

## An Appraisal of the Political Economy of the New Media

Emeke Precious Nwaoboli

*Department of Mass Communication, University of Benin, Benin City, Edo State*

### ABSTRACT

*The political economy of the new media was the subject of this study. Specifically, it aimed at determining how the new media industry, political economy of the media, and capitalism influence the accessibility of information in new media environments. In order to interrogate the political economy of new media in the Nigerian context, this exploratory study made use of the library/descriptive research method, in which relevant literature, documents, and records were consulted and analysed in accordance with existing literature in order to interrogate the political economy of new media in the Nigerian context. The research went on to describe and explore the concerns presented into topics pertaining to the political economy of new media, with the study being based on Marxist Theory as its foundation. According to the findings of the research, capitalism is one of the driving factors that has an impact on the pluralism and democratisation of information in the new media, and as a result of capitalism, certain classified material is sold and copyrighted in some countries and regions. The study also showed that the political economy of new media is concerned with the development and distribution of resources, and that capitalism has an impact on it. On the basis of the findings, the study recommended, among other things, that while new media content producers and owners attempt to politically exploit the new media in order to boost the economy, exploitation of new media users through disinformation, falsehoods, and mal-information, as well as all other forms of deception and exploitation, be avoided.*

**KEY WORDS:** *Politics, Economy, New media, Capitalism, Marxism*

### INTRODUCTION

The new media are important organisations for holding people accountable. They provide people with information on the behaviour of politicians as well as the effects of public policy decisions (Nwaoboli & Abiodun, 2023; Arijeniwa & Nwaoboli, 2023). In the case of the mass media, the phrase “political economy” reflects a shared interest with the politics and economy of any particular organisation (Taylor and Harris, 2010). Political economy is therefore defined as “the science of wealth that deals with the efforts made by man to fulfill demands and satisfy desires” from a conceptual standpoint (Eatwell, Milgate and Newman, 1987 p. 907 cited in Yar’Adua, Namadi, & Msughter, 2021). Conversely, the new media generally refers to emerging information and communication technologies and applications such as mobile phones, the Internet, streaming technologies, wireless networks, and the world-wide web, which has high-quality publishing and information-sharing capabilities (Bennett, 2003 cited in Yar’Adua, Namadi, & Msughter, 2021).

An assessment of the overall position of new media enterprises in the global economy, investigations of patterns of ownership and distribution of goods and services, as well as studies of

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usage and consuming behaviors, are included in a political economic approach. Political economy is not always reductionist: it does not believe that all sorts of social interactions can be reduced to economic ties, despite the fact that it emphasises economy as an entrance point into the study of communicative and more generally socio-cultural practices (Siapera, 2018).

However, rather than ignoring other factors such as symbolic, historical, political, and reflexive elements originating from citizens and people and their actions, the most recent approaches are acutely aware of how these factors interact in an asymmetrical manner, resulting in a fluid, unpredictably and dynamic set of relations involving the creation, dissemination and consumption of digital artifacts, technologies and services as well as new media content.

Using this reasoning, the study begins by looking at the relationships between those who produce new media and those who consume them. The purpose of this article is therefore to examine the political economy of new media. Nevertheless, the specific objective is to examine the interrelationship between the new media and political economy. It seeks to answer questions such as: who owns the means of new media production? What are the conditions under which new media are generated, and by whom are they produced? What are the ramifications of these policies on voters' views and conduct, as well as on the general degree of ideological polarisation in society?

As a result, the article opens with a consideration of the production and consumption processes under informational capitalism, as well as their link to new media technologies, and then moves on to an assessment of the political economy of new media in the Nigerian setting.

