

## Bringing power to place: CanWest Global Communications versus foreign media ownership limits

Marc Edge

Sam Houston State University

Marc Edge is an Associate Professor in the Department of Mass Communication at Sam Houston State University in Huntsville, Texas, USA. He was a daily newspaper journalist in Canada for twenty years before studying for his doctorate at Ohio University. He is the author of three books, most recently *Asper Nation: Canada's Most Dangerous Media Company*. (Vancouver: New Star Books, 2007). Email: [mwe003@shsu.edu](mailto:mwe003@shsu.edu)

### **Abstract**

*CanWest Global Communications is an international media company based in Canada and controlled by a family of lawyers. Established with one television station in 1975, CanWest expanded across Canada over the next 15 years. In 1991, it took advantage of media ownership deregulation in New Zealand by acquiring and turning around the foundering TV3 network. The following year, it acquired 57.5 percent ownership of Australia's Network TEN, a holding well in excess of that country's 15 percent limit on foreign ownership of television broadcasters. An ingenious arrangement, however, allowed CanWest to retain its majority ownership, but only after a 1995 inquiry by the Australian Broadcasting Authority cleared it. The ABA did order CanWest two years later to divest an additional 19 percent of TEN shares it subsequently acquired control over. CanWest's dealings in Australian media contributed in part to a long-running debate in Australia over foreign ownership limits that culminated with such restrictions being lifted in 2006. Political interference in their media holdings by the owning family in Canada should give cause for concern in Australia. A number of strong political positions, including fiscal conservatism, uncritical support for Israel, the abolition of public broadcasting, and neoliberalism generally have been promoted in their Canadian media holdings.*

### **Introduction**

A few notable multinational owners have emerged in the vanguard of media globalisation, often challenging national regulatory systems in order to expand their corporate reach. They are exemplified by the erstwhile Australian Rupert Murdoch, whose battles with regulatory agencies in the US, UK, and China have been legendary. The political consequences of Murdoch's foreign control have been demonstrated through his influence in UK politics and, more recently, by the well-

documented “Fox effect” in the US (DellaVigna & Kaplan, 2007). Two Canadians cast from the same mould as Murdoch similarly proved ardent proponents not just of media globalisation, but of neoliberalism generally. Conrad Black and Israel “Izzy” Asper were less visible than Murdoch in their assault on foreign media ownership regulations in the 1990s however, perhaps because the nation they chose to infiltrate was not a world power. Ironically, it was instead Murdoch’s native country, far removed from world media scrutiny. While Black was spectacularly unsuccessful in his challenge to Australia’s foreign ownership laws, Asper was more discreet, persistent, and ultimately successful. This paper chronicles Asper’s successful circumvention of Australia’s foreign ownership limits in television and argues, in the context of media globalisation theory, that it was influential not only in the 2006 lifting of such limits, but also in the ongoing centralisation of media power worldwide.

### *Literature review*

Academic research on regulation of foreign media ownership has been scant, noted Zajacz (2004), because the topic falls in a gray area between several fields. Communication historians and policy researchers tend to ignore the international context, while scholars of international communications fail to address domestic legislation. As a result, most of the research into the genesis of and justification for foreign media ownership regulation has fallen to legal scholars (Zajacz, 2004). Literature on media deregulation more generally has been evident since the 1980s. According to Horwitz (1989), the libertarian rhetoric of the Reagan era was underlain by a commercial ethic that promised to unleash entrepreneurship by getting the government off the back of business. As communications comprise the public sphere, however, the ramifications of deregulation in these industries have ironically instead been equity-based, with a vast reduction in diversity of viewpoints (Horwitz, 1989).

While the literature on globalisation has flourished of late, its focus has been more on generalities than specifics. Technical advances in communication that allow the transmission of information digitally across borders have been predicted by globalisation proponents to render national regulatory agencies obsolete (Giddens, 2000). Others, however, see an enduring role for the state in shaping global media markets, including in setting the citizenship requirements of owners (Wainsbord &

