

2. Balance Sheet

THE MESSAGE-BEARERS

The media give us our news, our information, our entertainment, and to some extent our sense of ourselves as a nation. That is their social function, and one of the tasks of this Committee was to enquire how well they are performing it.

To do that, it is first necessary to view the media in the harshest possible light: as economic entities, as capitalist institutions. What, in business terms, are the media *for*? What are they selling? How much does it cost them to produce what they sell? What kind of prices do they get for their product? How much is left over as profit? What do they do with those profits? What happens to costs and profits as the size of the media unit increases? What is the economic advantage of combining several media units under one corporate umbrella?

These are hard-nosed questions, and answering them involves acceptance of one of those little contradictions which make the study of economics such a truly dismal occupation. To view the media in economic terms, we must temporarily suspend our habit of looking at them in human terms. Forget for the moment that the media are purveyors of facts and dreams and sounds and images. Forget the horoscopes, forget Gordon Sinclair's voice, forget the headlines on the front page, forget Bonanza, forget *content* – because, in the strict economic sense, that is not what the media are selling.

What the media *are* selling, in a capitalist society, is an audience, and the means to reach that audience with advertising messages. As Toronto advertising man Jerry Goodis, who appeared before the Committee, put it: "The business side of the mass media is devoted to building and selling the right audience . . . those who buy and, more importantly, those who can choose what they will buy, those whose choice is not dictated by necessity." In this sense, the content – good or bad, timid or courageous, stultifying or brilliant, dull or amusing – is nothing more than the means of attracting the audience. It seems harsh, but it happens to be utterly accurate, that editorial