## **POLITICAL ECONOMY OF THE NEW MEDIA**

Political economy is a branch of social science that studies the relationships between individuals and society as well as the relationships between markets and the state, employing a diverse set of tools and methods that are primarily drawn from economy, political science, and sociology (Veseth, & Balaam 2006). Political economy also includes the concept of media ownership, the media market, and financial backing, which are all included in political economy. Zhen (2016) observes that in capitalist societies, the capitalised and commercialised mass media have little difference in nature from the other commodities; in fact, they are very similar to the other commodities in that they are both used to generate profit for the capitalists and are therefore bound to be heavily reliant on the capitalist because their operations are supported by sponsorship from businesses and advertising revenues. The independence of the media is hampered as a result, and it is reduced to a mere illusion. On the basis of this assertion, Ogenga (2010) notes that the method in which the media function is molded by their owners, the market environment, and the financial backing they get from government (from the capitalist). In this setting, the media creates cultural material that helps to keep the 'capitalist' system running smoothly. Media organisations are, therefore, in the business of making profits, just as any other corporate entity in a capitalist society would (Hesmondhalgh, 2007; Ogenga, 2010).

The key tenet of this argument is the notion that the output or content of the media may be changed by corporate interests, which are essentially the interests of the media's proprietors. Ogenga (2010) also noted that as a result, the media is under an obligation to suit the requirements of owners, viewers, advertisers, and media staff by striking a delicate balance between these stakeholders, which in turn influences the content of the media. All approaches to the political economy of media,

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on the other hand, begin with the premise that the media industries, the structure of the markets in which they operate, their patterns of ownership, the strategies of key players, and the trajectory of development, among other things, are important objects of investigation and study (Winseck, 2011). In order to understand the media, it is vital to understand the economic context in which they operate, whether on the internet, on television, or in printed form. Since the design and execution of policies that create the media all have cultural, social, political and economic repercussions (Sözeri & Güney, 2011), it is also important to understand how the media generates news, information, ideas, and entertainment, as well as by whom it is governed.

### **NEW MEDIA, THE CULTURE INDUSTRY AND POLITICAL ECONOMY**

Moscow (2009) avowed that the political economy of communication media is the study of the interactions, notably the power relations that mutually constitute the creation of resources, their distribution, and their consumption. The products of communication, such as newspapers, books, videos, and films, are the resources available from this vantage point in the world. This indicates that the political economy of the media is concerned with how media information is created, disseminated, and consumed within a society, as well as the power that impacts the development and dissemination of media information within a society. Several authors, including McChesney (2000) and Williams (2003), contend in Ogenga (2010, p. 153), that economic factors/market pressures affect on the media in ways that cause it to become an industry. As a result, the media functions as an economic institution in the business of cultural creation. Journalists, website designers, blog writers, and other content providers come up with material that will stimulate reading and, as a result, sell it to those who are interested in it. A feeling may be drawn from the fact that media proprietors are in a position to manage the kind of content that will appeal to the interests of their readers while also not offending advertising.

As a result, the media industry, through their messages, captures attention and causes us to become glued to such programmes. This leads to increased audience participation, resulting in increased popularity for the programme as well as increased opportunities for advertisers to use such programmes as a medium to prompt purchasing and selling through advertisements. Ogenga (2010) further avowed that corporate interests, namely the interests of the owners as well as the ruling class, might have an impact on the product or the content of the media when assessing media content. The new media is no exception as bloggers, internet content creators, as well as producers of information on the internet all post things on the internet in order to defend certain interests or ideologies.

This suggests that, regardless of how open access to information is in the new media, cultural industry, capitalism, or any other ideology, restrictions on access to information that demands money have an impact on it. That is, when a particularly valuable and crucial piece of information is posted on the internet, the person who created the information will need to pay money in order to have access to the information. In support of this, Kellner (2009) states that modern day criticism has forced students and teachers to recognise that there are no innocent texts (messages), that all artifacts of established culture and society are laden with meaning, values, biases, and messages that advance relations of power and subordination, and that there is no pure entertainment that does not contain representations, often extremely prejudicial, of class, gender, race, sexuality, an ethnicity, and intensely imbued with social meanings, cultural texts have political implications,

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either sustaining or opposing the ruling social structures as well as the relationships of dominance and subordination.

In other words, every message or piece of information posted on the internet is impacted and pushed by a force, whether it be capitalism or an individual's own prejudices or knowledge. Because of this, in a political capitalist society, the culture industry, aided by the media industry, disseminates industrialised culture through the internet and other mass media outlets at large, and the consumers yearn for ever-increasing amounts of the culture, making it both popular and mass, and thereby embracing it without hesitation. The media confounds reality and art, resulting in a decrease in people's sensitivity to reality and an increase in their illusions, which causes them to get stuck and lose their capacity to think for themselves. The media also causes people to think for themselves. It is only via consumption that we can satisfy our need for more of what technology has to offer (Yar'Adua, Namadi & Msughter (2021).