Morris, 2001). One fundamental split in the study of media globalisation has been identified as contributing to diverging views on the need for ownership regulation. Curran (2002) noted that cultural theorists of communication tend to be enthusiastic proponents of globalisation because they see its multi-directional flows as a welcome evolution from cultural imperialism. Political economists, on the other hand, see globalisation as a major setback. Far from losing power, capital in their view has re-asserted its power globally, ultimately at the expense of democracy. The weakening of nation states in favour of more global governance mechanisms, Curran argues, undermines popular power and self-determination because it is through the central state that public will is expressed. The difference in these contrasting views, he concludes, is due to the focus of cultural theorists on entertainment media, and of political economists on news and public affairs programming. The latter, he argues, is still primarily local and national in scope, and its domination by large multinationals will stunt the development of global politics and promote a narrower perspective. A growing “democratic gap” will result in the transfer of power from national governments subject to election, opposition, and media oversight, to market capital that is less subject to democratic control (Curran, 2002).

Bielby and Moloney (2008) agree that the opposing schools need to reconcile their perspectives in order to better understand expanding global media, but they see an impasse in efforts toward that end. The critical school, which sees media power from a macro perspective, is viewed by cultural scholars as engaging in economic reductionism, assuming deleterious effects of media concentration while denying audience power to resist media hegemony. Audience research, on the other hand, is thought by critical scholars to ignore the very real power inherent in global media by assuming a level playing field. As sociologists, Bielby and Moloney urge the use of middle-range theory at the meso level to bridge the gap between the micro and macro perspectives. By examining the concrete operations of the marketplace, they argue, organisational and economic issues can thus be factored into cultural explanations (Bielby & Moloney, 2008).

Two middle-range theories spring readily to mind as offering explanatory power in examining CanWest’s infiltration of Australian media. One is cultivation theory, which utilises institutional analysis, in addition to content analysis and survey

research, in understanding the underlying motivations of media owners in purveying media content. The other is agenda-setting theory, which has established that media content can set the agenda for public discussion but seeks further evidence of what sets the media's agenda. The CanWest case may assist in filling in the big picture by illustrating specific dynamics involved in media globalisation.

### ***Background***

Asper, a tax lawyer and failed politician, founded CanWest Global Communications with one television station in 1974. By his death in 2003, he had expanded it into a major international multimedia conglomerate with television, newspaper, radio, and online media holdings in Canada, the US, the UK, Australia, New Zealand, and Ireland. CanWest Global's business model was based on what one scholar described as a "carefully constructed and fiercely defended regulatory freedom" (Taylor, 1993). It became Canada's most profitable TV company in the 1980s by exploiting provisions in broadcasting regulations that offered revenue, and by avoiding others that required expenditures. The company ventured into multimedia 'convergence' in 2000 when it bought the Southam newspaper chain Conrad Black had taken over in the mid-1990s. Black passed the influential chain, Canada's largest, to Asper and his heirs in large part because they shared his neoliberal politics (Edge, 2007). Journalists across Canada soon protested Asper family interference in editorial content to support their political viewpoint, which was articulated by one columnist who quit.

The Aspers support the federal Liberal Party. They're pro-Israel. They think rich people like themselves deserve tax breaks. They support privatizing health-care delivery. And they believe their newspapers, from Victoria to St. John's, should agree with them. (Kimber, 2002)

The CBC public broadcaster came under constant attack editorially as a waste of taxpayer dollars, in addition to providing unfair competition for private broadcasters such as CanWest Global. The long-serving publisher of the *Ottawa Citizen* in the nation's capital was fired in 2002 for running an editorial calling for the prime minister's resignation without informing CanWest headquarters first. Federal inquiries were called in 2001 and 2003 to investigate issues including cross-media ownership, political partisanship, and the centralisation of news gathering. Nothing resulted from

either, however, due in part to the 2006 election of a Conservative government that was personally endorsed and editorially supported by the second generation of Aspers (Edge, 2007).

### ***Regulatory freedom***

One of the few scholarly studies of CanWest Global concluded it was ‘invisible to researchers’ because it did not fit the dominant network form. It was nonetheless changing the nature of television in Canada due to the “unique and carefully crafted regulatory position” devised by its owners (Taylor, 1993, p. 469). CanWest Global exploited its junior status to the national networks CBC and CTV, according to Taylor, in order to reduce costs. Because it lacked outlets in several Canadian provinces, CanWest was exempted from some obligations endured by the national networks, such as transmitting into remote locations. By confining itself to the more lucrative urban markets, CanWest could skim the cream of advertising dollars because, as far as the Canadian Radio-television and Telecommunications Commission (CRTC) was concerned, it was not a network but instead a ‘system’. CanWest Global was also required by the CRTC regulator to invest only \$44 million in Canadian content for the 1990-91 programming season, half of CTV’s mandated expenditure (Taylor, 1993). Airing more American content, which could often be purchased for 10 percent of its production cost, made CanWest more profitable than the larger CTV, but its programming strategy resulted in CanWest becoming known as the “Love Boat Network” (Fraser, 1999).

