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AN INSTITUTIONAL STUDY OF A NEWSPAPER

The First Year Of The Australian.

By A.J. Strickland

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<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Organisation Policy and a National Australian Newspaper</td>
<td>1</td>
</tr>
<tr>
<td>11</td>
<td>The Founding of the Australian</td>
<td>21</td>
</tr>
<tr>
<td>111</td>
<td>Problems of Institutionisation - the Paper Under Newton</td>
<td>38</td>
</tr>
<tr>
<td>111</td>
<td>Reassessment and Retrenchment</td>
<td>65</td>
</tr>
<tr>
<td></td>
<td>CONCLUSION</td>
<td>87</td>
</tr>
<tr>
<td>A</td>
<td>The Content Analysis</td>
<td>91</td>
</tr>
<tr>
<td>B</td>
<td>The Interviewing Procedure</td>
<td>95</td>
</tr>
<tr>
<td></td>
<td>BIBLIOGRAPHY</td>
<td>100</td>
</tr>
</tbody>
</table>
CHAPTER I

ORGANISATION, POLICY AND A NATIONAL AUSTRALIAN NEWSPAPER

The newspaper was the first instrument of mass communication in modern society. The mass media in general facilitate, through the transmission of information, meanings, values and beliefs, interaction among individuals, between individuals and the institutional orders of society, and among these institutions themselves. While characteristically the media purvey the prevailing ethos and style of the social order in which they exist, they also provide the means for a response and challenge to that order.¹ A newspaper is itself a social institution, and while historically newspapers have been seen as adjuncts to or means for other institutional orders, such as the political, to carry out their social functions it would seem valuable to regard the media as autonomous orders themselves. This study attempts to examine one newspaper as an institution of mass media by an investigation of

its policies, aims and achievements during its first year of operation.

THE NEWSPAPER AS AN ORGANISATION:

In formal organisations the leaders are the makers of policy. They set the guiding principles upon which the organisation functions. In a newspaper 'policy' may be defined as '...the more or less consistent orientation shown by the paper, not only in its editorial but in its news columns and headlines as well, concerning selected issues and events'. A newspaper must be selective in its publication of news due to the enormous choice of possible items open to it. Thus different newspapers will pursue different policies in accordance with the news values their publishers may have.

However, if the organisation of a newspaper operated as simply as this, one need only ask the publisher in order to discover its particular policy. In fact as has been shown with other organisations there is not such a simple relationship between policy and operation. The

2 See, for example, the role of informal groups in F.J. Roethlisberger and W.J. Dickson, Management and the Worker.
formal leader of an organisation must also secure and maintain conformity to policy throughout the organisation. Thus the newspaper publisher, whether he is the owner or the representative of a corporate ownership, is not only the nominal source of policy but he also attempts to coordinate staff activity which will ensure the enforcement of the policy. In a newspaper there are three reasons why conformity with policy is not automatic:

(1) The journalists conceive of themselves as members of a reference group which has stated ethical journalistic norms, among which are the values of truth and objectivity.

(2) Staff subordinates tend to have more liberal attitudes than the publisher which could produce norms justifying the avoidance of policy directions.

(3) The existence of an ethical taboo which prevents the publisher from forcing his policy upon his subordinates.

The problem of policy in the newspaper organisation is further complicated by the fact that most publishers delegate the responsibility for the production of the paper to an editor, so that a broad distinction can be made between the executives which include the publisher
and his editors, and the staff which includes the
reporters, the sub-editors and copy readers. Within
this distinction lies the possibility of another
problem of control, for the editor himself may disagree
with the publisher's orientation toward the news. This
particular problem is emphasised by the existence of
the tradition of the independent editor which, while
not widely accepted in newspaper organisations, still
has an influence upon the boundaries of the publisher's
policy direction.¹ In addition policy is rarely overt
since most executives wish to avoid the accusation of
bias which open commands to slant a news story may
bring.

The examination of a newspaper's policy, then,
involves not only the publisher but also the executive
and the staff. This study was not able to be complete
in its examination of the staff of the Australian due
to the exigencies of time and space. It concentrated
upon the executives, (who may be called the decision-
makers), who were grappling with the problems of policy

¹ S. Harris, 'Independent Editors: Are They Really
Necessary?', A.N. Smith Memorial Lecture, Melbourne,
1963.
formulation and implementation in the first year of the newspaper's life. Since it was the first year and in addition was the first year of the first national daily newspaper in Australia, this concentration seemed valid as a well-defined and consistent orientation of policy would not have emerged. In addition interviews were sought with those of the staff who had in the opinion of the executives contributed to the discussions on policy. Unlike some newspapers, the Australian, at least initially, did not begin with an overt policy which was communicated to its staff, except in the broadsheet sense.\(^1\) It claimed it would not allow itself '...to be used or swayed by sectional interests, political or commercial. The Australian is to be independent in the purest sense of the word', it was asserted.\(^2\) While this does give a wide framework of orientation to the news and is a definition of policy

\(^1\) For an examination of staff relations in a paper which clearly directed its staff on news judgement see R.W. Stark, 'Policy and the Pros: an Organisational Analysis of a Metropolitan Newspaper', Berkeley Journal of Sociology, vol.7, 1962.

\(^2\) The Australian: a pictorial record of the establishment of a great newspaper. This was the promotion book published before the production of the paper.
in Breed's sense, it does not elucidate with any precision the nature of the policy of the paper in its operation. This study considers policy to involve not merely the general orientation of the paper but also the values of the decision-makers, what their conceptions of the national newspaper and its functions were and the conflicts that developed among the various decision-makers over policy matters. The intricacies of the financial structure were avoided because of the confidential nature of such information as well as a lack of economic expertise on the part of the investigator. The broad economic framework of policy, the functional imperatives of advertising and circulation are, however, considered as an integral part of the organisation.

