Megalomedia

William Clark

"We can achieve a sort of control under which the controlled, though they are following a code much more scrupulously than ever the case under the old system, now feel free."

B F Skinner

GUS MACDONALD IS announced as Corporate Leader of the Year, Companion of the British Empire, Chairman of the Year. The list seems endless as he rolls onto a game show type set. He is slapped on the back by his old mate Billy Connolly who whispers sweet nothings into his ear and they embrace in a manly fashion. Gus is given a "Lifetime Achievement Award" live on the TV station he runs, by one of his employees, while the rest of them form the audience. With tears of emotion welling up in his eyes Gus approaches the microphone ...at that point the national grid flinches like a wounded animal. The nation has put on the kettle. Some of us are wondering while it boils: *Was it Idi Amin who awarded himself the Victoria Cross?*

Personalising the issues is going to be difficult to avoid, but he started it. Yes there is very little criticism of Gus in the media these days, only words of sanctimonious sycophantic praise. This is not entirely surprising because Scottish Television is now the Scottish Media Group or SMG for short. It now (em...) kind of owns the "independent" media in Scotland as the new name suggests. It owns Grampian TV, the Herald and the Evening Times, its shareholders, The Daily Record/Sunday Mail and Flextech run most of what's left. According to the Scotsman—one of the few publishing houses not controlled by Gus—STV and Grampian alone will reach 4.7 million out of a possible 5.1 million viewers in Scotland. Somehow or other that does not constitute a monopoly or any breach of regulations in the eyes of the regulators, the ITC. This is because they were set up to de-regulate the market and have stood by while the whole independent network has become monopolised. If you remember the Monopoly board game, you don't have to literally own all the properties to control the game, just some of them. Also, surely any decent monopoly would "influence" its regulators, assuming that is, that they need influencing.

Last June the 3rd the Scotsman said that the purchase of Grampian by SMG: "should be subject to the utmost scrutiny," adding that: "this newspaper must comment, for who otherwise can?" Left all out on their own they were getting a bit panicky, and their analysis of the situation suffered, well, proved to be wishful thinking to be precise. They stated that "the ITC said yesterday it would bow to pressure and mount a public enquiry into the deal." Somebody was lying there, because the ITC did no such thing. Let's have a look at what happened.

The boards of Grampian TV and SMG only confirmed they had been talking together on the 6th of June. They did this because someone leaked information to a Sunday paper not owned by them and the stockmarket got wind of it. Four days later both parties had agreed terms and SMG bought about 20% of Grampian on the open market.[1] By July the 11th the ITC had "concluded that there will be no requirement to conduct public interest test with regard to proposed merger with Grampian." Let me run that past you one more time. While the deal was being done before their eyes, the ITC decided that they would not even begin to look into the matter, and it took them a mere couple of weeks to arrive at this conclusion. They did not even detect a whiff of monopoly about it, despite the fact that they had earlier said they would "bow to pressure" after the Scotsman phoned them with what could easily have been a rumour of a takeover. SMG went ahead buying bits of Grampian until by September the 3rd it was "entitled now to acquire compulsorarly *(sic)* all [Grampian] Shares held by shareholders who had not yet accepted the offer." A week earlier they had started another deal, this time purchasing 18.2% of Ulster TV with a view to a takeover. The ITC just ignored it.

The ITC's decision was also taken in the light of the fact that they had not so long ago already deemed it appropriate to investigate STV when it bought Caledonian Publishing, the owners of the Herald and Evening Times. They found then that:

> "the overlap between Caledonian's circulation and Scottish Television's broadcasting area did not constitute a threat to the public interest."[2]

If the Herald's own reporting is to be believed on the matter, and it might be here, the reason the ITC let the Grampian deal go through was because:

> "The Herald and the Evening Times were not deemed to be 'relevant local newspapers' in Grampian's broadcasting area."

That must have been a bit galling for the Herald to print. A few years ago they had dropped the "Glasgow" from their masthead in an attempt to convince advertisers that their circulation was UK-wide and massive. Now it seems we have irrefutable evidence that they are simply not read—are irrelevant in fact—in huge areas of the country. So let's look at the ITC's logic. With the Herald/Evening Times all we had was an 'overlap', nothing to worry about there, Gus may have Mayfair but Park Lane is just "overlapping". With their second decision on Grampian they simply did not even consider the position of STV, never mind the Daily Record, and put the accent on "local" papers. So the SMG empire is thus insignificant in Scotland because of the existence of the Aberdeen Evening Express. And what if the ITC conceded that they were significant? Wouldn't it just be another "overlap?" Some people will be wondering how exactly the ITC found out what everyone in Scotland watches and reads in the space of a few weeks. Others will be wondering what are they waiting for? Gus MacDonald to proclaim himself Lord of Hell and stamp 666™ on everyone's forehead? Then the ITC will perhaps 'consider an enquiry'.