According to Leonhard (2008), the two-way communication process that the new media facilitates has crippled the autonomy of the media. He rejects the notion that we are passive consumers and instead sees us as active participants who have the ability to choose the form of communication that has the greatest impact on us. This suggests that the political economy, the cultural industry and the media business are all becoming less strong as a result of the increasing diversity of communication channels available today. Adding support to this, Tsegyu (2016) asserts that the transition from the hypodermic needle assumption of one-way communication to a more dynamic two-way communication has been made possible by the advent of information and communication technology, which has placed control of the media in the hands of ordinary citizens in today's society. So the internet has undermined the "privileged position of media in interposing itself between source and user," as the New York Times put it (Berger, 2010). Jenkins (2006) argues that users have risen from the periphery to the center of the media arena and cultural production; the more they contribute to content creation, the more this will enhance both cultural diversity and economic growth; and that participatory culture is resolving the historical antagonism between "community" and "commodity," resulting in a profound shift in paradigm in which "new media" replace "old media".

In contrast to these radical visions, empirical research indicates that dominant trends are far less clear-cut than they appear in these radical visions. For almost as long as industrialisation has existed, knowledge and culture have enjoyed a disproportionately high level of success in spreading via the media's audience. The interchange of knowledge from one consumer to another, in other words, has made it feasible for industrialised culture to exist (Rebillard, 2007). As a result, in a plethora of instances, the traditional media sectors have benefited from the advent of digital media and are now able to produce considerable money from user-generated material. This means that, rather than a full-blown fight, there are new types of cooperation between content-generating users and industrial entities of varying sizes, rather than the traditional confrontation. This results in a more extensive promotion of media products than at any other time in the history of industrialised culture and information because the active participation of users is a necessary condition for the development of the media and cultural industries today than ever before. This indicates that the greater the number of individuals who engage in the sharing of information via new media, the greater the promotion of the cultural sector (Yar'Adua, Namadi, & Msughter, 2021). Through their consumption, consumers continue to create and distribute cultural content that contributes to the strengthening of capitalism. That is, people in positions of power continue to

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create cultural material via advertisements, films, operas, and other forms of entertainment, while we, as customers, unwittingly support capitalism.

Accordingly, when studying the production of new media information, Mansell (2004) asserts that scarcity must be created in order for new media to be consumed in their commodity form. He cites the use of copyright, access control, the promotion of obsolescence, the creation and sale of audiences, as well as the preference given to certain types of new media over others, as examples of how scarcity can be created. This is all due to capitalism and the unequal distribution of knowledge that occurs in capitalist societies, which is the root of the problem. Because of the limits on them (pay before you download), it is difficult to search the web for scientific publications in Nigeria, for example, but there are certain nations that do not have such restrictions (Yar'Adua, Namadi, & Msughter, 2021).

## **POLITICAL ECONOMY OF THE NEW MEDIA: AN APPRAISAL OF CAPITALIST CONTROL**

When it comes to the development and distribution of new media material, the subjective approaches framework is concerned with the active participant. These individuals organise and govern their own media, which is why they are referred to as participatory or citizen media (Carpentier, 2011). The objective methods, on the other hand, are concerned with the substance of social media. In contrast to mainstream media, it is believed that the content of social media promotes pluralism of two-way communication against domination and marginalises situations that exist in mainstream media rather than supporting the ruling class (as is the case with mainstream media).

There is widespread agreement that defining features between media players, such as producers of media, consumers of media, and audiences, as well as between media structures, which include ownership and control, is essential in today's literature. According to established media theory, the mainstay of the mainstream media produces media contents that are distributed to an audience that provides feedback in a variety of dimensions, and this input is utilised to inform future media production (Sandoval and Fuchs, 2010; Sandoval, 2009). Because of this, media material is manufactured and sold to the public in the mainstream media, and such information is seldom critical of capitalist sectors, but rather lauds capitalism and exploitation instead (Fuchs, 2011; Wasko, Murdock & Sousa, 2011; Wasko, Murdock & Sousa, 2011). Therefore, in the mainstream media, there is a clear distinction between media producers and consumers, however in alternative media (such as social media) both producers and consumers are involved in the production of media, and there is no distinction between producers and consumers (Fuchs, 2010; Sandoval & Fuchs, 2010).