A NATIONAL NEWSPAPER AND THE STRUCTURE OF THE AUSTRALIAN PRESS:

The analysis of the policy of Australia's first national daily newspaper requires a brief examination of the structure of the Australian press in order to establish the conditions under which the organisation was set up. One of the problems of mass media in modern society this study hopes to elucidate is that of the oft observed difficulty in setting up a new newspaper
because of both the enormous costs involved and of finding reader acceptability amongst an audience which seems as strongly motivated by habit in its media choice as by the quantity and quality of news coverage. The whole problem of whether the mass media pander to a low level of popular culture or even pull it down lower is beyond the scope of this study.¹ The examination of the policy of the Australian will, however, contribute to the knowledge about those who are involved in the media process. The problem of the extent to which mass media and mass tastes are necessarily linked in a vicious circle of deteriorating standards can be elucidated as the policies of the new and national newspaper are worked out. What audience can such a paper hope to expect, what kind of paper do the decision-makers see appealing successfully to their chosen audience, and what impact does it hope to make upon society? These are broad problems with which the policy was concerned. Given the structure of the Australian mass media what kind of answers could have been projected to these questions?

¹ In Australia H. Mayer has made an incisive examination of both those who criticise and those who defend the press against such charges. H. Mayer, The Press in Australia.
As far as an audience was concerned the possibility of a national newspaper successfully attracting a readership in Australia could not have been promising at first. Australians in general read the newspapers published in the state where they live, a pattern which has broad similarities to reading habits in the United States but which is quite different from that in England where nationally circulated dailies appeal to different tastes and groups in the society rather than a geographical segment. Australian daily newspapers are produced in the capital cities and this has led to what one observer has called 'capital city journalism.'

The results of this have been admirably summed up by Inglis.

The press reflects and may contribute to a provincial outlook, he writes. Written for people in one state only, most of whom live in or near the capital, the papers have paid more attention to local than interstate affairs. The reader is told little about activities in other States except those of criminals, sportsmen, beauty queens, horses and federal politicians.

Unlike England, Australia has a parliament in each state

1 W. Sprague Holden, Australia Goes To Press, p.5.
and certain aspects of its social life are peculiar to states rather than groups throughout the nation; the various codes of football being an example of this. A result of this state concentration is that Australian dailies and in particular the morning bradsheets aim to cover everything. Since their readership embraces all sections of a localised community rather than a specific section, Australian publishers are forced, as a former editor of the Sydney Morning Herald has observed '...to produce a paper in which almost every page is aimed at a different audience.' A national paper that did not provide all the services readers of the Australian morning broadsheets had come to expect could not hope to compete as an alternative morning newspaper with the state papers.

Again unlike Britain where certain newspapers cater for different advertising demands, in Australia most dailies provide large areas for display advertising of a local nature while classified advertisements are

1 J.D. Pringle, Newspaper News, 1 July 1957, p.3.
the state oriented concern of the morning broadsheets.\textsuperscript{1} Australian newspaper advertising is characterised by a large amount of retail and department store space.\textsuperscript{2} An interstate circulation would mean that this type of advertising could not be attracted. Thus the procuring of advertising which ensures the economic viability of a newspaper would appear to be a difficult task for a national daily in Australia.

State concentration in newspaper content has been paralleled by increasing state monopolies, New South Wales being the only state where there is competition between both the morning and the evening dailies.\textsuperscript{3} This presents great difficulties for a new paper with a national

\begin{tabular}{lcccccc}
 & TIMES & GUARDIAN & TELEGRAPH & MAIL & EXPRESS & HERALD & MIRROR \\
CLASSIFIED & 69\% & 66\% & 65\% & 12\% & 13\% & 27\% & 9\% \\
DISPLAY & 31\% & 34\% & 15\% & 88\% & 87\% & 73\% & 91\% \\
\end{tabular}

It is further observed that the 'elite' papers (\textit{Times} and \textit{Guardian}) carry advertisements that would be expected to appeal to their readership, such as those on behalf of large industrial firms. R. Williams, \textit{Communications}, p.30.

\textsuperscript{2} H. Mayer, op. cit., p.62.

\textsuperscript{3} See ibid., pp.32-3.
orientation to break both reader habits and circulation organisations. In the United States where there has been a similar trend toward area newspaper monopoly,¹ a graphic example of the difficulties of entry into the market is the recent unsuccessful attempt by the New York Times to publish a west coast edition. In October 1962 the New York Times began publishing an edition in Los Angeles seeking to invade the fastest growing region of the United States. It was a market well served by both morning and evening papers and in the largest metropolitan area, Los Angeles, the Los Angeles Times was already selling more copies than the New York Times was able to in New York. It failed to attract either readers or advertisers its circulation being both 'demographically heterogenous and geographically dispersed.'² It was forced to cease publication in January 1964 when it had 85,000

¹ In the past 40 years in the United States the numbers of cities with competing newspapers has decreased by 90 per cent. Only in five per cent of the cities are there competing newspaper managements. L.A. Dexter and D.M. White, People, Society and Mass Communications, p.205.

subscribers as compared with 817,087 for the Los Angeles Times.¹

Added to this is the geographic problem of a nation where the large centres of population are concentrated in capital cities great distances apart. The editor of the American paper, the Washington Post, has commented that

...the Australian papers, like the papers, in the United States, have the problem of a continental nation so geographically extended as to make the distribution of a single national newspaper physically not feasible.²

A national newspaper, then, would face formidable technical problems.

The structure of the Australian press poses three essential problems, readership (audience interest), economic viability and distribution techniques, which confront the formulators of policy for a national daily newspaper. Those publications which have been able to attain a national circulation do not offer solutions to these problems. The magazines of national circulation fall into two broad categories, those which attempt to discuss and assess national

¹ Editor and Publisher Year Book, 1964.
political, social and economic problems and those concerned purely with gossip, serials and recipes. The weekly Bulletin and fortnightly Nation both fall into the former category, their approximate circulations being respectively 40,000 and 16,000.¹ The Bulletin does have state correspondents and does report national political and economic news. Its circulation does not, however, suggest that Australian readers are thirsting for national news, even allowing for the fact that the appeals of a daily newspaper are different to those of a weekly magazine.