It was left to the Office of Fair Trading to "scrutinise" the deal in terms of "competition." That too was passed, although few people could come up with a single name as a competitor of SMG, maybe someone is secretly running an independent TV station from their bedroom, who knows? The deal was also completed before the Devolution referendum. Thus Gus can argue, with a fairly straight face, that SMG is not a monopoly in the context of the UK; when it comes to an "independent Scotland", well what are people going to do—write to the papers?

Nearly everyone in Scotland watches the TV or reads a paper and yet we are all in almost complete ignorance of who owns and runs what we're watching and for what reasons. Meanwhile, our nicely anaesthetized minds are being delivered to SMG's advertisers. Although Gus MacDonald is fairly well-known, a huge part of the public façade of SMG is this constant portrayal of him is as some kind of "nice-guy socialist, people's champion." But it is hard to see what they were all celebrating in that awards ceremony; other than the creation of another mini-media mogul, say in the mould of Axel Caesar Springer who controlled 40% of all West German newspapers, 80% of regional newspapers, 90% of Sunday newspapers, 50% of weekly periodicals and two thirds of the papers bought in most big German cities. He was considered something of a despot by the German left in the '60s, but these figures are not far off MacDonald's. Springer was hated because he created an unrivaled nation-wide political platform which he obviously used. The Labour party are very popular in Scotland although most people believe them to be corrupt and of having betrayed them systematically[3]. It is a self-evident truth that the promotion of the Labour party in the Scottish media has had a lot to do with their "popularity". The Daily Record for instance openly aligns itself as a party paper and donates thousands to the party.[4]

Editors may well assert their autonomy in these situations, but they huddle together like sheep on the big issues. Their collective viewpoint is increasingly based on a belief that vast daily sales (largely to individuals whom they consider stupid) means mass approval of what they offer. They see this as according them a political mandate. While party politics are only one perhaps vague (in that the press is biddable) influence on those who run the media: advertisers and shareholders are another; and here we're talking the language of real politics: hard cash. And the real language of newspapers is marketing: i.e. hard cash.

One of Gus MacDonald's letters (to shareholders only) of the 9th of April stated that:

> "Your Directors consider that employees at all levels should be encouraged to identify their interests with those of the Company's shareholders and that this objective can be furthered by providing means for employees to become shareholders themselves."[5]

Is it not idiocy and bad business practice that the editor of the Herald/Evening Times should identify his interests with those of the Daily Record/Sunday Mail? "Yes", if they are competing and "no", if they are working for the same ends. The "competition" between them seems to be over: for is this not an instruction to ramify the whole network?

Another point of this "objective" is that SMG get back some of their employee's wages by acting like a bank. Their employee's money is 'tied up' for three years and when optioned will only pay out a limited dividend. But I am being all old socialist here. Isn't Gus—our former shipyard fitter—not just being realistic in the Thatcher, sorry Blair '90s? In fact isn't he just advocating a bit of profit sharing? Sure, but he isn't sharing it with everyone. The next line in the letter is straight out of Orwell:

> "The proposed schemes are a sharesave scheme and a profit sharing scheme (which will operate on an "all-employee" basis) and two discretionary share option schemes for those key executives who are most in a position to affect the fortunes of the Company."

For shit like this Gus MacDonald gets an award?. The "Company scheme" has been "designed to be approved by the Inland Revenue." The "Executive scheme" is completely "unapproved". With this scheme the 'company' itself will decide "which individuals should participate and the extent of their participation."

As ever the whole project must "satisfy the guidelines of the institutional investors," the banks and other media combines who own SMG[6]. Graciously (only) the chairman will not participate. The scheme is patently open to abuses of the worst kind, I would go as far to say it is abuse. It seems designed as some form of carrot on a stick to socially engineer SMG's employees towards cartoon levels of compliance and self censorship—*one day, Smithers you will get the key to the executive washroom.* For the wealthy it will create more wealth (an executive can invest four times their salary in it). For others it must have seemed that SMG wanted their savings for some kind of hidden agenda—and left them wondering what happens to my savings if SMG's empire over-extends itself? It is too late for worries of that kind.