### ***Going Global***

CanWest took its template for financial success in the television business onto the international stage in the 1990s, first taking advantage of New Zealand’s near-complete deregulation of broadcasting. According to Comrie and Fountaine (2005), the New Zealand Government removed foreign ownership restrictions expressly to allow CanWest to ‘rescue’ bankrupt network TV3 in late 1991. Westpac bank had taken over New Zealand’s first commercial television network, which went on the air late in 1989, after higher than expected start up costs prompted the US network NBC to quit its founding consortium. In its first 18 months of operation, the network lost a reported NZ\$69 million. CanWest bought 20 percent of TV3 shares for NZ\$14.8 million (Cdn\$10 million) and took over its management. Production of original

content was scaled back and imported American programming began to dominate the schedule. From a loss of NZ\$22 million in 1992, TV3 turned a profit of NZ\$28 million in 1996 and CanWest exercised its option to buy another 48 percent of network shares from Westpac for NZ\$78.8 million. CanWest took further advantage of the deregulated New Zealand market the following year, launching entertainment network TV4 and buying the country's third-largest radio network, More FM, for NZ\$30 million.

Westpac took possession of another regional broadcaster after Australia's Network TEN went into receivership in 1991 while losing A\$2 million a week. Asper and CanWest were anxious to buy it as well, but in contrast to the deregulated broadcasting sector in New Zealand, Australia imposed strict limits on foreign media ownership. In television, the maximum was 15 percent, so Asper sought Australian investors to come up with 85 percent of the A\$240 million asking price for Network TEN. He was only able to get commitments for half that amount, but the Sydney law firm Freehills found a loophole in the country's foreign ownership rules that allowed CanWest to take equity in TEN as debt instead of as shares of ownership, essentially making CanWest a creditor of Network TEN. As a result, CanWest in 1992 contributed 57.5 per cent of the purchase price but took only 15 per cent of its voting shares. It held 42.5 per cent ownership as non-voting debentures, a long-term debt instrument similar to a bond that would pay an interest rate equivalent to TEN's rate of profit (Edge, 2007).

While conforming to the letter of the law, CanWest's arrangement stretched the limits of credulity. Australian media regulations also prohibited foreigners from exercising control over broadcasters, yet the manager of CanWest's Global Television station in Vancouver moved to Sydney in 1993 as CEO of Network TEN. A complaint by the network's former director of programming that Canadians were running TEN's operations soon came to the attention of the Australian Broadcasting Authority. The ABA began an investigation that continued for more than a year, generated 950 pages of testimony, and subpoenaed 15,000 pages of documents (Levine, 2002). Network TEN earnings soared under CanWest management due to cost cutting and programming changes, which saw the inevitable injection of cheap American programming, reaching A\$103 million in 1995. As a result, CanWest recouped its

Network TEN investment through stock dividends and debenture payments in less than three years. As the ABA inquiry dragged on through most of 1995, Asper expressed defiance of the broadcasting regulator. He appeared on a Network Nine business programme to complain that Australia's media ownership laws made no sense. "I can leave here as a non-Australian and buy a radio station in Sydney as a foreigner," he said. "Why can't I buy a television station?" (Sweetman, 1995). If the ABA forced it to sell its TEN debentures, Asper promised CanWest would expand into media sectors that were not as tightly regulated, mentioning cable television as a possibility. Asper also threatened to broadcast into Australia from the South Pacific.