It is significant that the only daily newspaper to attain anything like a national circulation in Australia is the Sydney based Financial Review (published Monday to Friday), whose appeal is to a particular national group, the business community. Similarly in the United States the Wall Street Journal, another primarily business paper, has attained national circulation. It is published in four editions and its circulation in 1964 was an astounding 832,000. The

¹Australia's top selling magazines are: the Australian Women's Weekly (800,000); the Readers Digest (500,000); Woman's Day (483,000); Australian Post (326,000); Everybody's (250,000).

only other daily newspaper with a national circulation in the United States is the Christian Science Monitor and this has a unique basis of support.\(^1\) These examples suggest that for a national newspaper to be a success in the United States or Australia it must appeal to a special readership which is going to be concerned with national problems and so requires a national and interstate news coverage. This point seems to be underlined by those other newspapers in the United States which are able to attract some distant readership. It seems that the Washington Post, the New York Herald Tribune and the St. Louis Post-Dispatch are read beyond their area of publication because of their excellence. The most interesting example of these is the New York Times, for despite the failure of the west coast edition it does have readers beyond New York. The significant aspect of this readership is that beyond its regional circulation area it has '...essentially only an elite readership.'\(^2\) In Australia because none of the daily newspapers are regarded as being the national

\(^1\) See E.D. Canhorn, *Commitment to Freedom*.

newspaper of record in the sense the New York Times is in America, there has been no tendency for either a Sydney or Melbourne daily to seek any significant circulation outside their regions. It would appear that without a solid basis within a home community, national circulation could not be sustained. Since both Sydney and Melbourne already have two daily morning newspapers they would not offer the immediate possibility of a solid market base upon which to attempt to build a national daily newspaper due to the difficulties of entry. What was clearly needed was a home community base in which a fierce circulation struggle would not have to be waged to provide a guaranteed circulation from which the new daily could gain sustenance and expand. There seem to be two basic conditions which would have to be satisfied for the launching of a successful national daily in Australia, the provision of a solid community base and the production of a paper directed towards an audience which is nationally oriented.

THE NATIONAL CAPITAL AND A NATIONAL PAPER:

In early 1964 Canberra newspaper readers were offered a choice of the Sydney and Melbourne morning papers and one community paper, the Canberra Times.
The **Canberra Times** was a small tabloid daily, which, while it was very widely read in Canberra, was not able to provide the same breadth of news coverage as the state capital morning broadsheets. It was, however, primarily a community paper independent of the large newspaper combines of the states.\(^1\) Together with the fact that it seemed logical to publish a national newspaper in the national capital the one community paper would not appear to offer great opposition to an organisation with large resources. Canberra appeared to be a promising community base, but what was its promise as a market base?

The growth of Canberra's population has been dramatic and rapid since 1933.

**Population Growth of Canberra 1933-65.**\(^2\)

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<tr>
<th>Year</th>
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<tr>
<td>1933</td>
<td>7,325</td>
</tr>
<tr>
<td>1947</td>
<td>15,156</td>
</tr>
<tr>
<td>1954</td>
<td>28,277</td>
</tr>
<tr>
<td>1957</td>
<td>35,827</td>
</tr>
<tr>
<td>1961</td>
<td>56,499 (a)</td>
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<td>1965</td>
<td>82,000 (a)</td>
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\(^{a}\) approximate.

\(^1\) A description of the paper can be found in 'Shakespeare Editions', Nation, 11 August 1962.

One can attribute much of this to the transfer of government departments to Canberra following the 1957 decision to accelerate the growth of the city as the administrative centre of federal government. With this growth Canberra has become a city with a much more diversified work force so that it is expected that the population will continue to increase regardless of government department moves now that an economic base of adequate scale has emerged.¹ The basic categories of employment include not only parliament and its offices and the central offices of the Commonwealth public service, but also the armed services, the headquarters of national organisations, the embassies and legations, the Australian National University, the tourist industry, retail trading service industries and the building industry. This then, would seem to offer a promising market base and, moreover, a growing one as it is expected that Canberra's population will be more than 100,000 by 1969 and more that 250,00 in the next 20 to 25 years.²

¹ National Capital Development Commission, The Future Canberra, p.49.
² W.D. Borrie and G. Spencer, Australia's Projected Population by States and Territories, p.5 and National Capital Development Commission, op. cit., p.49.
In addition Canberra has increasingly become a regional centre in south-eastern New South Wales, and the development of this area as a market region of great potential was stressed in a retail study of Canberra in 1961. There are two daily evening papers within this area, the Goulburn Evening Post and the Cootamundra Daily Herald, as well as tri-weeklies in Cooma and Young, and bi-weeklies in Queanbeyan and Tumut. The Canberra area thus provided promise of fulfilling the need for a community base for the new paper.

The Murdoch group of publishing companies provided presses in Sydney (the Daily Mirror), Melbourne (Southdown Press) and Adelaide (the News), together with distribution organisations in most states. In addition they had established wire services from overseas and between states to which a new newspaper could subscribe. A morning daily would not compete with any of the group's established publications since they consist of the evening Daily Mirror (Sydney) and News (Adelaide), together with a Sunday paper in Sydney and a substantial share in the Adelaide Sunday paper. Technical

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1 See J. Child and Associates, Retail Study of Canberra.
problems of publishing in the states of largest population, New South Wales and Victoria would seem to be surmountable for this group and Canberra as a base had the advantage of its proximity to Sydney and Melbourne. Furthermore this situation would seem to offer opportunities for the production of zoned editions, a practice by which news and advertising, directed toward specific regions, is replaced for each zone.¹

A further attraction of the Canberra area as a community base was the fact that the city's population is characterised by a large number of either recent arrivals or those born outside the A.C.T. Such a population was expected to be more sympathetic to both a new paper and one which attempted to give a national news coverage. Yet clearly if it was to satisfy the local community base it would have to concentrate not only on being a national paper but also on being a community paper. There would have to be a functional distinction between the satisfactory servicing of the community base and the seeking of a national readership, whose characteristics the structure of the Australian

¹ For the growth of this in the United States see B.L. Miller, 'More Dailies Zoning for Suburban Readers', Journalism Quarterly, vol 42, 1965.
press led to the expectation of being 'elite'. Thus the problem of readership and audience interest was not really solved by the choice of Canberra as the place of publication for the new national paper. However the prospects of the area providing a solid market base and of the technical problems of national distribution being solved made Canberra a logical choice for the launching of the new national daily.
CHAPTER II

THE FOUNDING OF THE AUSTRALIAN

On 15 July 1964 Australia's first national daily newspaper was published. It was sold in all capital cities and reached Sydney and Melbourne suburbs in time for breakfast. However the original intentions and planning that produced the Australian did not envisage a national paper of the size and scope which appeared on that day. An examination of the planning and policy of the paper, most of which took place in the short space of three and a half months from the appointment of Maxwell Newton as editor to the first issue, will illuminate the contradictions of policy and the confused values of the decision makers which were to characterise the paper in its first year of publication.