And it is astonishing what is legal these days. On January the 27th, a couple of months before Gus sent out that letter, word got out that SMG planned to launch an issue of 200 million fixed value bonds. Backed by the Hong Kong & Shanghai Banking Corporation and UBS[7]. *The net proceeds of this issue would be used towards payment of a massive bank debt related to SMG's acquisition of Southern Water and Manweb,* two privatised utilities supplying water and gas to the north of England, now only part owned by Scottish Power. Could this be the same "advantageous share scheme" that is being forced (the scheme if you remember operates on a "all-employee" basis) upon SMG employees, who are already working harder for less money?

The average wage per year (as a unit cost) has fallen like a stone: from £33,711 in '94 to £16,306 in '96. In the same period the profit per employee has gone up from £2,000 to £41,000. The return on the shareholders' funds has similarly jumped from 4.37% to 67.11%. These figures relate to staff who have the impertinence to request payment for their skills. Were it possible to take into account those hopefuls who work for nothing, or on an expenses only basis, the actual remuneration would plummet further.

But SMG workers have nothing to fear, the people's champion is at hand. No, not Gus, but another old socialist: Sir Gavin Henry Laird, board member of SMG and member of the Employment Appeal Tribunal. Gavin has been looking after the worker's interests for as long as anyone can remember, particularly in the big right-wing Union, the AEU. Everyone must have wanted rid of him though, because he was kicked upstairs till his fat arse landed on a seat on the board of the Bank of England. The same year he joined STV, which seems to be acting like a bank itself these days. Gavin also "works" for Britannia Life, an insurance company, so it is unlikely that he is a big fan of the welfare state. He also "works" for the Armed Forces Pay Review Body (who recently opted out of the National Minimum Wage scheme) and GEC Scotland. So he decides what soldiers get paid when they're getting killed by weapons sold to the enemy by GEC. He also finds time to slave his guts out on the Edinburgh Investment Trust where the top directors from The Securities Trust of Scotland, Flemings Bank, Scottish Widows, Clydesdale Bank, Bank of Scotland and the Royal Bank of Scotland, all pool their knowledge to make a killing on the Stock Market[8]. So old Gavin can be forgiven for not noticing what is happening to SMG employees. It could also be that he knows fine well.

Aggrieved employees who for some reason do not trust Gavin could try the Department of Trade and Industry (DTI). They are a little busy right now, or at least they must be given that they have been "working" on (some would say suppressing) the as yet unpublished report on the £100m of profit that went missing when that other old socialist, Robert Maxwell, did a bit of profit sharing himself. The Mirror Group, who own the Daily Record/Sunday Mail who own 20% of SMG, are technically still under investigation. Board members, such as Sir Robert Clark, still sit on the same seats they used to when Maxwell was there. As we all know nobody noticed a thing at the time, anyway nobody has been found guilty of anything and that's the important thing. The hundred million simply vanished. Nobody is overly worried about that DTI[9] report because another old socialist, Helen Liddell, went from working on the Daily Record to running the country in a few short months. She was put into the Monklands constituency after the death of John Smith. Monklands had more or less been designated a Labour Corruption Zone and some facts were leaking out. As can be imagined the investigative journalism which brought a lot of open secrets to light was done by one or two people on a small local paper. The Daily Record did nothing. Liddell claims to have been only remotely connected to Maxwell, but according to Private Eye 942:

> "...she was renowned and feared for her ruthless devotion to Cap'n Bob. Escorting him to a function in Edinburgh City Chambers in 1988...she clung to him so closely that at one point she even followed him into the gent's lavatory—a historic moment that was recorded by a BBC TV documentary crew filming the event. In the following two years she often accompanied Maxwell in his private plane on trips abroad, including a sortie to Bulgaria to advise the new government on how to run its elections. And in 1991 she was involved in the notorious Mirror Group floatation, which was the subject of a DTI inquiry."

The reader will note the roughly similar 'pattern' of the director's other interests. This is a common feature of many of the top UK companies. In Britain the term for a company is "Public Limited Company", the French term "Anonymous Society" is perhaps more poetic.

Granada

Shareholders include:
Mercury Asset Management (12%), Scottish Widows (3.5)

Gerry Robinson:
BSkyB, ITN, Savoy Hotel.

Charles Allen:
London Weekend Television, GMTV.

Stephanie Monk:
Member of the Advisory Conciliation and Arbitration Service Council.

Dr John Ashworth:
British Library Board, London School of Economics, formerly Chief Scientist of Central Policy Review Staff at the Cabinet Office.

Ian Martin:
Unigate (formerly deputy Chairman of Grand Metropolitan—both Robinson and Allen worked at Grand Met).

Michael Orr:
Lazard, W H Smith.

United News & Media

Lord Stevens of Ludgate (David Robert):
Premier Asset Management, Express Newspapers, MIM Britannia International Holdings.