From 1997 I can put a satellite up from Fiji. Whatever technology will permit, the laws can't stop. It will be done. If I can reach every home in this country from Fiji, there's no sense passing any laws about foreign ownership. (Cole, 1995)

Soon CanWest was absolved by the ABA, whose report cleared the Canadians of exercising control over Network TEN (Australian Broadcasting Authority, 1995). Despite the vindication, Asper seemed dissatisfied and a week later even threatened to pull out of the country. Proposed changes to Australia's media ownership laws would have allowed no increases in foreign ownership, and only minimal cross ownership of newspapers and television. "It may well be if the government of Australia doesn't want, for whatever reason, foreign ownership or foreign investment, or CanWest in particular," Asper told ABC Radio. "Well obviously there are lots of places in the world where one can invest ... And reluctantly but certainly we would divest our interests in Network TEN and employ our resources where they are welcome." (Lang, 1995)

Not only did CanWest remain in Australia, it quietly increased its ownership of Network TEN. In late 1996, ABA officials noted that four of the network's six minority shareholders had sold to holding companies based in Australia. Asper denied CanWest had increased its ownership of TEN. "CanWest has not bought any shares in Network Ten whatsoever," he told reporters (CanWest bullish, 1996). ABA investigators, however, found that the holding companies had bought the shares with money borrowed from a subsidiary of CanWest located in the Netherlands, and as a result CanWest was in a position to control 76 percent of TEN. After a four-month

investigation, the ABA ruled CanWest in breach of the law and gave the Canadians six months to sell the extra shares or face a \$2 million fine (Australian Broadcasting Authority, 1997). A separate investigation by Australia's Foreign Investment Review Board also demanded divestiture "irrespective of price" (Frith, 1997).

A change in government to a Liberal coalition led by John Howard brought proposed changes to Australia's media cross-ownership laws, but not on foreign ownership, changes to which Howard opposed. Non-voting shares were also banned, meaning CanWest should have had to reduce its ownership of TEN to the 15 percent limit allowed foreigners. Asper flew to Canberra, however, to lobby for an exemption from the new regulations. "You don't change the ground rules retrospectively," he told reporters. "That is something that we civilised countries do not do" (Mathieson, 1997a). As recounted by Asper, his message to Treasurer Peter Costello was more succinct: "Let commerce rule, not the law" (Brewster, 1997a). The dispute threatened to turn into an international incident when the Canadian Government warned Australia it would consider the demand for divestiture by CanWest a breach of international treaty obligations (Davies, 1997). Asper took the dispute to Federal Court, where his lawsuit was dismissed. He won a small victory, however, when the judge overruled the requirement that CanWest sell at any price (Mathieson, 1997b). Still Asper pressed the case, appealing the ruling. "The man simply does not give up," marvelled *The Australian* of Asper's "interminable game of snakes and ladders" (Brewster, 1997b).

Finally a deal was struck in which, as part of a public listing for sale of Network TEN shares, CanWest's majority ownership of TEN was exempted from the prohibition on non-voting shares. Broadcasting, foreign investment, and stock market regulators had all "appeared powerless against Asper flouting the Australian law," observed the *Australian Financial Review* (Ries, 1998). TEN's share price soared, boosting CanWest's five-year Network TEN investment 27 times over to A\$1.4 billion (Brehl, 1998). "With the benefit of hindsight," noted *The Australian*, "this was the bargain of the decade" (Westfield, 1998). By Asper's death in 2003, the ingenuity of his Network TEN acquisition had become clear, according to *The Australian*.

It was a brilliant design, and many potential foreign buyers of media assets pleaded to be able to “do a CanWest” to get around pesky foreign ownership limits. After two inquiries, the federal government put a stop to any further “CanWests.” It remains a unique structure. (Asper: *A life*, 2003)

### ***Global Domination***

Asper’s three adult children, who were all trained as lawyers at his insistence, inherited control of CanWest Global. Leonard, the youngest, showed the most affinity for leadership and was installed as CanWest CEO at 35. In public pronouncements, he echoed his father’s bellicose views on fiscal policy, public broadcasting, and the Middle East. While his father had often lashed out against what he claimed was media bias against Israel in coverage of the Middle East conflict, Leonard went one step further in 2003 and ascribed the media bias he saw to racism.