Rupert Murdoch was the heir to the largest publishing empire Australia has ever seen.\(^1\) His father's will, however disclosed an unexpectedly small personal

interest in the major company, the Herald and Weekly Times, and the consequences of this were that his son was left control of only one business – the Adelaide News, an evening paper. \(^1\) Since then Murdoch has built up a considerable newspaper chain in his own right but it lacked a morning broadsheet and it was clear from his attempts in 1959 to take over the Adelaide Advertiser he wanted to produce a morning daily. \(^2\) Perhaps a forerunner of his intentions was the unsuccessful Sunday Mirror which under the editorship of Cyril Pearl attempted to produce a type of Sunday paper alien to Australia. It was a paper more in the style of the London Sunday Times combining intelligent, interpretive articles on political and social issues with the more expected entertainment of comics, crosswords and competitions. \(^3\) This venture however, failed to make an impact upon the circulation of the two other Sunday papers published in Sydney and slowly it became


\(^3\) K.S. Inglis, 'The Mirror's Reflection', Nation, 8 April 1962, gives an account of the shape of the Sunday Mirror under Pearl's editorship.
indistinguishable from them, its readers '...being entertained with stories about entertainers.' One of the editorial staff who had been assistant editor of the paper when Murdoch acquired it was G. Morrison. In late 1963 Murdoch asked Morrison to work on the plans of a proposed daily newspaper, of broadsheet size, to be published in Canberra.

However in early 1964 the planning of Murdoch's paper was not very advanced and was still in the hands of Morrison who had bought the types and suggested general layout designs. There was at this stage no editorial staff and no proposed publication date. Actual planning and recruitment seems to have really been started by a request from Maxwell Newton, the editor of the Fairfax business daily, the Financial Review, for Murdoch's financial support for an independent weekly business magazine Newton proposed setting up. Murdoch offered Newton the editorship of his proposed daily in Canberra, describing this new paper as one of high quality with emphasis on political and economic reporting of length giving scope for serious interpretative comment. It was to be a Canberra paper

selling mainly in that area but also a few thousand copies were to be distributed in Melbourne and Sydney. The total projected editorial staff was at this stage approximately 35. Thus it was seen as a paper for Canberra consumption, a consumption moreover, which could be expected to welcome a paper that would have broad similarities to a publication like the Washington Post.

Newton resigned from the Financial Review on 23 March 1964 and accepted the job on two conditions, that W. Kommer, who was head of the Melbourne bureau of the Financial Review would be his deputy and that J. Zanetti, who was the news editor of the Financial Review would be the news editor of the new paper. To both these conditions Murdoch agreed and together they began to plan the new paper in detail, Newton recruiting staff and Murdoch organising the production facilities.

What kind of man was Newton and what ideas and abilities would he bring to the policies of the new paper? He had been the highly successful editor of the Financial Review which under his editorship had become a widely respected daily financial newspaper with a circulation of about 14,000 (8,000 in Sydney and 6,000 in Melbourne). Why then was he considering leaving
this considerable achievement and setting up his own weekly which could not be a guaranteed success? The reasons appear to lie in a dispute that emerged over what Newton regarded as the excessive control the Fairfax management wielded over policy.¹ These were reasons that the publisher of the Australian might have given more consideration to than he apparently did. This issue, as Newton conceived of it, was whether the editor would be unhampered in his attempts to produce a stimulating, informed and critical newspaper of high standard.² Newton believes that management control of policy and content will stultify the necessary critical abilities of journalists, lowering their morale and as a consequence their standards. The role of the editor as he sees it and the role he particularly conceives of himself as playing is that of a stimulator of the journalists, encouraging them to seek high standards of reporting and giving them ideas to work into meaningful and significant reporting. In this respect Newton reflects an


² See extracts from a lecture given by M. Newton at St. Mark's Library, Canberra, in *Newspaper News*, 16 April 1965.
important trend in the nature of newspaper reporting in the last forty years. Since the nature of the information the newspaper seeks to communicate to its readers has become more complex in the modern world, the exact report of what precisely occurred unadorned with comment has become less relevant. It has become necessary to be interpretative in reporting to make the news intelligible to the reader and this has meant a change from confining such writing to an editorial page. The problem has been stated with admirable simplicity by Edward Murrow. 'It is much easier to report a battle or a bombing', he wrote, '...than it is to do an honest and intelligible job on the Marshall Plan, the Taft - Hartley law or the Atlantic Pact.' It is of course true that many newspapers do not consider their function to be the balanced and thoughtful presentation of such things, but there does seem to be a trend towards a more sophisticated standard of journalism which combines

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1 E. Emery and H.L. Smith, *The Press and America*, p.261
correctness and honesty with the skills of interpretative, analytical writing.¹

Newton goes further than this. He sees the function of a newspaper as being not only to inform but to act as a serious tool for the criticism of society, for the suggestion and discussion of innovations; in short a potent social and political force in the community. Newton does not see a newspaper as having merely that entertainment function which so often results in the paper becoming an instrument of social control, lulling its readers into an acceptance of the prevailing social structure. Newton's four years experience with the Financial Review convinced him that there was a group of potential readers in Australia who wanted to buy a newspaper which would inform them on serious level and who could be responsive to intelligent, analytical journalism. In addition his experience with the Financial Review suggested that a group of journalists

¹ For an account of the emergence of this trend in the United States see ibid., chapter 25. The New York Times which specialises in this type of journalism gained nearly 100,000 in weekly circulation between 1951 and 1958 while all the other New York dailies suffered losses, the most spectacular being by the tabloid Daily News which displayed the least effect of this trend although it continues to outsell the Times in bulk.
with precisely these skills could be assembled in Australia. Perhaps most important of all, however, his experience with the Financial Review convinced him that such a paper would be able to sell enough copies to attract the advertising which would ensure its success. Over all then, the experiences of Newton with the Financial Review reinforced his idealistic beliefs about the nature and function of a high standard, influential and seriously critical newspaper with the practical evidence of success. It was with these values in mind then that Newton began to recruit staff for the Canberra daily.

The outline of the staff was settled early. Morrison became the production manager, who was, in Newton's words, '...to translate into the pages what I wanted in the way of ideas.' Zanetti was to be the news editor who would evaluate and coordinate the news in a similar way to the organisation Newton and Zanetti had worked out for the Financial Review. This had been successfully arranged around Newton as the stimulator of the journalists, getting them working, outlining the main stories and suggesting lines of interpretation. Zanetti then evaluated and coordinated within this framework before handing it on to the sub-editors.
Newton intended this to be the organisational framework of the paper with Morrison doing the layout to ensure tasteful production.