Lord Clive Holick:
British Aerospace, Anglia TV, Meridian Broadcasting, Hambros Bank, MAI plc.

Charles Gregson:
Provident Finance, MAI plc.

Thomas Arculus:
Barclays, Severn Trent Water, Institute of Directors.

Sir James McKinnon:
Admiral, Ivory & Sime, MAI plc, Office of Gas Supply (Offgas).

Sir Eric John Pountain:
Midland Bank, formerly Tarmac.

George Bull:
Grand Metropolitan (see above), Advertising Association (see Walmsley of Carlton).

Carlton

Shareholders include:
Norwich Union (3.42%), Lloyds/TSB (3.08)

Michael Green:
ITN, Reuters, GMTV.(note Allen above).

Sir Derek Birkin:
The Merchants Trust, Unilever, Royal Opera House.

Anthony Forbes:
The Merchants trust, Royal & Sun Insurance.

Leslie Hill:
Chairman of ITV association, formerly Chairman of Central Independent Television, chairman of the ITV Association.

Sir Sydney Lipworth:
Zeneca, National Westminister Bank, The Financial Reporting Council, Coutts & Co., Chairman of the Monopolies and Mergers Commission.

June de Moller:
Anglian Water.

Nigel Walmsley:
GMTV, Independent Radio News, The Advertising Association.

Oil, Polly Peck, Digital TV and Flextech

And what of Flextech, SMG's other 20% owner are they any more trustworthy? Although little known by the general public they have grown to become the second largest provider of satellite programmes in the UK: they are responsible for Playboy TV, UK Gold, Bravo, Challenge TV (a game show channel) and a few other even worse channels. Back in the early '90s they were an industrial holding company mostly engaged in oil and gas services. Its companies mostly operated in the waters around Cyprus, Norway and Malaysia, all sensitive military areas. Its deputy chairman was Lawrence Tindale, chairman of countless off-shore Guernsey companies and at the time also a director of Polly Peck International, the company which crashed in 1990 at much the same time Maxwell went overboard. The company was "supposedly making profits of £200m per year but collapsed within weeks leaving shareholders with nothing and creditors who were owed more than £1 billion with little more."[10]

Flextech moved into media in a big way when they were taken over by the European business arm of TCI, the biggest US cable TV operator, ultimately owned (35%) by United Artists, the American multinational. The driving force behind the company is said to be its chairman, Roger Luard, who is also on the board of SMG[11]. One peculiar thing about Flextech is that although its shareprice has soared since its early days, it has not made a profit in years. On the contrary its accounts show it has made huge losses. It would seem that investors are backing it on the strength of the United Artists connection and on a promising deal with the BBC, which if you have ever paid your license fee you have unknowingly contributed to yourself. Back in October '96 the BBC chose Flextech as its 50/50 partner in the launch of an eight channel subscription package using old BBC programmes. At one point the Mirror Group's David Montgomery and Flextech's Adam Singer were in talks about a joint venture with the big cable companies exploiting the BBC deal. Both Singer and Montgomery are on the board of SMG, which is probably where the planning began.

Flextech are also involved in the chicanery that accompanied the licensing of terrestrial digital broadcasting. It is predicted that digital will see pay-TV phase out the old analog transmissions. The decisions were made last year but programmes will not start up till later this year. At present preparation is in a "complete shambles". Two competing consortia wanted the license from the ITC: British Digital Broadcasting (BDB) who won, and Digital Terrestrial Network (DTN) who lost. A legal challenge (by the losing consortium) ensued and the Office of Telecommunication (Oftel) intervened, at first to advise that DTN was the better deal and then to request the removal of BSkyB from the winning consortium. There was nothing new in the winning bid, most of which is available on Sky. What is on offer is primarily the Flextech/BBC package, indeed Roger Luard of Flextech has been rumoured as a potential boss of BDB. Flextech's parent TCI has also been involved with Microsoft to develop technology to enable digital TV to link with the internet.

