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## Media Self-regulation in Light of the Economic Theory of Journalism

The level of media professionalisation and the increasing commercialisation of journalism has been widely criticised since the 1980s, including by authors such as Ben Bagdikian, Robert McChesney, Edward Herman, Noam Chomsky, and Denis McQuail.<sup>1</sup> These authors are critical of the media market orientation and describe journalists as being the victims of changing conditions in editorial offices as well as increasing competition within the media market. Such a normative perspective, referring to changing norms of action and patterns of behaviour, is, however, insufficient in the opinion of some authors. For example, Susanne Fengler and Stephan Ruß-Mohl<sup>2</sup> question why contemporary journalism standards are falling evaluating them by utilizing rational choice theories. They place the journalist in the ‘homo economicus’ model and advocate the need to look for the causes of unfavourable changes in the very actors of the media scene, i.e. journalists. In an environment of increasing competition among the media and journalists in the job market, media employees are increasingly using a market-based approach in their daily behaviour to fulfil their journalistic duties. According to the proponents of the media rational choice theory, the desire to garner a profit dominates all media market players. James Hamilton says, “news emerges not from individuals seeking to improve the functioning of democracy but from readers seeking diversion, reporters forging careers, and owners searching for profits.”<sup>3</sup> All of them – media users, journalists, and owners of media companies – are responsible for today’s media’s condition and questionable state. Readers, viewers, listeners, and

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1 See, e.g.: B. H. Bagdikian, *The Media Monopoly*, Boston 1983; idem, *The New Media Monopoly*, Boston 2004; R. W. McChesney, *Rich Media, Poor Democracy*, Urbana 1999; N. Chomsky, *Media Control: The Spectacular Achievements of Propaganda*, New York 1999; E. S. Herman, N. Chomsky, *Manufacturing Consent. The Political Economy of Mass Media*, New York 1998, D. McQuail, *Media Performance: Mass Communication and the Public Interest*, London 1998; idem, *Media Accountability and Freedom of Publication*, Oxford-Toronto 2003.

2 S. Fengler, S. Ruß-Mohl, “Journalists and the Information-Attention Markets. Towards an Economic Theory of Journalism”, *Journalism* 2008, vol. 9, no. 6, pp. 667–690; eidem, *Der Journalist als “Homo Oeconomicus”*, Konstanz 2005.

3 J. Hamilton, *All The News That’s Fit to Sell: How the Market Transforms Information Into News*, Princeton 2004, p. 6.

users expect a particular type of information from the media. This is pointed out among others by Bartosz Węglarczyk, an experienced journalist, who says, "People's interests are changing. We are becoming a normal Western society. In normal Western societies, the trends are such that people are more interested in who sleeps with whom than who fights with whom. Such changes are now taking place in Poland. This is happening before our eyes."<sup>4</sup> Thus, Węglarczyk is pointing out that the media conform to what the audience expects rather than what is most responsible. Journalists are increasingly succumbing to the expectations of the dominant media audience, often making their messages banal, oversimplifying reality, or relying on scandal and sensationalism to build a broad appeal. As they attract audiences and are perceived to be accessible, the media makes the material noticeable but not necessarily credible. Media owners, who are predominantly guided by business considerations and the almighty dollar, expect their employees to produce content that will generate interest, providing financial benefits such as higher advertising or sponsored content rates. The downgrading of the media's standards is undoubtedly a complex, multi-faceted process for which individual actors on the media scene are responsible.

### The economic theory of journalism

The economic theory of journalism proposed by Susanne Fengler and Stephan Ruß-Mohl<sup>5</sup> focuses on the concept of rational choice in interpreting journalists' behaviour. It is based on the moral principle of reciprocity<sup>6</sup> proposed by Adam Smith, which takes the form of the economic principle of exchange. Crucial for the theory of the German-Swiss media scholar duo is the homo economicus paradigm described by John Stuart Mill,<sup>7</sup> in which man is a rational being and always – above all – strives to maximise their own profits and make choices with a view to the economic value of the results of these choices. In Fengler and Ruß-Mohl's perspective, journalists are rational actors seeking to maximise the benefits and profits of their activities. The foundation of the theory is that media individuals are motivated by and act in response to selfish reasons. Journalists may attribute their behaviour to both material incentives (money or additional profits of measurable importance) and intangible incentives (social acceptance and reputation, social recognition, or influence).