Newton then set about the task of finding journalists who would be able to produce the type of work which would enable him to edit what was in a sense a *Financial Review* that covered the political and social as well as the economic news with depth and authority. It was with this recruiting campaign that the enthusiasm of Newton and Murdoch began to change the nature of the paper. Within six weeks Newton had recruited his staff, many being attracted by the idea of an important and significant paper which would have an unique impact on Australian society. They were not offered a large increase in salary and Newton's charismatic gifts must have been a not insignificant factor in the decisions of these journalists to give up secure employment for an experiment in Australian publishing. The appeal of Newton's personality and drive can be seen in the fact that a third of the staff came from the *Financial Review*. Yet not all those recruited were journalists of professional standing. In addition Newton employed a group of virtually inexperienced graduates and professional men to perform
specific tasks. An honours graduate in politics to specialise in tariffs, an academic from Melbourne to specialise in economics and finance, and an academic from Canberra to organise the book reviews were engaged. There were also many more who were offered what amounted to part-time work for occasional articles.

The success of the recruiting campaign made the promise of the project seem quite unbounded and the staff numbers were by now far in excess of the originally projected 36. The enthusiasm became contagious and Newton's ideas for the political and economic sections were taken up by others. C.H. Bateson, managing editor of the Mirror group in Sydney persuaded Murdoch that a wide range of sporting results would have to be published. Murdoch made the final arrangements for the wire services and obtained the impressive list which included the London Daily Telegraph and Sunday Telegraph, the Guardian, the Los Angeles Times and Agence France-Presse. State bureaus were planned and staffed. Federal parliament was to be covered not by the jack-of-all-trades single representative of many papers but by a panel with distinct and separate spheres of competence divided into defence, diplomatic, parliamentary and lobby correspondents.
The implications of this ambitious evolution was to have crucial repercussions in the life of the paper. The extension of the original scheme in fact meant that the paper was already in pre-publication planning changing from the original concept. This was made quite clear when an unsolicited and unexpected addition was made to the staff. S. Chandler, who had been managing editor of the London Express, offered his services to the new paper. The position of managing editor in the Express organisation was not analogous to a managing editor of an Australian newspaper. It involved largely the last minute shaping of the paper before production. The former editor of the Express described the relationship between editor and managing editor in this way: 'The editor is captain of the ship; the managing editor is chief engineer. It is his job to get the paper out, to interpret policy, and put it into practice.'

Despite the fact that Zanetti and Morrison would between them cover these functions, Newton and Murdoch thought he may be of assistance and he was employed. On his arrival Chandler persuaded Murdoch that a 'light'

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1 A. Christiansen, Headlines all my Life, p.274.
column consisting of a whole page would be a significant and desirable addition to the paper. However, the Express would not seem to be, in terms of policy and aims, the type of paper Newton and Murdoch had been planning. Chandler's experiences were with the type of journalism that more closely characterises Murdoch's afternoon tabloids and his entrance into the planning of the newspaper seems to have encouraged reservations Murdoch might have held about giving Newton complete editorial freedom to implement his ideas. Chandler's ideas seem to have appealed to him as a check upon Newton's enthusiasms and also as a means of providing material that would ensure a wider basic readership. He does not appear to have seen that this extension

1 The Beaverbrook Express, together with the Daily Mirror, has been the most successful example of the English popular newspaper written to entertain those who the editor called 'my friends in the back streets of Derby'. Its aims are best summed up by the former editor. 'When a murderer was hanged I wanted to know how his children were faring; when a girl rocketed to stardom I wanted to know what her parents had contributed. I wanted to know about people - humble, unimportant people as well as those who were established. But the idea got out of hand. The human story, like the size of headline type, seems often nowadays to be sought ruthlessly at the sacrifice of taste, sense and decent feeling.' Ibid., pp.268-9.
See also the assessment of the paper by F. Williams, Dangerous Estate, pp.185-192.
could possibly prejudice precisely that readership that it was originally designed to cater for. As a further consequence of Chandler's entry Morrison's job was divided, so that the news pages and the column became the responsibility of Chandler, leaving him the editorial and features pages. This in turn meant Zanetti's function became ambiguous.

A further impetus to the everwidening evolution of the concept of the paper was the announcement on 1 May that John Fairfax Ltd. had acquired the whole share capital of the Federal Capital Press of Australia, the publishers of the *Canberra Times*. The new editor was to be J.D. Pringle, a man of wide experience from the London *Observer* to the editor's chair of the *Sydney Morning Herald*. The new management of the *Canberra Times* claimed it would be developed into a national paper although an extensive national circulation was not planned at this stage. The broadsheet that appeared on 30 June was a warning that the new *Canberra Times* would provide a much more formidable opposition to the *Australian* than the old tabloid. It is hard to escape the conclusion that on hearing of Murdoch's acquisition of the free Canberra weekly, the *Territorial*, and of his plans for a national daily, that both the
Fairfax group and A. Shakespeare, the former proprietor of the Canberra Times, decided that the old Canberra Times would not be able to compete with a Murdoch broadsheet. Canberra, which had previously appeared as a promising market base for the national daily would now be the scene of another circulation battle between the Fairfax group and Murdoch.

The extent to which the planning stage had resulted in a large paper which was an attempt to fulfil many different functions can be seen with the publication of the promotion book. 'We knew we wanted a newspaper of intelligence, of broad outlook, of independent spirit, of elegant appearance...' it said. It would be '...a national voice dedicated to the attainment of the highest standards of journalism', and it would try '...to provide a general report and interpretation of all major news events throughout the nation.' Yet in addition it went on to describe how there would be 'generous space' devoted to both Australian rules football and reports of rugby and soccer; how the Australian will be at the social occasions and the big fashion events; and how its book reviews would be 'stimulating, entertaining and instructive.'

1 The Australian: A pictorial record of the establishment of a great newspaper.
At this stage less than six weeks before publication it was calculated that the total costs of the paper would be in the vicinity of £14,000 a week. This cost estimate meant it would not be possible to finance the paper from revenue obtained mainly in Canberra. It was then decided to make the paper a national one yet the intention was still to print it entirely in Canberra.