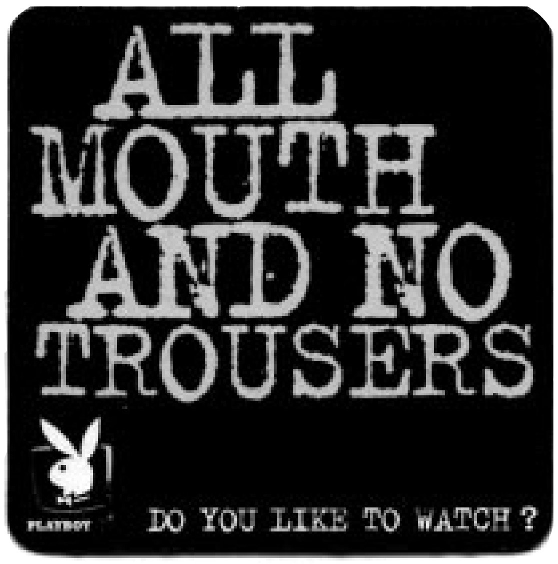
Although the ITC have on the surface asked BSkyB to drop out of the BDB consortium (which is a 50/50 deal between Granada and Carlton) Rupert Murdoch will not be shedding many tears. For a start BSkyB are launching their own digital satellite system (threatening some 200 channels) and they have been given the job of running the subscriber management system for BDB, thus having contact with BDB customers. The BSkyB company, News Datacom will still provide the encryption access and it will not have to bear any of the start up costs. Most press reports (in non-Murdoch newspapers) gave the impression that BSkyB had been written out of the terrestrial deal thanks to the intervention of Oftel. On the surface this is true, but Oftel have done nothing to 'regulate' on these 'hidden' involvements. But let us focus on the ITC

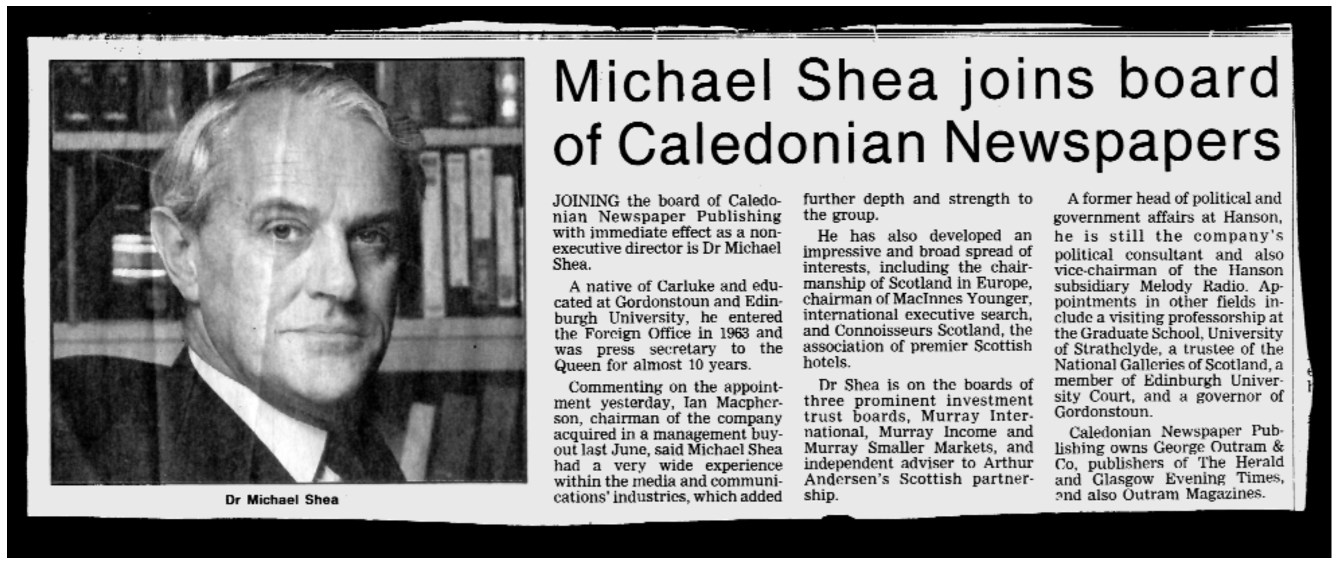
"Without detriment to programme standards"

The ITC was formed to take over from the IBA as a result of the White Paper Broadcasting in the '90s, written in '89 by Douglas Hurd. This proposed a "radical reform of the TV framework for broadcasting in the UK" for two principle identified reasons: "technological and international developments"; and that the government wished "a much wider range of programmes and types of broadcasting to be offered to viewers and listeners." It was the usual Thatcher government lies about the free market masking political patronage: "choice should be widened, competition increased without detriment to programme standards and quality." Back in 1989 everyone was getting excited about Satellite TV. As Rupert Murdoch himself said/lied: "Sky Television will bring competition, choice and quality to British Television. The monopoly is broken ...television will begin to develop the diversity it has lacked." Murdoch the "monopoly breaker". Sky began with four channels: the flagship Sky Channel featured game shows, including revivals of ITV shows such as the Sale of the Century and The Price is Right, a magazine programme with Tony Blackburn and Jenny Handley, an evening chat show hosted by Derek Jameson and American imports such as the Lucy Show. Rupert has been a little bit slack in delivering the "quality."