Racism is very difficult to prove, particularly when the accused do not openly state the reason for their attacks or their bias. No reporter screams: “I hate Jews.” I did not lightly come to the conclusion that anti-Semitism is part of the reason for the anti-Israel bias of the media. (Asper, 2003)

Asper announced that progress had been made in reducing media bias through CanWest’s educational initiatives, as it planned millions of dollars in donations to journalism schools across Canada, as well as improvements in its hiring practices. “Media proprietors and managers must ensure that the people they hire do not bring their ideology into their newsrooms, and that journalists do proper research before filing stories.” He urged his audience to hold the media accountable for biased reporting. “Respond to bias when you see it. Demand informed, objective and accurate reporting” (Asper, 2003). Asper’s complaints against the media were excerpted in the *National Post* and other Southam newspapers. Before long, media outlets owned by the Aspers unsurprisingly painted a picture of events in the Middle East that conformed more to their worldview. News services protested in 2004 that CanWest newspapers substituted the word “terrorist” for “insurgent” in wire stories from the Middle East (Edge, 2007). The Canadian “culture jamming” magazine *Adbusters* pointed out the extent of the change in perspective. “Articles in CanWest newspapers routinely blame Palestinian militants for Israeli air strikes or paint heroic portraits of Israeli civilians fending off Palestinian rocket attacks” (Condon, 2008).

Eldest sibling David Asper headed the *National Post*, and it proved an ardent advocate of the family's values. Patriquin (2004) found the *Post* pushed an ideological agenda that had "massive tax cuts as its top priority." The *Post* ran more than four times as many front-page articles on taxes than Canada's other national daily, the *Globe and Mail*, cast taxes in a negative light through the use of clever rhetorical devices, and used misleading data to "invent" an image of Canadians revolting against over-taxation (Patriquin, 2004). The *National Post* was found to regularly misuse public opinion polls "to confer popular legitimacy upon the economic conservatism of the Post's editors" (Butovsky, 2007). By framing the issues a certain way, the *National Post* used polls to create a "partial and distorted" view of public opinion, and some of its omissions and misrepresentations seemed "deliberate attempts to manufacture public support for its editorial positions" (Butovsky, 2007, p. 101). After CanWest bought the *National Post*, several of its most prominent columnists quit. "I no longer dared to express sympathy for Palestinians," explained one. "At times, the Post's hostility to critics of the [Iraq] war was simply childish. There wasn't a peace movement. There was a 'peace' movement, quote unquote" (Pearson, 2003). The Southam chain's former political columnist concurred.

The *National Post* is so American it should come in a holster... Some wonder, for example, how there could be almost as much of a drumbeat for an Iraq war in the Canadian media as in the United States. Some wonder how President George W. Bush's allegations can be reported at face value by Canadian journalists. (Martin, 2003)

While CanWest Global became Canada's largest news media company with its purchase of Southam in 2000, it was in western Canada that it was dominant. In eastern Canada, a lively press revolved around four daily newspapers in Toronto, each published by a different owner. During the 2001-02 controversies over national editorials, quitting columnists, and the firing of the *Ottawa Citizen* publisher, most western Canadians were left in the dark, noted a columnist for the *Winnipeg Free Press*. "It makes CanWest Global look bad, so CanWest isn't going to allow its newspapers to draw much attention to what they've been up to" (Glavin, 2002). On the country's west coast, CanWest's grip was tightest, as it published both dailies and most of the suburban newspapers in Vancouver, where it also owned the dominant

television station. Perhaps not coincidentally, British Columbia was where CanWest's influence was most evident in promoting the Asper political agenda, which was made explicit with donations totalling \$35,000 to the provincial Liberal party. "News coverage has been so slanted that Vancouver's daily papers should be read at a 45-degree angle," quipped the *Seattle Post-Intelligencer* (Connelly, 2005). CanWest's converged news media prominently featured stories that reflected well on the ruling Liberals. "The opposition's case – 75 medical facilities closed or downsized, 113 schools shut, slashes in environmental protection and the highly suspicious BC Rail deal – has been given short shrift" (Connelly, 2005).

The second generation Aspers announced early on in their tenure plans to build CanWest into something much larger than what they inherited. According to Wells (1996), "David and Leonard see their future in international markets, or 'global domination,' as Leonard puts it". Leonard Asper announced a more specific goal in 2002, after he had been named CanWest CEO. "Our ambition is to be one of the top five media companies in the world within 10 years" (Macklem, 2002).