While Murdoch and Newton were selling advertising in Melbourne three weeks before the first issue they were struck by the number of people who said they were excited by the prospect of such a paper but that unless it could be delivered in time to be read before they went to work they doubted whether it would be successful. This prompted a last minute decision between Newton and Murdoch on whether it would be advisable to drop the daily and put out a Sunday national paper. They decided that if it was possible to print the paper in Sydney and Melbourne they would attempt the daily. It was further decided that the paper would remain based upon Canberra because of its proximity to both Sydney and Melbourne. The problem of how to get the paper to Sydney and Melbourne breakfast tables was solved by Murdoch. Matrices from which the printing plates are cast, would be flown to the Mirror press in Sydney and
the Southdown Press in Melbourne by light plane. This would enable the production of essentially the same morning paper in Canberra, Sydney and Melbourne. The Sydney and Melbourne presses would then further supply the smaller states although this meant that Adelaide and at this stage Brisbane would not be able to read the national paper until late morning.

On 15 July 1964 the first issue of the *Australian* was published and it appeared in all capital cities. It was a considerable achievement to have set up the organisation within the short space of three months. Yet this very speed and lack of a definite, consistent policy of precisely the type of paper that was to be produced and for what sort of audience, meant that the first issue reflected many styles and tastes. The three pages of overseas cables, the two features pages, the business and financial section containing reports on the Sydney and Melbourne stock exchanges, all anticipated the fulfillment of the promise '...to provide a general report and interpretation of all major news events.' The front page with its one attempt at a major national story was surrounded by one or two paragraph items covering such things as a 'nude murder' in London, an alleged Mafia attack in Wollongong and the dropping of
eggs on shoppers in Canberra. This tendency was continued in the full page Peter Brennan '...column that goes around the world's lighter side.' These pages were the result of the Express style of Chandler and from the very first issue indicated an uncertainty within the paper as to whether it was to be an interpretative paper concentrating on major events in depth and detail or whether it was to provide brief, undemanding news items together with a concentration on human interest and sport which typifies the tabloid style. The different conceptions of the nature of the Australian which the various figures involved in setting up the new paper over this period were the sources of this confusion of style which was to be reflected in the institution itself as well as in its product, the paper.
CHAPTER III

PROBLEMS OF INSTITUTIONISATION - THE PAPER
UNDER NEWTON

Several developmental problems confront an organisation in its earlier stages which provide a focus for critical policy decisions. The first of these may be summarised as the selection of a social base. This involves deciding upon '...a clientele, market, target, allies or other segment of the environment to which operations will be oriented.'

As has been seen the initial assessment of this problem underwent change during the pre-publication period. However it was still hoped that Canberra would provide a solid community base for the national paper. What were the results of this commitment to Canberra for the evolution of the paper under its first editor?

Despite the large staff of approximately seventy at the beginning of publication and the realisation that the Canberra circulation could not provide

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1 P. Selznick, Leadership in Administration, p. 104.
sufficient advertising revenue, at this stage there were still hopes of Canberra providing a basic circulation of around 20,000. The initial effort to wean readers from the restyled Canberra Times consisted of the inclusion of several pages of local news in the Canberra edition and the delivery of the Australian free to every household in the city for a month. This meant that it would not be possible to assess the impact of the paper upon the Canberra community until the end of the first month of publication when subscriptions would have been placed. During this first month, however, the national results were so surprising with the paper selling encouragingly almost anywhere it could be distributed that a greater effort to sell it inter-state was made immediately. The effect of this was to make an accurate assessment of the social base difficult in this early period. It was also recognised that such an assessment would be further hampered by the fact that it would take time for the new paper to find its market.

The preliminary assessment of the Canberra market was not so encouraging. It became clear towards the end of the first month that the response of the local community was not as great as expected. It was thought that there was not sufficient detailed information on
local happenings in the pages set aside for Canberra news to satisfy the local community so it was decided to separate the two completely. Canberra readers from 17 August received as well as the national broadsheet a tabloid supplement of about 24 to 28 pages devoted to local issues. This took on the appearance of a suburban 'giveaway' since it meant the Australian, unlike the Canberra Times, was not able to mix local stories in with national and international reports in such a manner as to give weight to important local happenings when they occurred. Overall this often led to trivial front page stories which, in contrast to the Canberra Times, were given such prominence due to the exigencies of the separate supplement. Its writers were generally the more junior and less talented of the staff, the others being completely concerned with the national paper. Its poor sister status was not enhanced by two pages of comics despite some substantial items such as an intelligent series of articles on early Australian artist's impressions of the Canberra district.

The Canberra supplement was a compromise in the search by the national paper for a solid community base. It serviced the local area but appeared beside
MINISTER WILL ACT

Promise on egg wrangle

The Minister for the Interior, Mr J. D. Anthony, will intervene if the threatened rise in the price of eggs in the A.C.T. is made effective.

In a statement issued last night, Mr Anthony said he hoped suggestions that consumers might be penalised in a proposed agreement between the New South Wales Egg Marketing Board and A.C.T. poultry farmers, were not true. If they are correct, the situation will have to be examined," the Minister said.

Mr Anthony said he was also interested in the producers' particular problem, and he was watching with interest their negotiations with the NSW Egg Board.

PROTECTING INTERESTS

However, if the parties entered into an agreement under which consumers would be adversely affected, he would immediately consider taking action to protect the consumers' interests.

Mr Anthony said he had been kept fully informed of developments in the egg price dispute.

In a statement, the Minister said he had been kept fully informed of developments in the egg price dispute.

A.C.T. poultry farmer, Mr N. Cutts, praised and criticised the Minister's statement last night.

"It is gratifying to hear the Minister is full of awareness of the situation," Mr Cutts said. "It is also gratifying to know that the Minister has the interests of the Canberra consumers in mind, but it is disappointing that he has overlooked the plight of the producers.

THERE'S MORE THAN ONE WAY TO KEEP A COOL HEAD

Spectators and officials at the A.C.T. Secondary Girls' School annual swimming carnival held yesterday at the Olympic Pool, Canberra, found themselves envying the youngsters who were lucky enough to cool off in the water during events. At the poolside, one of the greatest problems was keeping a cool head under the blazing sun. The problem was salved in a variety of ways as these pictures show. OTHER PICTURES on page 19, and on page 17 National edition.

