

Under pressure.

A framework of power relations between journalism, media and information intermediaries.

Thematic field: Media industry and society

Abstract

Despite the extent to which information intermediaries such as Google News and Facebook accumulate power and thus catalyze structural change in the news ecosystem (Brown, 2017; Hagen et al., 2017; Napoli, 2014; Stark & Magin, 2019), media economic research has not yet systematically investigated power in the relationship between journalism, media and digital platforms (exceptions are Ekström & Westlund, 2019; Vos & Russell, 2019).

This theoretical contribution draws on institutional economics to clarify what power actually means in this context, and which power dimensions and negotiation processes can be identified in order to gain a better understanding of the platformisation of journalism and media (Poell et al., 2019).

In this course, building on the work of Dahl (1957), Giddens (1984), and Parsons (1963), this paper develops a framework to 1) localize actors (journalism, mass media, and information intermediaries) in the news ecosystem, 2) compare their different institutional logics, and 3) characterize their power by

- source (depending on allocative and authoritative resources),*
- degree of institutionalization (from sporadic to normative to domination),*
- legitimization (pragmatic, moral or cognitive),*
- means (making power resources exploitable),*
- instruments (coercion, persuasion, inducements, and activation of commitments),*
- mechanisms (repressive, compensating, conditionally),*
- scope (net increase in the probability that the intended effect after the use of the means of power will occur),*
- range (spectrum of specific actions of the addressees which the holders of power can evoke),*
- and counter measures (reaction of the addressees to exercise of power).*

Conflicts between the actors are dealt with directly in the negotiation arena or indirectly in the mediated public.

The paper concludes that both mass media and information intermediaries gain power from partly the same sources, and both share certain forms of exercising power. Thus, both achieve high reach, represent at least two-sided markets and their markets tend to concentrate in part due to considerable fixed cost depression. However, information intermediaries are superior in their reach, data collection and exploitation, and advertising marketing, and therefore exert a greater dependence on mass media and have more potential for sanctions. In doing so, the power of the intermediaries, which is often indirectly negotiated through their infrastructural constraints, affects primarily the rules of journalistic form and less the journalistic norms.

Media companies react to this institutional threat less through innovation or cooperation than 1) directly through the defense of journalistic norms ("boundary work"; Duffy & Knight, 2018) as well as 2) indirectly through strategic reinstitutionalization (e.g. by lobbying for ancillary copyright or relaxation of antitrust law; Brüggemann et al., 2012) and by 3) instrumental reporting (Löblich & Nietzke, 2020; Maier & Dogruel, 2016). This interplay points to new

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responsibilities for media policy, which is called upon to foster institutional arrangements between intermediaries and journalism and to stimulate media business innovations to ensure journalism is still able to fulfill its democratic functions.

Keywords: institutionalism; journalism; intermediaries; platform power.