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News Corporation, Technology and the Workplace: Global Strategies, Local Change

News Corporation, Technology and the Workplace: Global Strategies, Local Change is an international comparative study of Rupert Murdoch’s introduction of new technology (computerized photo-composition) at major newspapers in the UK, Australia and the U.S.: The Times in London, the Adelaide Advertiser in South Australia and the New York Post, Boston Herald and Buffalo Courier in the U.S. The author argues that Murdoch followed a basically similar strategy in all three countries, designed to make major reductions in the costs of newspaper production by securing control over labour costs, if necessary at the cost of bitter conflict with the relevant trade unions. The strategy was implemented in different ways in detail at each paper, and achieved different levels of business success. However, in all three countries the process resulted in a reduction in
labour costs and in the workplace power of production trade unions.

To explain this process, Marjoribanks outlines a “relational model” of technological change. “The model states that control over the introduction of new technology into the workplace, and the influence that this has on workplace relations, is dependent on the prevailing balance of power between trade unions and workers, management and employers and the state” (p. 3). The varying outcomes of the struggle for control and the ensuing shape of new technology are determined largely by differences in national context (especially the political environment and industrial relations institutions) and in economic conditions. Marjoribanks contrasts this approach with rather stereotypical accounts of technological determinism and labour process theory.

The strength of the study is the serious attempt to relate global corporate strategies to local workplace events on an international comparative basis. This provides a means of assessing the relative significance of global market conditions and national political and institutional environments. Hence, in the UK the success of Murdoch’s attempt to secure control of the production process at The Times was influenced heavily by the role of the state, both in terms of industrial relations legislation and in the state’s readiness to provide a very heavy police presence to ensure access to the plant. In Australia, on the other hand, the institutional environment, at least during the period of the Labor government, was much more supportive of collective union organization, and the implementation of the control strategy at the Adelaide Advertiser was obliged to proceed more gradually. In the U.S. there were different outcomes of the process at different newspapers, with the buying out of printers’ jobs being achieved only at a high price. Despite differences in contexts, the overall outcome of technological change in all newspapers was an increase in management control, usually associated with the weakening of union power through the individualization of employment relations.

Marjoribanks’ study is in the tradition of comparative workplace case studies, the primary focus being the establishment. This is both a strength and a weakness. Through examining workplace relations he shows how institutional arrangements and union strategies affected both the processes of introducing new technology and its outcomes. Even within a single country means of implementing change and its outcomes may differ, as the contrasting experiences of the Buffalo Courier, Boston Herald and New York Post show. However, the weakness is that there is only limited attention devoted to Rupert Murdoch’s overall corporate strategy (mainly pp. 93–98), and the global is displaced by the local. Marjoribanks argues that newspapers “remain particularly special to News Corporation” (p. 95). However, a more thorough examination of News Corporation’s overall strategy, possible from published sources even without the co-operation of News Corporation’s management, would have resulted in a more convincing portrait of Murdoch’s global strategy. This would have involved a link between the strategy for newspapers for information and communication technologies more generally. The traditional English-language newspapers are of diminishing economic significance for News Corporation, even if they retain disproportionate symbolic importance, with television and filmed entertainment providing larger proportions of operating income and revenues. In fact, global television coverage is more central to Murdoch’s strategy, as company reports show. Newspapers remain important for access to information, editorial content and editorial skills and political influence, as well as for personal histories, but are not driving corporate strategy.
Marjoribanks’ “relational model” combines elements of labour process theory with an “institutional social choice” model. “While employers and management control the initial introduction of technology into the workplace through both their access to financial resources and the structural conditions of capitalism as an economic system, the workforce and its representatives influence that process through their capacity to either cooperate with or resist the introduction of technology” (p. 195). The conclusion is incontrovertible at a general level. However, application of the model encounters problems, even at a general level. The model views globalization leading to “industry wide new technology” and to “industry wide workplace reorganization.” But global information and communication strategies involve the redefinition of industries; newspapers are one means of distributing information, views and entertainment, not an industry in themselves, as Pearson, the owners of the Financial Times, as well as News Corporation have recognized. More generally, industrial relations scholars are accustomed to attaching importance to local institutional arrangements and the balance of power between management and unions; the difficult question is how to explain their variation. In this respect Marjoribanks’ model presents the problem, but does not solve it.

News Corporation, Technology and the Workplace is an ambitious study of a major global corporation, linking corporate strategy to workplace developments. Its strength is in recognizing the interaction between global strategy and national contexts and in tracing the interaction at workplace level. It shows a strong grasp of the workplace literature. The book is less successful in illuminating News Corporation’s global strategy and is limited in its consideration of the product markets within which the corporation is operating.

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