NO DOUBTS NOW ON LAKE REDFIN

Anglers' fears that redfin are breeding in Lake Burley Griffin have been substantiated.

A 20 ounce redfin, which has been identified by fishing experts, has been caught off the police wharf at Yarralumla.

"It is a Union situation," Mr Cutts said. "It is gratifying to know that the Minister is full of awareness of the situation." Mr Cutts said. "It is also gratifying to know that the Minister has the interests of the Canberra consumers in mind, but it is disappointing that he has overlooked the plight of the producers.

NEW FIRE RISK

The fire danger in the A.C.T. Bushfire Council, A.C.T. is expected to increase over the next few days as the weather becomes warmer. A total fire ban is being imposed in the A.C.T. at 9 o'clock tonight.
the national edition to be a product of low priority in terms of the paper's capabilities. Yet for a national paper this compromise was inevitable if it was to seek a community base. While the Canberra Times or any of the capital city papers could choose local stories for their front pages, the national paper needed leading articles with national appeal if it was to succeed in being a national newspaper. It would seem that the supplement was the only possible compromise given the failure of the earlier arrangement to attract local readers. Compromise was something which the Australian could not afford in the battle with the Canberra Times for local circulation.

Another developmental problem which faces a new organisation is that of building the institutional core, of creating a structure which will enable the organisation to fulfil the chosen policy goals.¹ This institutional core depends upon the creation of an initial homogenous staff, a core group which will reflect the basic policies of the organisation.

¹ 'By organisational goals we mean a state of affairs which the organisation is attempting to realise.' A. Etzioni, A Comparative Analysis of Complex Organisation, p.71.
They can, when matured in this role, perform the essential task of indoctrinating newcomers along desired lines. They can provide some assurance that decision-making will conform, in spirit as well as letter, to policies that may have been formulated abstractedly or vaguely.^[1] As has been seen there was already in the prepublication planning stage some confusion over the goals and policy of the paper. How successful were the decision-makers in the Australian in creating an institutional core under the first editor?

The prepublication planning had set the basis for the institutional core of the newspaper in the appointment of key members of the staff. It soon became apparent, though, that there was not a clear conception of the extent of the authority of these key members and further that there were differences of opinion about the exact nature of the paper to be produced, that is, a conflict over the organisational goals. In terms of role functions the first conflict to appear was that involving Zanetti, Morrison and Chandler.

As has been seen the late appointment of Chandler to the staff meant that the exact functions of the news editor, Zanetti, and of Morrison, who right up until publication was to be in overall charge of the production, were not clear. Newton and Murdoch both

at this stage saw Chandler's role as that of adviser to Morrison who in turn would work closely with Newton in producing a type of paper satisfying to them both. Within the first few weeks of production it soon became clear that Chandler, with no title except that of advisor, was exercising authority over both Zanetti's and Morrison's functions.

Both Zanetti and Chandler worked together at the top table in the newsroom, ostensibly with Zanetti assessing the news and Chandler putting it in the paper. This role of Zanetti's as understood by the editor was to consist of coordination of the news, evaluating it before it was passed on to the sub-editors. There was an early disagreement between Newton and Murdoch over this role. Murdoch saw the news editor's function as involving direction of the journalists, that is being responsible for choosing the journalist to write a particular news story. This type of news editor is common in an afternoon paper where rapid evaluation of the news requires rapid decisions to be made about it. Newton objected to this notion of the news editor since it did not allow him to put into practice fully his own conception of his role as editor. It meant that the news editor
was having more contact with the journalists than
the editor and thus not allowing him to act as the
inspirer of news. In Newton's mind the news editor
was not capable of fulfilling this role adequately
since his job required him to be in the office all
the time, whereas the editor, whose horizons were
broadened by many more contacts outside the paper, was
a more suitable agent to communicate new ideas and
approaches to the journalists. In liaison with
Zanetti on the Financial Review Newton had found
this relationship between editor and news editor had
worked effectively, allowing him to maintain his
contact with the journalists and enabling him to
encourage and inspire them to write their stories
with greater understanding and in greater depth.
However, the arrangement gave Newton more authority
over the paper than Murdoch was used to with his
afternoon papers in which the news editors had a more
positive role.

Since there was this difference of opinion over
the role of the news editor, the role of Chandler
became even more crucial. It was decided that
Morrison was not entirely suited to the news pages
and so he was given the job of producing the features.
Chandler assumed authority over the news pages and took over what in effect Newton had seen as Zanetti's role. Zanetti and Chandler, with overlapping areas of competence, frequently clashed in news conferences.

As a result of this confusion over role functions, the organisation after a few weeks of operation presented a very different picture to that which had been planned. Morrison, who was to complement Newton's inspirational editorship with tasteful and elegant production, was not associated with the news pages in any way. Chandler ruled supreme over the news evaluation and layout of the news and cable pages. Zanetti found himself in the role of 'ideas man' for which he was neither trained nor employed, this being an integral part of the editor's role as Newton had perceived it. Newton himself found that this confusion over the news editor's role hampered the editor's access to the journalists. As Newton put it,

My problem was getting to grips with the paper. I had all these people getting in the way when all I wanted to do was talk to the journalists, give them ideas and stimulate them.

Thus the paper in operation revealed a fundamental difference of opinion between Murdoch and Newton over the role of the managing editor as well as that
of the news editor. Newton considered the functions of the managing editor involved much of that which Murdoch saw as falling within the news editor's competence.

It can be seen that early in the life of the paper the institutional core was full of strains which did not auger well for the efficient functioning of the organisation. With its development it further became clear that this organisational confusion reflected basic differences among the decision-makers in the organisational goals themselves. The enthusiasm of the task of setting up Australia's first new newspaper for over 20 years which in addition was the first national daily seems at first to have papered over the great differences that existed between Murdoch and Newton. There can be no doubt that Murdoch genuinely wanted an honest, authoritative, liberal newspaper that would be influential and admired. Yet above all he was determined that it would be a success and because of this seems to have hedged from the start about giving Newton a completely free hand in shaping the paper. He was worried that Newton's taste for lengthy economic and political journalism of an interpretative nature would not attract enough
readers to make the paper successful. This fear is contained in a general attitude which Murdoch expressed in a paper to a mass media conference in 1962:

We must all face what at first may sound a shocking thought, that unlike Government backed institutions, the first responsibility of a newspaper is to stay in business. If newspapers operating in this relatively small population in Australia were to cater only for the cultural and so-called super intellects, or five per cent shall we say, there would soon be no newspapers.¹

This fear that the paper would be produced for the 'so-called super intellects' led him to be favourably disposed to the ideas of Chandler which were those of the popular English national newspaper, the Express, as described earlier. Murdoch seems to have believed that Chandler's influence would counterbalance the intellectuality of Newton. Yet rather than acting as a balance this really expressed an uncertainty as to whether the goal was to produce a newspaper which would appeal to all sections of the Australian public or to a select group. This was particularly so since there seemed to be a tendency by Murdoch to equate the lively and entertaining with the trivial and sometimes

the vulgar, denying the possibility of a good newspaper which was at the same time lively and readable.