The economic theory of journalism also sheds an interesting light on journalistic ethics. The question of why journalists should behave ethically and abide by the rules ascribed to their profession becomes more complicated when viewed in this light. The economic theory rejects the assumption that the dominant motivating factor for acting in accordance with deontological codes should be the individual conscience

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4 A conversation between K. Siezieniewska and B. Węglarczyk [in:] K. Siezieniewska, *Zawód dziennikarza w obliczu konwergencji mediów*, doctoral thesis, University of Warsaw, Warsaw 2014.

5 S. Fengler, S. Ruß-Mohl, op. cit., p. 667.

6 A. Smith, *Teoria uczuć moralnych*, transl. D. Petsch, Warszawa 1989, p. 163.

7 J. S. Mill, *Essays on Economics and Society*, [in:] *Collected Works*, vol. 4, Toronto 1967.

of a journalist who simply wants to behave decently. The assertion is that decent behaviour by employees of particular editorial offices is only motivated by the desire to obtain various benefits, most of which are either financial or appear to make financial gain more possible in the near future. A journalist who behaves in line with journalistic ethical guidelines will therefore be motivated, for example, by the desire to gain community and professional approval, which may be a source of satisfaction. However, economic success demonstrated by a good reputation may also translate into a well-paying job or promotion by the media organisation employing the journalist.

Another impetus for the journalist's actions maybe, on the other hand, the desire to minimise losses. Thus, a journalist may act per professional ethical codes of conduct to avoid community ostracism, but also to ensure that their non-standard actions do not contribute to financial hardship (e.g. financial penalties, dismissal, or, last but not least, limiting their chances for career advancement).

According to the economic theory of journalism's assumptions, the nature of the journalist as an actor should lead to such a construction of media accountability systems<sup>8</sup> that would include an appropriate number of tools effectively motivating ethical and professional behaviour. Only incentives for positive conduct based on the benefit to journalists have the power to trigger action that aligns with journalistic ethics. And, financial motivation and other mechanisms could lead media workers to start believing that ethical behaviour is profitable. The traditional, normative nature of media accountability systems, including ethical codes or press councils, should not be rejected entirely. However, the far greater effectiveness of those tools that promote an appeal to the journalist's personal interest over those that solely attempt to appeal to the journalist's conscience is proven more effective. According to the theory of rational thinking, a journalist is more likely to ask themselves 'whether it is reasonable to break ethical rules and norms' than 'whether it is appropriate to break them'.

## Effectiveness of self-regulatory tools

Implemented between 2010 and 2013, the MediaAct<sup>9</sup> research project studied media accountability systems in selected European countries. One of the tasks of the

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<sup>8</sup> The concept of Media Accountability Systems was formulated in the 1990s by French researcher Claude Jean Bertrand, who defined them as 'any non-State means of making media responsible towards the public' (C. J. Bertrand, *Media Ethics and Accountability Systems*, New Brunswick, NY 2002, p. 107). Denis McQuail, in turn, defined Media Accountability Systems as 'all the voluntary or involuntary processes by which the media answer directly or indirectly to their society for the quality and/or consequences of publication' (D. McQuail, *Media Accountability...*, p. 207). A media accountability system is thus defined as various measures aimed at enhancing the quality of journalistic material produced within a media system.

<sup>9</sup> An international research project, Media Accountability and Transparency in Europe (MediaAct), organised under the Seventh Framework Programme funded by the European Union. The project started on 1 February 2010 and ended on 30 June 2013. It involved 11 research centres from Europe and two from Africa. The Polish centre participating in the

researchers was to determine the effectiveness of traditional media accountability tools, such as journalistic codes of ethics, press councils, or professional media dedicated to media issues, as well as to describe the potential of innovative media accountability tools such as media blogs or websites. As part of the project, surveys were distributed to journalists in all participating countries. The questionnaire survey was designed to determine, among other things, journalists' opinions on the effectiveness of media regulation and self-regulation instruments as well as to assess their impact on daily journalistic practice. The survey findings showed that in the respondents' opinion, media self-regulation tools have a slight impact on journalists' daily work but their influence on raising the professionalism and ethical quality of the media is rather limited. In the study, the impact of individual self-regulatory tools on journalistic behaviour was rated on a Likert scale from 1 to 5. The highest survey scores, across all countries, was given to two tools that have a long tradition in media accountability systems: publishing company guidelines (mean: 3.74) and media regulation laws (mean: 3.70). Both tools are the two most normative instruments that can directly impact a journalist's career if they commit an offence.<sup>10</sup> The above data shows that neither self-regulation nor governmental regulation of the media has, in the opinion of media professionals, a greater or lesser impact on enhancing the ethical quality of media messages. This is because media law is typically a regulatory tool created by the state administration, and its observance is verified by state institutions, including the court system. On the other hand, publishing company guidelines are a self-regulatory instrument that consists of internal documents outlining employee policies. They consist, among other things, of editorial codes of ethics, which the employee is obliged to comply with by appropriate provisions in the employment contract or other document confirming the employment relationship. According to the cited study, the other traditional media accountability instruments have a little or mild impact on journalists' ethical attitudes. The professional codes of ethics received an average score of 3.44, while press councils, were rated even lower (2.96). Therefore, these tools, which are most widespread in European media accountability systems, are considered by Polish media professionals as having a limited impact on media reality. The others, more traditional media self-regulation tools, have little power to influence media professionals, as perceived by European journalists. Media critics received an average score of 2.73 in the survey, ombudsmen 2.32, and journalistic magazines 2.22. According to the respondents, regulatory authorities that control the national media also have little influence on the ethical attitudes of journalists.