### ***Discussion***

Canada and Australia have been found highly comparable as media markets due to similarities in their vast geography, small population, and common heritage. Due in large part to restrictions on foreign ownership, concentration of media ownership in both countries has historically been among the world's highest. Canada was thought to have the world's most highly-concentrated press ownership following a series of corporate transactions in 1980 that prompted a fruitless Royal Commission on Newspapers (Dunnett, 1988). Concentration of press ownership in Australia rose in the late 1980s, however, after a prohibition on cross-ownership of newspapers and television stations was imposed in 1987. By the early 1990s, Australia was thought to have surpassed Ireland with the world's highest concentration of press ownership (Brown, 1993). In the mid-1990s, pressure built in Australia to lift its cross-ownership ban, as it did in many countries, due to predictions that technological advances would inevitably lead to a 'convergence' of media. A neoliberal phase in policy discourse, according to Flew (2001), began in 1992 just as CanWest was making its investment in Network TEN, with the result being an opening up of the broadcasting market at the expense of the public interest. CanWest's ability to legally circumvent Australia's

foreign ownership limits, noted Given (2002), was one of the reasons advanced for abolishing them. CanWest's 1999 submission to the Productivity Commission criticised the limits as "outdated and unnecessary", arguing that "foreigners have less reason to interfere in local domestic affairs because they are less likely to have a substantial range of other investments which could lead to the risk of conflicts of interest" (Australia, 2000, p. 324) The debate over cross-ownership of media in Australia was finally resolved in 2006 with the lifting of the 1987 prohibition. Due to concerns over increasing the country's high level of press ownership concentration, the political *quid pro quo* was lifting the country's restrictions on foreign ownership of media as well (Edge, 2008). According to Hitchens (2006), the limits had been imposed in 1956 to "protect national sovereignty by preventing foreigners being able to influence domestic opinion". After the changes were quickly "rubber-stamped", according to Beecher (2007), a series of multi-billion-dollar transactions transformed the Australian media. Unexpectedly, one of those deals did not include CanWest selling its majority ownership in Network TEN to a domestic newspaper company. The lifting of foreign ownership restrictions allowed the company to formalise its control over the network by converting its debentures into voting shares, and it did so (Trichur, 2007).

Instead of quitting the country, analysts predicted CanWest would increase its media holdings in Australia, likely utilising American capital provided by Goldman Sachs (Willis & Robertson, 2007). In partnership with CanWest, the US investment banker contributed 64 percent of a C\$2.3-billion purchase of 13 Canadian cable channels from Alliance Atlantis Communications in 2006. That level of foreign ownership was well in excess of the 46.7 percent allowed under Canadian law, but CanWest and the Aspers insisted they, not Goldman Sachs, would be in control of the channels (Edge, 2007). The CRTC approved the partnership in late 2007, finding that requirements for Canadian control had been met by CanWest holding two-thirds of its voting shares (Robertson, 2007). A Competition Policy Review Panel was formed in late 2007 to re-examine Canada's foreign ownership limits in six "sensitive" areas – including banking, transportation, broadcasting, and "cultural industries," such as publishing (Waldie, 2007). Asper efforts to oppose foreign ownership limits in Australia may thus literally come home to roost.

### ***Conclusions***

With efforts at divining a grand theory of mass media influence having failed, communication scholars from diverse fields have been left to work on different parts of the global jigsaw puzzle in hopes that a Big Picture will eventually emerge. The inability of critical and cultural scholars to agree even on the existence of media power, much less its magnitude, indeed provides a formidable obstacle. Curran (2002) calls for more longitudinal research to demonstrate media power where short-term propaganda studies have failed. Bielby and Moloney (2008) argue for greater integration of middle-range communication theories to assist in reconciling critical and cultural scholars. In addition to the sociological studies they urge be added to the mix, there is a much wider range of research that could be drawn from, including in media history and media management and economics, which have been the twin orientations of this study.

Two of the longest-running areas of research into media effects may help illuminate contributions possibly provided by the case of CanWest Global Communications. Because the Aspers have been so outspoken in articulating their political agenda, there is a contribution to be made to the database of institutional analysis utilised by cultivation theory. One of the longest-running programmes of effects research, cultivation theory began in the late 1960s by inventorying violent television content, which has continued annually ever since. Adding survey research uncovered how heavy viewers of television perceive the world differently than light viewers, and are more fearful of violence as a result, a finding which has possible political implications. Incorporating this into research institutional analysis, which applied principles of political economy, helped illuminate underlying motivations of television broadcasters (Shanahan & Morgan, 1999). Given the strong neoliberal leanings of CanWest Global's owners, it should be expected that their media outlets would tend to promote this view.