The ITC have "requirements" from ITV not regulations. These are that each franchise:

1 Show regional programmes (including programmes produced in the region).
2 Show high quality news and current affairs dealing with national and international news, in the main viewing period.





Michael Shea joins board of Caledonian Newspapers

JOINING the board of Caledonian Newspaper Publishing with immediate effect as a non-executive director is Dr Michael Shea.

A native of Carluke and educated at Gordonstoun and Edinburgh University, he entered the Foreign Office in 1963 and was press secretary to the Queen for almost 10 years.

Commenting on the appointment yesterday, Ian Macpherson, chairman of the company acquired in a management buy-out last June, said Michael Shea had a very wide experience within the media and communications' industries, which added further depth and strength to the group.

He has also developed an impressive and broad spread of interests, including the chairmanship of Scotland in Europe, chairman of MacInnes Younger, international executive search, and Connoisseurs Scotland, the association of premier Scottish hotels.

Dr Shea is on the boards of three prominent investment trust boards, Murray International, Murray Income and Murray Smaller Markets, and independent adviser to Arthur Andersen's Scottish partnership.

A former head of political and government affairs at Hanson, he is still the company's political consultant and also vice-chairman of the Hanson subsidiary Melody Radio. Appointments in other fields include a visiting professorship at the Graduate School, University of Strathclyde, a trustee of the National Galleries of Scotland, a member of Edinburgh University Court, and a governor of Gordonstoun.

Caledonian Newspaper Publishing owns George Outram & Co, publishers of The Herald and Glasgow Evening Times, and also Outram Magazines.

Dr Michael Shea

Above: Beer mat advert for Playboy TV

Above right: The Herald 22/04/93

3 Provide a diverse programme schedule calculated to appeal to a variety of tastes and interests.
4 Ensure that a minimum of 25% of original programming comes from independent producers.
5 Ensure that a proper proportion of programme material is of EC origin.

Obviously it is all a bit of a joke. They don't deal with monopolies, that is the province of the Monopolies and Mergers commission which was set up rather late in 1973. The ITC just hands out licenses, it's the government's bagman. The ITC also has "responsibilities" concerning Satellite TV whereby "steps will be taken to ensure that the programme content of all such satellite services is supervised." Presumably Bravo's "Stripping Italian Housewives" is there to fulfill category five. Bravo (which is run by Flextech) has as its motto "Swearing, Sex and Violence," perhaps category three comes into play there. Although the ITC has some vague code on advertising and sponsorship the government made it plain that they favoured "liberalising the present restrictions" and then chucked in the usual nod and a wink pretend proviso: "provided the editorial independence and transparency for the viewer are adequately protected." This probably means that we have a right to know the identity of the "News Bunny." (which is someone in a bunny suit who "reacts" to the "news" on L!ve TV).

The government was also pretending that it was determined to "impose limits on concentration of ownership and on excessive cross-media ownership, in order to keep the market open for newcomers and to prevent any tendency towards uniformity or domination by a few groups." That statement *typifies* what the media has become. The original fifteen franchises have been absorbed into only four groups. Most of the power has been concentrated into the hands of three men, Lord Hollick at United News and Media, Micheal Green at Carlton and Gerry Robinson at Granada, all of which are rampantly involved in cross-media ownership. So who are the ITC, why are they constantly described as "watchdogs" and whose interests are they protecting?

Lord Snooty and his pals

Sadly it is all a bit predictable, but frightfully British! **Sir Robin Biggam** is the ringleader and gets £65,580 for failing us miserably. He makes more money in the (guess what) arms trade, working as the director of British Aerospace. He is also a money seller with Foreign and Colonial Investments[12]. Next up is the **Earl of Dalkeith** (real name Richard Scott), who is the heir to the title of the Duke of Buccleuch (there are only 24 Dukes and it rates just under Royal Dukes, such as the Duke of Edinburgh). Mr Scott seems to do nothing. He was on the board of Border TV for a year in '89, he was on the old IBA and seems to have been accidentally left behind. He is also on the Millennium Fund Commission. He gets £12,630.

As does the aptly named **Micheal Checkland.** He used to be the Director General of the BBC and before that also worked on (guess what) an arms company, Thorn Electronics. It was Checkland who complied wholesale with the lunacies of Thatcher and supervised the censorship of the eleven Republican and Loyalist groups. During his tenure we also saw the censorship of Duncan Cambell's programme on Zircon, where the Police actually raided the BBC, poisoning the air for future investigative journalism. So much for category two of the ITC's "regulations". It was Checkland who made the assertion back in 1990 that he "was keen to work alongside the new TV channels as a programme provider," which was put into practice in deals with British Satellite Broadcasting, paving the way for the Flextech deal and the rampant commercialisation of the BBC.

