks, insurance companies, and investment companies vote whatever stock they hold. But they also vote shares bought with money put in their trust, including union and industrial pension funds, one of the largest single forces in the stock market.

It is not always easy to discover who, in reality, holds and votes on stock in media corporations. The law permits some shares to be held by “street name” firms whose real beneficiaries remain secret, an invisible hand with special significance when it has influence over the mass media.

In 1968 Representative Wright Patman issued a major study attempting to show the extent to which banks control American industry, including major media. He found that the Mercantile Bank in Baltimore had 61.3 percent of the common stock and controlling votes in the *Baltimore Sun* newspapers. The First National Bank in Chicago had a director in Scott, Foresman, a leading book publisher, and held 8.9 percent of its stock. It held 32 percent of stock in another book house, David McKay, 100 percent of the stock of Copley Newspapers, a controlling share in Holt, Rinehart and Winston book publishers, and had a director on the board of Time, Inc. But the same bank held stock in and had directors on the boards of firms with an interest in the news—Sears, Chrysler, General Foods, Shell Oil, and Standard Oil of Indiana.

The concentration of giant media firms that control American public information is troublesome by itself. The interlocking directorates with each other and with major industries and banks, insurance companies, and investment firms make it more troublesome still. The relationship of the news media and leading world bankers is corporate incest within corporate incest: The controllers control each other. Patman and others have found that a cluster of New York banks and life insurance companies held controlling shares in the New York Times Co.; *Newsday*; McGraw-Hill; Dow Jones; Time, Inc.; ITT; CBS; ABC; Prentice-Hall; Harcourt Brace Jovanovich; ABC; Doubleday; Ridder Publications (now Knight-Ridder); RCA; Thomson Newspapers; Westinghouse; Cox; Reader’s Digest; Harper & Row; the Washington Post Co; Xerox; and the Tribune Company.

A 1978 study by the Senate Committee on Governmental Affairs issued a report with a laconic paragraph:

The principal stockvoters in large banks are—large banks. Morgan Guaranty is Stockvoter Number 1 in four of its New York sister banks—Citicorp, Manufacturers Hanover Corp., Chemical New York Corp. and Bankers Trust New York Corp.—as well as Bankamerica Corp. In turn, Citicorp is Stockvoter No. 1 in Morgan Guaranty’s parent holding company, J. P. Morgan & Co. Stockvoter No. 2 in J. P. Morgan & Co. is Chase Manhattan. Stockvoters No. 3 and 4 in J. P. Morgan & Co. are Manufacturers Hanover and Bankers Trust, in whose parent holding company’s Morgan Guaranty Trust is Stockvoter No. 1.

Another report of the Senate Committee on Governmental Affairs stated:

the boardrooms of four of the largest banking companies (Citicorp, Chase Manhattan, Manufacturers Hanover Trust, and J. P. Morgan), two of the largest insurance companies (Prudential and Metropolitan Life) and three of the largest nonfinancial companies (AT&T, Exxon and General Motors) looked like virtual summits of American business. . . .

All four broadcasting organizations (ABC, CBS, NBC and Westinghouse) were represented on the board of the country’s largest international banker, Citicorp, and the network companies linked with each other on the boards of other financial companies and industrials. These facts raise fundamental issues. . . . They can bear on social issues and possibly control the shape and direction of the nation’s economy.

The report was conservative. The “summits of American business” now control or powerfully influence the major media that create American public opinion.

Notes

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475 There are 1,730 daily newspapers. From U.S. Senate, *Hearings of the Subcommittee on Antitrust and Monopoly*, 8 vols., 1967–1969; annual editions of *Editor & Publisher Yearbook*.

475 The twenty corporations that control. *John Morton Newspaper Research Newsletter*, 2 April 1982. This list varies in circulation and ranking from time to time because large chains continue to buy remaining independent companies and smaller chains.

475 For 1981, these twenty corporations. *FOLIO: 400*, September 1981, 356.

476 Domination of the radio audience. 1981 Arbitron ratings of cumulative circulations for the top radio groups plus estimates from survey of security analysts specializing in broadcast investments.

477 Overall, eleven corporations received. From *BP Report* and records of Knowledge Industry Publications, Inc., White Plains, N.Y.

477 Trade books published. From Department of Commerce Census of Manufacturers and personal communication with J. Kendrick Noble, Jr.

479 “We were publishing.” Bennett Cerf, *At Random: The Reminiscences of Bennett Cerf* (New York: Random House, 1977), 278.

479 In the movie industry. Benjamin M. Compaine, ed., *Who Owns the Media?* (White Plains, N.Y.: Knowledge Industry Publications, 1979), 223.

479 There are 360,000 industrial corporations. *1981 Fortune Double 500 Directory* (Trenton, N.J.: Time, Inc., 1981).

479 These 500 largest corporations. From *Moody's Industrial Manual* and 10-K reports and annual reports of the firms.

480 “The practice of interlocking directorates.” Louis D. Brandeis, “The Endless Chain,” *Harper's Weekly*, 6 December 1913, 13.

480 A 1979 study. Peter Dreir and Steven Weinberg, “Interlocking Directorates,” *Columbia Journalism Review*, November/December 1979, 51–68.

481 When Sears was accused. Michael Hirsh, “The Sins of Sears Are Not News in Chicago,” *Columbia Journalism Review*, July/August 1976, 29.

481 (It also interlocks.) Jane Shoemaker, “Sulzberger Has a Better Idea,” *MORE*, February 1975. The interlock between the *New York Times* and the Ford Motor Company might shed light on a curious coincidence. On December 20, 1980, a number of newspapers carried a story that the U.S. Department of Transportation had decided not to recall 26 million Ford cars for a serious transmission defect. The defect had been associated with 6,000 accidents, 1,170 injuries, and 98 deaths. The recall was rejected because it would have entailed too much expense for the Ford Motor Company. The same day, many of the papers that carried the recall story carried another item about Ford. They reported that Ford had flown a company engineer to New York City to repair the bent license plate on one of its 1981 Ford Cougars. The customer with the bent license plate presumably could have had it straightened by her gas station attendant, but she had the benefit of a Ford engineer. She was Marian Sulzberger Heiskell, one of the family owners of the *New York Times*, a member of the *Times* board of directors, and in addition, a member of the board of directors of the Ford Motor Company. Heiskell, granddaughter of the founder of the modern Times, Adolph Ochs, and the widow of Orvil Dryfoos, former publisher of the *Times*, is married to Andrew Heiskell, former chairman of the board of Time, Inc., thus combining two of the great media empires of the United States. (Associated Press, *San Francisco Chronicle*, 30 December 1980, 11, 44.)

482 In a war to take over. *Wall Street Journal*, 24 July 1981, 23.

482 In 1968 Representative Wright Patman. House Committee on Banking and Currency, *Commercial Banks and Their Trust Activities: Emerging Influence on the American Economy*, 2 vols., 90th Cong., 8 July 1968.

482 There is hardly. *San Francisco Examiner*, 16 January 1979, 43.

482 “The principal stockvoters.” Senate Committee on Governmental Affairs, “Voting Rights of Major Corporations,” January 1978:3.

482 “The boardrooms of four.” Senate Committee on Governmental Affairs, *Interlocking Directorates Among Major U.S. Corporations*, June 1978:280.