An alternative to the waning power of regulatory tools and traditional self-regulatory instruments could be innovative approaches to self-regulation that are possible in the online environment. These include media blogs, comments by internet users on journalistic articles, and comments by media users on media materials posted on

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programme was the Department of Journalism and Social Communication of the Institute of Political Science at the University of Wrocław.

10 S. Alsius, R. Rodriguez-Martinez, M. Mauri de los Rios, *Traditional Instruments of Self-regulation*, [in:] *Journalists and Media Accountability: An International Study of News People in the Digital Age*, eds. S. Fengler et al., New York 2014, p. 103.

social media. Unfortunately, the study shows little impact on the journalistic reality and the ethical dimension of journalists' work. The cited MediaAct survey results show that only 12% of the journalists surveyed said that blogs written by media users (non-professional journalists) have a clear impact on their journalistic practices. In contrast, 60% of respondents believe that this impact is nonexistent or, at most, slight. Only a slightly higher proportion of respondents (17%) see a significant impact of blogs created by professional journalists (with 51% believing they have a slight or no impact). This applies particularly to blogs created by journalists with community authority, whose opinion translates to some extent, into the assessed journalist's social and professional position. The impact of media critics on social media was rated similarly low by the respondents taking part in the survey. Only 22% of respondents see themselves as having a significant impact on journalism, while 47% believe they have a slight or no impact on media practices.<sup>11</sup>

The MediaAct survey shows that only one self-regulatory tool can have a fairly strong influence on journalists to uphold professionalism and professional ethics standards. Nearly two-thirds of the journalists taking part in the survey said that "they would definitely be called in for an interview with their editor if members of the public challenged the integrity of their work."<sup>12</sup> At the very least, a media user's comment on an article posted electronically on the Internet is a tool that can provoke a conversation between a journalist and a supervisor, regardless of the content's original medium. Such comments may refer to the reliability of the journalist, the credibility of their sources, and may also constitute an assessment of the journalist's ethical stance, drawing attention to the journalist's negligence or deliberate manipulation. Letters written by readers and addressed to editors served as a prototype for Internet comments as self-regulatory tools. However, it was rightly noted, as early as the 1970s by Albert Hirschman, that while it was important that voices of media audience dissatisfaction be heard, they were often too engaging for the audience to be an effective tool for pressuring journalists to improve the standards that led to their actions in the first place. According to the German economist, at least these letters required some commitment on behalf of the reader to take the time to write a letter, send it, and incur postage costs.<sup>13</sup> Today, the possibility of a quick reaction to journalistic material posted on the Internet and a dialogue between the reader and the editorial office, as well as the economic and ease of posting a critical comment, clearly stimulates public discussion on the quality of both individual journalistic materials and the journalistic profession. Critical posts written by internet users under journalistic articles have an advantage over their predecessors, i.e. traditional letters, in that they are usually posted immediately after their creation, and – as long as they meet the requirements of decency and national law (although these requirements are not always respected) – they are posted despite often constituting an indication

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11 W. Powell, M. Jempson, *The Influence of New Technologies*, [in:] *Journalists and Media Accountability...*, p. 118.

12 Ibid.

13 A. O. Hirschman, *Exit, Voice and Loyalty: Responses to Decline in Firms, Organizations and States*, Cambridge 1970.

of obvious mistakes and misconduct of a medium. In the traditional press, it is easy to avoid publishing a letter containing content that is inconvenient for the editorial office (because it points to its lack of professionalism). In contrast, internet posts are usually more likely to be published (although the administrator of a website may also refrain from publishing criticism of the media institution for which they work). Additionally, what is particularly important, is a critical comment made by internet users on journalistic material can be – as pointed out by the respondents of the MediaAct survey – a self-regulation tool actually influencing journalistic behaviour.