But by far and away the most interesting character on the ITC is **Dr Micheal Shea** who works for Caledonian Newspaper Publishing, a subsidiary of Gus MacDonald's SMG. Shea has a long history of duplicitous activity i.e. telling lies for a living. It is also transparently obvious that he has intimate connections with the Secret Intelligence Service (MI6). He joined the Foreign Office (which claims to oversee MI6) in 1963, serving first in Ghana and then in Bonn in '66 where he was also seconded to the Cabinet office, then Bucharest in '73, then New York in '76 where he headed an outfit called "British Information Services"[13]. He then became the Press Secretary of the Queen for ten years.

On the filthy lucre side of things he sits on Scotland's premier Unit Trust, Murray International. Fellow board members here include George Younger and Angus Grossart, the latter being a recent ex-STV board member. The Grampian buy-out was put together by Noble Grossart Merchant Bank and the Royal Bank of Scotland , both run by Grossart. Shea is an independent advisor to Grossart's wing of Arthur Anderson, the second largest Insurance Broker in the World. Shea is also the head of "political and government affairs" at Hanson plc. In between finding time to eat, sleep and go to the lavatory he is on the boards of Strathclyde University, the National Gallery, Edinburgh University and Gordonstouns. He joined Caledonia in '93. Shea should not be on the board of an "Independent" Commission; there should be an independent commission watching Shea. The notion of characters like this being paid to lord it over us, deciding what we see or do not see is repulsive and as stupid as the belief that they are in any way "watchdogs" for the public good. Even a scant look at their activities offers convincing evidence that they do not give a toss for the public and consider themselves above and aristocratically superior. But it is these people who control who gets the license to broadcast. Despite all the smirking lies masquerading as legality of the White Paper, the ITC are actively encouraging monopoly.

In 1990 when the ITC were set up, 15,000 people were employed in ITV. As the companies in the network rushed to 'rationalise' in the run up to the franchise auction two years later, the number fell to about 10,500. In 1996 according to the ITC's own figures, the number fell to just over 8,200. The familiar pattern of mergers being justified on the basis of cost-saving and resource-pooling will be of little consolation to those skilled workers who were faced with the choice of either becoming "freelance" (a euphemism for unemployed-but-waiting-in-the-wings) or giving up altogether. The casualisation of the work-force has seen an explosion in the activities of "independent" production companies—the "stars" of the media all have their own and corner the market. With over 1,000 "indies" competing for work largely based in London, those freelancing are forced to follow in the hope of picking up some scraps. An "anonymous senior industry source", quoted by Jamie Doward in his Observer article of September 28th '97 said: "One strength of the old system was its commitment to regional programming. But the industry is in danger of moving away from that." This observation contrasts with Gus MacDonald's patriotic optimism of '93 when, in the STV annual report for '92, he made much of STV's "Scottishness" claiming it as a major asset which would help ensure future success. His robust confidence in Scotland's indigenous talent seems curious given that in the following years he and the rest of the board have reduced the number and wages of employees. In the accounts they seem to have doubled their employees but this is only because of all the mergers.

In 1996 the ITV network had an income of £2.2 billion, none of which came from license fees. It was generated by advertising. Where do the advertisers get the money? From us, via the products we buy. Hence, the actual cost per person for the right to have advertisers in the livingroom becomes a matter of guesswork. An average family shopping trolley will be full of products, all of which carry a built-in cost to recover the promotion of the product. Banks Building Societies and the big companies who simply have to tell us how nice they are, all pass those advertising costs on to us. In effect we are all paying the network to sell us what we have already bought. The more we buy it, the more successful it becomes, the greater the need (and cost) for us to confirm that we do indeed buy it. In other words, pay over the odds for it now, pay again later.

The (digital) Revolution will not be televised

In a country which has rejected right-wing parliamentary politics so completely, it is essential to remember that the non-parliamentary right are entrenched to such an extent that they will always elude democratic attempts at change. They are simultaneously a coherent and incoherent force in that they are both destructive or allied to one another at any given time. The alliances in the media, even on this scant evidence, reveal a complicity with big business with SMG branching out to own privatised utilities. We must always remember that our local independent Television Station provides us with an education, an outlook. Consider the words of another Scotsman who worked his way up to the top to become an award winning mogul:

> "...Andrew Carnegie wrote eleven essays called *The Gospel of Wealth.* In it he said that capitalism—free enterprise—was stone cold dead in the United States. It had been killed off by its own success. That men like himself, Mr. Morgan, and Mr. Rockefeller now owned everything, they owned the government. Competition was impossible unless they allowed it... Carnegie said that this was a very dangerous situation, because eventually young people will become aware of this and form clandestine organisations to work against it...Carnegie proposed that men of wealth re-establish a synthetic free enterprise system (since the real one was no longer possible) based on cradle to grave schooling. The people who advanced most successfully in the schooling that was available to everyone would be given licenses to lead profitable lives, they would be given jobs and promotions and that a large part of the economy had to be tied directly to schooling..."[14]

While this applies (indeed is an antecedent) to compulsory education it also echos the illusion provided by the media, particularly television which is akin to the notions behind B. F. Skinner's "learning machines". As the creepy Skinner quote at the beginning of the article suggests there are people out there who, through rampant megalomania or some darkness of the mind, seek complete control. MacDonald and Laird represent an extremely generous and tolerant form of socialism, so much so that they can encompass its polar opposite. As for their motives, well they have both gained vast amounts of money and power. But they're trying too hard, they're trying now, to fool all of the people all of the time.

Future developments in digital TV should bring with them a feeling of optimism, access to TV. We must remember that not every one has the ability or resources to even contemplate this and that the power of TV is such that the Advertisers/distribution companies and providers will move further toward a cartel. We will wait a long time for the software which will provide everyone with TV station-like access via the internet.

Scottish culture has been represented on STV in perhaps the most insipid and erroneous ways imaginable. The arts (whether literature, drama, music or art) have provided some differing forms of "education" which has tried to counterbalance this situation. We can wave goodbye to all that in a few years. TV culture (the voice, the agenda, the outlook, the people) has always been at a remove from the reality and evidence of our senses. To understand why requires investigation not just of the talent for impoverishment broadcast on the programmes, but investigation of who is running the thing and why. It is seldom attempted.

Scottish Television has reduced itself to news and sport: the news will have all the formality of the classroom, sport, all the "freedom" of playtime. We will never be informed that the news is manufactured or its agenda limited (for instance that by some co-incidence the exact stories will appear on the other side), or the limitations of that agenda. STV and now SMG has preached the big lie. And the big lie is that there is a criminal underworld and an honest overworld and that they do not interpenetrate. SMG's agenda is fast becoming one which serves as a cover for the legalised crime which big business engages in every day.

MacDonald used to be an "investigative reporter." What was it he found out back in the '70s that made him pretend to promote free speech in Scotland while working for those who seek to deny it to us? Perhaps he now feels *free*. as Skinner would put it; and glad that he has been given such a "profitable license" as Carnegie would say.

notes

1 Somewhere along the line the Chase Manhattan Bank started acquiring more SMG shares, at the same time the BBC Pension Trust sold theirs.

2 *Glasgow Herald* July 12

3 And they would be right.

4 This has been complicated slightly by the attempts to weed out embarrassments among "old Labour" in Scotland, whether through their corruption or left-wing views, and replace them with Blairites (i.e. opportunists). This has been portrayed (read 'news managed') particularly in the *Herald*, with allusions to a secret group called the "Network" thus propelling it into the ambit of conspiracy theory. The purge is real enough, but somewhat ineffectual.

5 SMG's main shareholders are Flextech (19.95%), Daily Record/Sunday Mail (19.93%), FMR Corporation(7.38%), Chase Nominees (5.31%), Mercury Asset Management (3.43%). Someone could fairly easily buy up 40% of SMG which would be a controlling shareholding.

6 They of the Blue Arrow affair.

7 Directors of most Investment trusts interpenetrate like this.

8 A kind of political ornament

9 *Private Eye* 808. It collapsed when money was pumped in by bankers and shareholders, *Private Eye* 832 states that a dealer who boosted Polly Peck ended up working for Mercury Asset Management, who also own about 4% of SMG. Polly Pecks more famous director, Asil Nadir ran off around May 93 in the wake of court charges, a secret Scotland Yard investigation, all the Micheal Mates lunacy, connections to Micheal Hesletine and with £440,000 of Polly Peck money ending up in the Tory party coffers. A bit of a mess.

10 See *Investors Chronicle* May 30/97 for background on Luard and Flextech. *The Observer* of 15/3/98 sttes that the Mirror Group and the Chase Manhattan Bank have been in close discussion with Flextech's owners TCI, the Mirror group wants to join with them in a Cable TV deal.

11 Probably the premium British investment outfit.

12 This more than likely had connections to the IRD (the Foreign Office's black propaganda outfit) but I have no direct evidence.

13 An Interview with John Taylor Gatto (*Flatland* No. 11)