Due to the fact that critical political economy of the media and communication is a method that investigates the production, circulation, and consumption of information in the context of capitalism and power systems as well as dominance and inequality, it is a good fit for this category (Mosco, 2009). Since capitalism is a society based on the asymmetric distribution of political, economic, and cultural resources and since most social media producers and consumers are doing voluntary work, they lack money, attention, influence, and other resources, which leaves them with no choice but to adopt the dominant ideology in order to reach the broader public (social media).

Alternative media, according to Fuchs, (2010) and Sandoval and Fuchs (2010), exist in opposition to capitalism and cannot fully exist inside capitalism. As a result, they are confronted with a basic conflict between critical autonomy and voice. Adding further support to this, Atton and Hamilton (2008) argue that the basic political-economic riddle for every critical enterprise is that it requires resources with which to operate, but that those key resources are only available inside the exact society that it strives to transform or disintegrate. Jin (2013) conducted an analysis of the political economy of the most frequently used web platforms and discovered that 98 percent are for-profit and only 2 percent are nonprofit; 88 percent use targeted advertising as a capital accumulation model, with the remaining 10 percent using other models such as the sale of products and services, subscriptions/pay-preview, and classified advertisements. Therefore, capitalist dominance and control over the internet is quite widespread. This implies that as long as we continue to publish information on the World Wide Web, our data will be collected and advertisements will be tailored to our preferences.

Furthermore, Jin (2013) points out that most non-American platforms also adopt the targeted advertising model, which has led in significant worries about users' privacy, the exploitation of digital labor, and the commercialisation of life. Thus, social and new media enable us to fill in our personal information such as our name and employment and then construct a targeted advertisement by selling our personal information to advertising organisations. This means that all information available on the internet is tracked in some way or another by the capitalist, and that we are merely producers of information for the capitalist because the capitalist made social and new media available, and that we are merely producers for the benefit of the capitalist society in general. Furthermore, the fact that some information on the internet is restricted and requires us to pay money to access it demonstrates that access to information is neither completely free nor democratic, despite the fact that it is supposed to be information of the people, for the people, and by the people, but rather information for those who have the means (income). Capitalism will continue to exist as long as people are willing to pay to have access to certain information on the internet.

## **METHODOLOGY**

This paper is exploratory in nature, as it makes use of the library/descriptive research method, in which relevant literature, documents, and records were consulted and analysed in accordance with existing literature in order to interrogate the political economy of new media in the Nigerian context, as well as the descriptive research method. Most of the materials in the study were drawn from qualitative data collected from secondary sources such as pertinent texts, journals, official publications, historical records, and websites, which served as tangible sources of insight into the research process. The investigation, on the other hand, is exclusively confined to materials obtained from academic publications, books, the internet, and libraries. The approach was used in order to compare and contrast the results with other existing literatures on the issue. The technique aids in the discovery of discoveries in the works accessible, checks for consistency in such results, and compares such findings to other findings.

## THEORETICAL FRAMEWORK

This study is anchored on the Marxism theory. Karl Marx established Marxism, a philosophy that unites social, political, and economic theory, in the second part of the nineteenth century. It concentrates on the conflict between the working and owning classes, and it advocates for communism and socialism as opposed to capitalist society. It examines how capitalism affects labor, productivity, and economic growth, and it recommends a worker revolution to overthrow capitalism and install communism in its place, among other things (McQuail, 2005).

