The Canadian Broadcasting Corporation (CBC) is a Canada-wide government funded media network system. In this article I examine the results of changes in policy that forbade advertisement during the televised national news in 1985, but devoted a large portion of the news hour to advertising by 2010. Back in 1985, the news program, The National and The Journal, provided nightly investigative journalism; renamed The National and The Magazine, and then just The National, with increasingly rare exceptions, investigative journalism was replaced by punditry.

Right-wing think tanks encouraged punditry as a step toward allowing advertisers to gain control over news content since they were established in Canada in the early 1980s. Further, Richard Stursberg, vice-president of English Services at CBC, was responsible for stunning changes to the news division at the public corporation. (The Walrus magazine’s November 2010 article by Trevor Cole claimed that Stursberg was fired.) As a result of changes by Stursberg and his predecessors, CBC advertising policy has evolved from commercial-free investigative journalism towards commercialized punditry.

I became aware of CBC radio and TV news in 1985, and admired the quality of information that Canadians received each night. It resembled the investigative journalism that Americans could access from 60 Minutes only once a week; the CBC’s freedom to expose government corruption was impressive. As an immigrant to Canada, I would say, only slightly tongue in cheek, “everything I know, I learned from the CBC!”

Certainly in 1985 the CBC was a cultural icon; even in a 1998 survey more than 60% of Canadians agreed, “The CBC plays an important role in keeping Canada together.” By reflecting on policy changes, I hope to reconstruct the CBC’s cultural relevance twenty-five years later in order to understand the role CBC news plays in the production, direction, and reflection of power in Canada.

Power relations between advertisers and the public news media corporation affect the way consent is manufactured within Canada. Research shows government policy, leading to commercialism of journalistic spaces, has impacted the amount of news coverage and kinds of information Canadians receive from the CBC. Reduced news coverage was predicted by an Advertising Age report stating that by March 1997 the CBC would face a 27 per cent reduction in staff in response to a $260 million reduction in its annual government grants – for the first time in its 59-year television history – the CBC began selling advertising on the national news hour.

Searching the literature

As a citizen and consumer of news, I’ve had the uneasy sense that mixing advertising with news coverage isn’t good for democracy. So I
wanted to know what Canadian and American media and political economy experts have written on the subject – and it was an eye-opener.

For instance, in *The Handbook of Journalism Studies*, John H. McManus wrote that commercialization of news interferes with a journalist’s efforts to inform the public about issues needed to make sense of their world. He believed that the corporate news media in the U.S. “since the mid-1980s … treated [the news] less as a public trust and more as a commodity, simply a product for sale.” McManus contended, “the routines of news work lead to systemic distortions that label anything threatening to the status quo as illegitimate.” Further, he cited other experts who determined news media are the reason the poor and middle class support leaders whose policies work against their needs.

Similarly, G. Chernov writing in the *Global Media Journal – Canadian Edition*, found what is passed to the viewers as news is filled with commercial messages, though less so with the CBC than private television stations. He asserted that the intrusion of commercial messages in news segments blurs the separation between news information and commercial promotion, diminishing the function of media in democratic society. Chernov believed that stealth advertising resulted from business ventures combining with television news stations, which isn’t consistent with the CBC’s mandate to serve the public interest. Significantly, citing the *Canadian Press Stylebook* he described commercially influenced material as news stories that benefit the source instead of the viewer. Chernov helped me realize that corporations profit when their products, such as the latest Apple iPhone, are presented as news stories.

In *The Global Media: The New Missionaries of Global Capitalism*, Edward Herman and Robert McChesney reported Roger Ailes, from News Corporation, parent of Fox News, made no apologies for using stealth advertising, and was “explicit in stating that [news coverage] will be directed at the needs of advertisers and the affluent audiences to which advertisers are attracted.” They observed global consolidation of advertising agencies, and their convergence with public relations agencies world-wide, allowed the remaining two or three giant corporations to “surreptitiously” influence journalism in every country. Herman and McChesney claimed “corporate concentration and commercial pressures have … led numerous journalists to leave the corporate press in protest at the compromise of traditional standards.”

For example, veteran NPR journalist, Andrea Seabrook, was sick of reporting “lies” and recently turned to the Internet at www.de-codedc.com to report what is going on behind the scenes in the US Capital. Closer to home, Canada’s Kai Nagata quit a lucrative news anchor position with CTV saying, “I can’t go back to […] hiding my opinions and yet somehow hoping that one viewer every night might piece together what I wanted to say.”
Is the CBC relevant today?