## Conclusion

According to Susanne Fengler and Stephan Ruß-Mohl, the economic theory of journalism assumes that the journalist as 'homo economicus' undertakes in their professional practice those activities that are profitable for themselves and refrains from those that potentially limit access to the benefits and profits of their activity. The research on the effectiveness of self-regulatory tools by the MediaAct project primarily shows the limited role of self-regulatory tools in shaping journalists' ethical attitudes. Representatives of the media landscape, media employees, overwhelmingly claim that traditional self-regulation tools (codes of ethics or press councils) have either a slight impact or no impact on the state of journalism in a given country. The research shows that the instruments of media accountability systems that can be translated into journalistic practice are those that can actually appeal to the interests of the journalist (or their editorial office). Therefore, state regulation and primarily media law, which consists of various legal acts that oblige the media in a given country to perform certain behaviours and to avoid other ones, most influences media activities. Among the traditional self-regulatory tools, editorial regulations, e.g. internal codes of ethics that apply to journalists working for a specific media organisation, are practically the only ones mentioned by European journalists as having any impact on journalistic decisions. Such codes exist in both public and private media. In Poland, an example of this type of internal document from public television is *Zasady etyki dziennikarskiej w TVP S.A – informacja, publicystyka, reportaż, dokument, edukacja* [The Principles of Journalistic Ethics at TVP S.A. – information, journalism, reportage, documentary, education], a document that specifies what standards are required of public television. A separate internal deontological code, binding Polish public television journalists, is a 2005 document entitled *Zasady postępowania dziennikarzy TVP S.A. w czasie kampanii wyborczej i w czasie wyborów* [Rules of conduct for journalists of TVP S.A. during the election campaign and during elections]. It requires television employees to avoid making comments that constitute electoral agitation in news programmes. The document also contains guidelines on the use of photographic materials in information and election reports, according to which, shots or visual effects that would show the representatives of particular electoral committees more or less favourably than others are not permitted. Examples of similar solutions in private media are, for example, the deontological documents from the Agora Group. According

to the company's owners, employees employed by this organisation are obliged to observe the 'Journalism Code' and the 'Journalist's Code', which are, according to the company's owners, an 'internal decalogue' for journalists and editors working in the company's various editorial offices.

The effectiveness of such internal documents is easy to justify in light of the economic theory of journalism, since when they are not compliant, a journalist can quite quickly (and with a high probability) be disciplined, lose specific benefits (e.g. financial), or, in the extreme case, be dismissed from work. In this situation, the direct impact of violating selected ethical standards is greater than the potential consequences of not adhering to the standards of community-wide codes. Instead, acting contrary to community-wide codes, even if noticed (e.g. by press councils, or in the case of Poland, by the Media Ethics Council) does not have to translate into any tangible losses for the journalist.

The second self-regulation tool identified by respondents to the MediaAct survey as having an impact on journalistic ethics are comments posted by internet users under journalistic material. Critical opinions of media users are concerning to publishers and media owners. This is because they want their content to be received as positively as possible. A simple market principle operates in this respect: a product should be favourably received by its users, it should not evoke negative emotions and it should simply not be criticised. If this happens, its authors, i.e. journalists, may face sanctions from their superiors and, in the extreme, may be removed from the organisation due to exposing the organisation to image discrediting and, consequently, business losses. Attributing significant importance to media users' comments as self-regulation tools fits well with the economic theory of journalism's assumptions. It confirms the rationality of actor behaviour on the media scene; the main driver of media professional daily activity is to keep a balance sheet of potential costs and profits. When ethical behaviour is viable and beneficial from the journalist's individual perspective, it becomes their choice. When there is no perceived benefit, and at the same time when non-compliance with ethical norms does not threaten the personal interest of the individual, it is easy for them to not observe the tenets of professional deontological codes in their everyday behaviour.

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### Abstract

The economic theory of journalism proposed by Susanne Fengler and Stephan Ruß-Mohl focuses on the concept of rational choice in interpreting journalists' behaviour. The foundation of the theory is its creators' conviction that media professionals are motivated by selfish reasons. The economic theory of journalism also sheds light on journalistic ethics. The assertion is made that employee behaviour is motivated more by the desire to benefit than by their journalistic value system. The article discusses existing research on media self-regulation tools that utilise the economic theory of journalism as context, which makes it possible to demonstrate the theory's veracity. Research on the effectiveness of media self-regulation shows that the most effective self-regulation instruments can interfere with the personal interest of the journalist. These self-regulatory tools, the essence of which is based solely on appealing to the conscience of the journalist, unfortunately, fail having at best a negligible impact on journalistic practice.

**Keywords:** media self-regulation, media ethics, homo economicus, economic theory of journalism.