According to Marxism, the struggle between social classes—specifically, between the bourgeoisie, or capitalists, and the proletariat, or workers—defines economic relations in a capitalist economy and will inevitably lead to revolutionary communism. Marx argued that the power relationships that existed between capitalists and workers were essentially exploitative and would eventually result in a class war between them. With the help of the conflict, he believed that eventually the labor movement would be able to overthrow the capitalist class and seize control of the economy. As a result, there are two distinct groups in a capitalist society: the bourgeoisie (company owners), who control the means of production, and the proletariat (workers), whose labor transforms raw materials into valuable commercial commodities. Regular workers who do not own the means of production, such as factories, buildings, or raw materials, are considered to have little power in the capitalist economic system. For profit maximisation, business owners are motivated to get the most work out of their employees while paying them the lowest wages possible during periods of high unemployment, further devaluing their perceived worth. In this way, an inequitable balance is established between owners and employees, whose labor is exploited by the owners for financial gain (McQuail, 2005).

More so, workers, according to Marx's predictions, would become alienated from the production process as well as from their own humanity, and they would despise company owners because they have no personal involvement in the production process. For the purpose of retaining its power and privilege, the bourgeoisie makes use of a wide range of social institutions against the proletariat, including the government, the media, the university, organised religion, and banking and financial systems.

Finally, the inherent inequalities and exploitative economic relations between these two classes will result in a revolution during which the working class revolts against the bourgeoisie, seizes control of the means of production, and overthrows capitalism. Following this conclusion, Marx claimed that the capitalist system was doomed from the beginning. It is inevitable that the working class will rise up against capitalists and seize control of the means of production as a result of the alienation and exploitation that are inherent in capitalist relations. During this revolution, enlightened leaders known as "the vanguard of the proletariat" would lead the way. These leaders would understand society's class structure and would use awareness and class consciousness to unify the working class.

Marx also projected that private ownership of the means of production would be replaced by community ownership as a result of the revolution, initially under socialism and subsequently under communism. Social stratification and class conflict would no longer exist in the last stage of human evolution. This theory is significant to this study since it says that by applying political economy in

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the new media, media owners may enhance profits by giving more materials and content to new media customers.

## **DISCUSSION OF FINDINGS**

This study made various findings which are in alignment with the studies of other researchers such as Yar'Adua, Namadi, & Msughter (2021), Wasko, Murdock & Sousa (2011) and Wasko, Murdock & Sousa (2011). In the first place it was found that the media business, with the assistance of capitalist society, packages culture and distributes it to a receptive public, who is occasionally persuaded to purchase the products being promoted. It also found that in today's world, the diversity of new communication technologies and new media, as well as the democratisation of communication and the universal access to technological content, are all very possible.

The capitalist society as supported by Yar'Adua, Namadi, & Msughter (2021) uses the new media for profit, and we pay for it in the form of data to access the information available in them. The study also contends that while new communication technologies and new media exist, communication/information is never democratised and there is never universal access to technological content because capitalists created the new media and they did so in order to promote cultural industry and to make a profit, and the only way to do so is by placing restrictions on information as well as by turning the new media into an advertising medium. As you pay for certain classified material on the internet, you are helping to promote capitalism as well.

## **CONCLUSION AND RECOMMENDATIONS**

In accordance with the findings of the study, the political economy of media is concerned with the power relations that mutually constitute the production, distribution, and consumption of resources, and that these resources are the products of communication, such as newspapers and books; videos and films; social media platforms; the internet; and other forms of electronic communication.

The study also discovered that mass culture is distributed through the media industry, and that as long as people continue to watch and use technological devices, they are hypnotised into becoming part of mass culture without even realizing it. It is the culture industry that has completely shaped and conditioned the people's experience of life, and the manner in which the media operate is shaped by their owners, the market environment, and the financial support that they receive from the capitalist. As a result, the introduction of new media has made information more freely available; nonetheless, such information is impacted or influenced by capitalist and capitalist values and ideologies. It is necessary to inquire as to who creates the information in new media, who controls it, and who distributes and consumes that information. More so, the capitalist ethos is responsible for the vast majority of information creation on new media platforms; advertisements, email, yahoo, and Google are all products of capitalism and are intended to make a profit. Based on this conclusion, the study recommends that:

1. While new media content producers and owners try to politically utilise the new media to boost the economy, exploitation of new media users through disinformation, misinformation, mal-information and all forms of deception and exploitation should be avoided.



2. Exorbitant exploitation of new media users especially in the purchase of data by telecommunication providers should be checkmated.
3. New media content creators should complement their economic activities through the old media as the new media has still not replaced the old media but merely serves as an advancement and complement to it.

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