Maude Barlow and James Winter in *The Big Black Book: The Essential Views of Conrad and Barbara Amiel Black* used the example of Black’s media empire to give a vivid account of Canadian media, claiming media concentration makes democratic media impossible. They emphasized when it comes to the CBC, Black lodged charges of supporting “separatists, leftists, socialism, and anti-Americanism.” The authors demanded a reversal in media consolidation laws to limit ownership to “25 percent... of daily newspapers in Canada” because with a “decreasing number of owners and outlets” there is a corresponding reduction in “diversity of views.”

Concentration of media ownership is of less concern to economists Hoskins, Finn, and McFayden in *Refocusing the CBC*. Instead they questioned what the CBC would look like if newly introduced, and if it would be worth the cost. Because private media is logically only concerned with providing programming that creates profit, these economists considered “market failure” to occur when private broadcasters did not provide programming necessary for an informed democracy. But “government failure” happened when more resources were expended than good derived; the resources might have been used elsewhere for greater public benefit. Without a CBC, they believed corrections to market failure and government failure could be remedied through regulation and expanded subsidies. However, they also quoted Richard Collins affirming “there is a fundamental irreconcilability between the commercial imperatives of profit-maximization and the achievement of national cultural and political goals.” The authors claimed refocusing to “become truly distinctive” is the only way for the CBC to survive. But what they failed to note is the CBC has lost its distinctiveness as a result of being starved of resources as illustrated by the *Ad Age* article mentioned earlier.

Sue Ferguson writing about the CBC in the *Canadian Journal of Communication* argued that the CBC could become culturally relevant once again if it returned to its original “democratic principles of accessibility, participation, and publicness” not just as the promoter of nationalism. She suggested listeners be given content control and on-air voices to acknowledge individual, political, and economic differences in Canada. Further, she contended that the CBC should adjust its policy by providing access to portable and cable stations in order to facilitate public debate over causes of social injustice. Ferguson’s answer to Hoskins et al. is that a CBC that fulfilled the democratic need to “challenge rather than reproduce hegemonic ideas” would indeed be worth the cost.

Right-wing agenda

Also writing in the *Canadian Journal of Communication*, David Taras argued Black’s unprecedented control of Canadian newspapers is seen as part of the foundation of a right-wing ideological war, resulting in citizens being denied information, and public life suffering. He claimed the right-wing agenda has triumphed in Canada due to years of infrastructure building, including the Fraser Institute and C.D. Howe think tanks, with the capacity to form public opinion. Like other experts, he emphasized that conservative success is built around punditry.

I smiled when Taras gave an example of punditry in Canada, on CBC Radio’s *Morningside* from the 1980s, because I remember listening as the panel representing three political perspectives, gave thoughtful opinions, incorporating good-natured opposition to each other. There was respect and genuine affection amongst these pundits, and they were capable of compromise, if not always agreement. However, Taras asserted pundits have become journalists who no longer report news; they make their living by giving their opinions, and are considered to be experts by the media, and their followers, on a seemingly limitless array of topics. He declared they are powerful and have more media exposure than politicians; and the vast majority of them espouse right-wing ideologies designed to appeal to disaffected predominantly white males with themes such as: all government leaders are
“lacking in common sense,” “intent on wasting taxpayers’ money,” and “preoccupied with selfish political ends.” The threat to democracy is that these pundits control political discourse denying citizens information “to make informed judgments about the kind of country they want to live in.”

Media and communication professors, R. A. Hackett, W. O. Gilsdorf, and P. Savage, critically examined The Fraser Institute’s bulletin On Balance, which they claimed was a politicized interpretation of news in spite of “repeated claims of transcendent objectivity.” On Balance purported to empirically employ content analysis to test fairness of news reporting in Canada, but Hackett et al. demonstrated the bulletin’s unfairness and inaccuracy. For example, On Balance left out the editorial section and the letters to the editor section of the newspaper in order to determine that the Globe and Mail was left wing. Hackett et al. claimed the methodology used inevitably slanted results towards the “Fraser Institute’s own [right-wing] ideological perspective.”