Agenda-setting research has been going on even longer than that into cultivation effects, albeit not in such a continuous and organised fashion. Through studying public opinion change during election campaigns, it has enacted the classic observation that "mass media may not be successful in telling us what to think, but they are stunningly successful in telling us what to think about" (Shaw & McCombs,

1977). What has been less well-explained is what sets the media's agenda, and again this case study helps provide some answers. While CanWest Global Communications may lack the conflicts of interest inherent in owning non-media business holdings in Australia, as Leonard Asper pointed out, that does not mean it is a disinterested media owner in a foreign country. Many of the same excesses ascribed to Rupert Murdoch, in terms of wielding political influence can be seen in the operation of the Asper media empire in Canada. The media power gained through cross-ownership of newspaper and television is what allowed the Asper family the influence it abused domestically. With the opening of competition in Australia to non-citizens across multiple media, the need for scrutiny of such politically activist owners increases. As the Asper empire spreads globally, it should be constantly monitored, applying what is already known about the family's biases to future questions of editorial control.

### **References**

- Asper: A life of sharp contrasts. (2003, October 9). *The Australian*.
- Asper, L. (2003, October 1). Media bias and the Middle East. *National Post*.
- Australia, Productivity Commission. (2000). *Broadcasting Inquiry Report*.  
Melbourne: Productivity Commission.
- Australian Broadcasting Authority. (1995). *Investigation into control: CanWest Global Communications Corporation/The Ten Group Ltd*. Sydney: Australian Broadcasting Authority.
- Australian Broadcasting Authority. (1997). *Investigation into control: CanWest Global Communications Corporation/The Ten Group Ltd. Second investigation*. Sydney: Australian Broadcasting Authority.
- Beecher, E. (2007, February). Crumbling Pillars? *Media International Australia*, 122, 9-11.
- Bielby, D.D., & Moloney, M. (2008). Considering Global Media: Sociological Contributions. In R.E. Rice (Ed.), *Media Ownership: Research and Regulation* (pp. 269-300). Cresskill, NJ: Hampton.
- Brehl, R. (1998, April 4). CanWest strikes gold with Australian investment. *Globe and Mail*.
- Brewster, D. (1997a, July 18). Right to sack board does not an owner make, Asper claims. *The Australian*.

- Brewster, D. (1997b, September 2). Next move in CanWest snakes and ladders. *The Australian*.
- Brown, A., (1993). Newspaper ownership in Australia. *Journal of Media Economics*, 6(3), 49-64.
- Butovsky, J. (2007). Phony populism: The misuse of opinion polls in the National Post. *Canadian Journal of Communication*, 32, 91-102.
- CanWest bullish on float of Ten. (1996, December 19). *The Australian*.
- Cole, M. (1995, November 6). Canadian TV threat to beam from Fiji. *Brisbane Courier-Mail*.
- Comrie, M. & Fountaine, S. (2005). Retrieving public service broadcasting: Treading a fine line at TVNZ. *Media Culture & Society*, 21, 101-118.
- Condon, S. (2008). Canada's media bully. *Adbusters*, 77, 16-21.
- Connelly, J. (2005, May 16). Canada, US can learn from other's press freedom. *Seattle Post-Intelligencer*.
- Curran, J. (2002). *Media and Power*. London: Routledge.
- Davies, A. (1997, May 28). Canada weighs in to help TV mogul. *Sydney Morning Herald*.
- DellaVigna, S., & Kaplan, E. (2007). The Fox News Effect: Media Bias and Voting. *Quarterly Journal of Economics*, 122, 1187-1234.
- Dunnett, P. (1988). *The World Newspaper Industry*. London: Croom Helm.
- Edge, M. (2007). *Asper Nation: Canada's Most Dangerous Media Company*. Vancouver: New Star Books.
- Edge, M. (2008). Cross ownership. In *International Encyclopedia of Communication*. (Vol. 3, pp. 1079-1083). Oxford: Blackwell.
- Flew, T. (2001). Broadcasting and the Social Contract. In M. Raboy (Ed.), *Global Media Policy in the New Millennium* (pp. 113-129). Luton, UK: University of Luton Press.
- Fraser, M. (1999). *Free For All: The struggle for dominance on the digital frontier*. Toronto: Stoddart.
- Frith, B. (1997, May 22). Conflicting views put Asper at sixes and sevens on Ten. *The Australian*.
- Giddens, A. (2000). *Runaway World: How Globalisation is Reshaping Our Lives*. London: Routledge.