News and Dissent: The Press and the Politics of Peace in Canada, also by R. A. Hackett, helped me to understand the climate that the CBC faced in 1985. There were Canadian Radio-television Telecommunications Commission (CRTC) rules requiring Canadian ownership of television stations, but still a large proportion of broadcast news came from American and British sources. He wrote that ideological factors determined what news was reported:

Routinely excluded or marginalized from news discourse are ways of making sense of the world that point to fundamental contradictions within the existing social order, and/or which suggest that that order may itself constitute a threat to the well-being of the very people it claims to serve.

In exploring the news media’s representation of hegemonic ideology, Hackett explained “emphasis on economic ownership” supersedes belief that the media can express “a healthy degree of dissent.” Hackett also claimed that newsrooms are dependent on advertisers to pay for news, giving them powerful control over content.

**Propaganda model**

Edward Herman and Noam Chomsky’s Manufacturing Consent: The Political Economy of the Mass Media, is a seminal work, alerting readers that the news media were not in search of truth and justice so much as defending powerful interests. Reporting about the power of advertisers to control media content, they argued, “[advertising] firms will always refuse to patronize ideological enemies and those whom they perceive as damaging their [corporate] interests.” According to Herman and Chomsky, the media provide propaganda in place of information, making it difficult for audiences to have informed opinions. Journalists automatically covered or avoided stories because hegemonic ideology became naturalized; propaganda model predicted what was “fit to print” assured “elite domination of the media and marginalization of dissidents.” My takeaway is publicly funded media are needed to counter powerful interests.

Noam Chomsky followed with Necessary Illusions: Thought Control in Democratic Societies compiled from his CBC Massey Lectures. He continued using the propaganda model to show keeping the public confused obstructs democracy. To make his point that “democracy” has always been used to protect the powerful, he gave some examples from his-

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tory starting with John Jay, a founding father of America, who said “the people who own the country ought to govern it.” He added journalist and presidential advisor Walter Lippman, historian Thomas Bailey, and public relations pioneer Edward Bernays, who were united in believing the masses were too ignorant to make good decisions; and therefore the elite were forced to deceive them with “necessary illusions” to “manufacture [the masses’] consent.” Chomsky believed propaganda theory predicted an “extraordinary double standard” where for example news media covers crimes perpetrated by America’s enemies and all but ignores the crimes of dictators who support America’s goals. He contended, “The major media are corporations ‘selling’ privileged audiences to other businesses.” I learned to view the news with skepticism as a result of reading Chomsky, and listening to these lectures on the radio.

**Market supplied culture vs. non-profit media**

Tyler Cowen in *Praise of Commercial Culture* argued capitalist markets (the market economy) should fund the arts and entertainment media, which include news coverage. He found capitalist wealth willing to take risks to fund non-mainstream artists. But Robert McChesney in *The Problem of the Media: U.S. Communication Politics in the Twenty-First Century* disagreed, writing commercial media “instead of generating experimental content, tends to be quite conservative” and regurgitates the same “formulaic characters and plots.” Furthermore, for all his praise of the free markets, Cowen admitted that watching, “several hours of American television provides the best argument against [emphasis added] market-supplied culture.”

Finally, McChesney examined the oligopolistic mega media firms and found they control the news, thereby suppressing democracy. Because gaining profit is the driving force of rational capitalism, McChesney argued that “strong policy measures and subsidies” to a nonprofit and non-commercial media sector generates positive externals such as producing enlightened citizens capable of informed self-government. His writing suggested a justification to restore the CBC’s funding based on evidence that media markets are oligopolistic, therefore noncompetitive, limiting audience choices.

**CBC matters to our democracy**

The majority of experts cited assert vertical media integration and concentration provide a few giant media corporations with control over media production and distribution; so for all practical purposes there is no market competition. (See “Media Consolidation: The Illusion of Choice” at http://frugaldad.com/2011/11/22/media-consolidation-infographic/) Conglomerates have undue influence by controlling news media content. Our choices as citizens are limited without exposure to information and options.

I don’t buy the argument that regulation and expanded subsidies to private media will encourage them to ignore corporate profit motivation in favour of public interests; right-wing claims of the omniscient and omnipotent “invisible hand of the market” (the economist’s god) and the ceaseless demand for deregulation would surely follow such corporate welfare. The literature is convincing: A well-funded CBC is a counterbalance to media consolidation in Canada. Finally, investigative journalism requires extensive inquiry into specific issues, allowing citizens to make informed decisions; for the sake of our democracy, experts suggest we promote investigative journalism, curb overuse of punditry, and once again forbid commercial messages during the CBC’s televised national news hour.

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