- Given, J. (2002). Foreign ownership of media and telecommunications: An Australian story. *Media & Arts Law Review*, 7, 253-272.
- Glavin, T. (2002, June 16). CanWest's agenda should worry Canadians. *Winnipeg Free Press*.
- Hitchens, L. (2006). *Broadcasting pluralism and diversity: A comparative study of policy and regulation*. Oxford: Hart.
- Horwitz, R. B. (1989). *The Irony of Regulatory Reform: The Deregulation of American Telecommunications*. New York: Oxford.
- Kimber, S. (2002, January 7). Why I won't write for the Aspers. *Globe and Mail*.
- Lang, R. (1995, December 7). TEN's owner in threat to pull out. *Melbourne Herald Sun*.
- Levine, A. (2002). *From Winnipeg to the world: The CanWest Global story*. Winnipeg: CanWest Global Communications.
- Macklem, K. (2002, April 8). Can the Aspers do it? *Maclean's*, 48-53.
- Martin, L. (2003, January 23). It's not Canadians who've gone to the right, just their media. *Globe and Mail*.
- Mathieson, C. (1997a, May 26). Mixed signals. *The Australian*.
- Mathieson, C. (1997b, August 9). CanWest loses court appeal on Ten stake. *Weekend Australian*.
- Patriquin, L. (2004). *Inventing tax rage: Misinformation in the National Post*. Halifax: Fernwood.
- Pearson, P. (2003, April 19). See no evil, no more. *Globe and Mail*.
- Ries, I. (1998, February 26). Izzy turns defeat into victory. *Australian Financial Review*.
- Robertson, G. (2007, December 21). CanWest ruling seen as setting precedent. *Globe and Mail*.
- Shanahan, J. & Morgan, M. (1999). *Television and its Viewers: Cultivation Theory and Research*. Cambridge: Cambridge University Press.
- Shaw, D.L. & McCombs, M.E., (1977). *The emergence of American political issues: The agenda-setting function of the press*. St. Paul, MN: West Publishing.
- Sweetman, K. (1995, November 6). Canadian TV boss sees 'no sense' in our media laws. *Adelaide Advertiser*.
- Taylor, P. (1993). Third Service, Third Network: The CanWest Global System. *Canadian Journal of Communication*, 18, 469-477.

- Trichur, R. (2007, June 19). CanWest seeks majority stake in Australia's Ten. *Toronto Star*.
- Wainsbord, S., & Morris, N. (2001). Rethinking Globalisation and State Power. In S. Wainsbord & N. Morris (Eds.), *Media and Globalisation: Why the State Matters* (pp. vii-xvi). Lanham, MD: Rowman & Littlefield.
- Waldie, P. (2007, October 30). Panel to weigh greater foreign stakes. *Globe and Mail*.
- Wells, J. (1996, February 19). Izzy's dream. *Maclean's*, 40.
- Westfield, M. (1998, January 28). Coup of the decade goes to CanWest's one-off TEN deal. *The Australian*.
- Willis, A. & Robertson, G. (2007, January 17). CanWest expected to step up pursuit of media holdings. *Globe and Mail*.
- Zajacz, R. (2004, June). Liberating American Communications: Foreign Ownership Regulations from the Radio Act of 1912 to the Radio Act of 1927. *Journal of Broadcasting & Electronic Media*, 48/2, 157-178.

**Copyright Statement:** Articles submitted for ANZCA08 remain the copyright of the author, but authors by virtue of submission agree to grant the Department of Communication, Journalism & Marketing at Massey University a copyright license to permanently display the article online for public viewing as part of this conference proceedings, and to grant the National Library of Australia a copyright licence to include the ANZCA08 Proceedings in the PANDORA Archive for permanent public access and online viewing. Articles first published in this ANZCA08 proceedings may subsequently be published elsewhere by authors, provided the next version acknowledges this original publication in the ANZCA08 refereed proceedings.