The effect of Chandler on the paper was not to give it balance but rather to give it the schizophrenic character referred to by K.S. Inglis in his analysis of the first five months of the Australian.\(^1\) Chandler's own contribution, the Peter Brennan page, with its breathless sentences and 'cheesecake' photographs, was not only trivial but seemed out of place beside the business and features pages. Chandler's sensationalism extended to the news pages and particularly to page one where the device of the 'streamer', a headline which extends across the whole page, was consistently used. The trouble with this device is that it requires a paper to get excited about the leading article whether the subject warrants it or not.

Newton, although he opposed the streamer, had much greater problems than this since he became frightened of Chandler's judgement and spent an enormous amount of time checking through even the cables to make sure nothing he regarded as important

\(^1\) K.S. Inglis, 'Five Month's Baby', *Nation* 12 December 1964.
BIG FINANCIAL SENSATION

KORMAN IS ARRESTED

£1500 bail for three

BY ANTHONY HILL

STANLEY KORMAN, 61, the financier and head of the Stanhill group of companies was arrested in Melbourne last week with making a false and misleading statement in a prospectus.

The charge, laid by the Victorian Company Squad, was made under section 191 of the Companies Act—one of the few times the Act has been used on a company matter.

Also charged with Korman were JOHN CLIFFORD BARBOUR, 46, of St Kilda, and Mr REDPATH, 36, of Port Melbourne, who were appointed directors of Stanhill Development Finance Limited in 1959, and JAN KENNETH REDPATH, 39, of Port Melbourne, who was appointed a director of SDF in 1959.

They were charged in the Melbourne City watchhouse by the chief of the Company Squad, Detective Sergeant Goodwill, and charged on a company matter.

The four were charged with making false statements in a prospectus to help the communists.

FLOODS DISRUPT WAR EFFORT BY VIETNAM

AND HERE’S A TOAST TO HOME

A SPANISH wine bottle was opened by thirty George Webley, 26, when he and his wife Sharon, 26, arrived in Sydney on their yacht, Wayfarer, to be home after a hard passage from Rome. The adventurers Australian couple had intended to take 12 days for the trip. It turned into a 22-day battle against 8000 gale.

VieL crisis near?

Islamic radicals have seized a Jordanian army hospital which they have renamed the International Red Crescent at Al-Quds, west of Jerusalem. They have also seized the British military hospital nearby.

Malaysia meeting

KUALA LUMPUR—A meeting of the leaders of the five countries of the Southeast Asia Treaty Organization (SEATO) will be held this week, in Singapore.

Golden Fleece

ACTIV-8

World tin prices rise

LONDON—The price of tin reached £62 a long ton on the London Metal Exchange on Monday, up 4s. from the level of £58¼ a long ton at the close of trading a week ago.

The price increase is due to a shortage of tin on the world market.

had been left out. In contrast to Murdoch's encouragement of Chandler, Newton was unhappy with him. 'It was not that he was incompetent,' said Newton, 'it was just that all his instincts and background were completely divorced from the type of paper envisaged by us.' Yet by far the most important result of the influence of Chandler and his encouragement by Murdoch was the emergence of a cleavage amongst the staff of the organisation.

A group of journalists to whom Newton had promised considerable freedom in their choice and expression of news writing found much of their work was cut unintelligently by the sub-editors. When they complained Newton was forced to follow this work right through the sub-editing stages which meant that he clashed directly with Chandler. Slowly a group consisting of these journalists formed around Newton. They saw their task as producing interpretative and specialised articles and were encouraged by Newton in this direction. They were, however, dissatisfied with the treatment these articles received by the sub-editors.

Another group began to form around Chandler which consisted mainly of the sub editorial section who defended their treatment of the news and claimed the
paper was failing to provide enough 'hard' news, that
is, news of fires, murders and floods. These two
groups reflected two quite disparate conceptions of
what a national newspaper should be, making the
development of an institutional core impossible while
there existed this internal confusion over the goals
of the organisation.

These two groups point to an organisational
problem which was far more than a difference of
opinion between the editor and the publisher. The
existence of these two groups exaggerated the effect
of the staff's reference groups within the organisation
upon what was published. It has been noticed that
what eventually appears in a newspaper is greatly
influenced by the demands of the reference group to which
the communicator is a member rather than the needs of
the community or mass audience.¹ The fact that there
existed two groups with conflicting reference groups
when it was required that they work closely together
meant that both efficiency and morale could not be
high. It also meant that there was goal displacement

¹ W. Gieber, 'Two Communicators of the News', Social
from the production of a unified national paper towards ensuring a least part of the fundamental attitudes of each reference group found a place within the paper.

In examining the nature of these two groups the formulations of Gouldner concerning the characteristics of social types within organisations seem to have some relevance. Gouldner examined behaviour in several complex organisations in order to arrive at precise characterisations of the 'latent social identities' members of organisations may have.¹ By latent social identities Gouldner means those social identities of the members of an organisation which the members themselves regard as irrelevant to the given organisational setting. The concept of a latent social identity is based upon the assumption that who the personnel are and what they are away from the job will have an effect upon their behaviour within the organisation. It is suggested that those with the same manifest identity within the organisation, such as newspaper reporter, may in fact have different

¹ A.W. Gouldner, 'Cosmopolitans and Locals', _Administrative Science Quarterly_, vol.2 1957-8
latent social identities which could result in the formation of informal cliques and subsequently lead to tension between them.

Gouldner found that there were three important variables which identified latent social types in organisations. These were loyalty to the employing organisation, commitment to specialised or professional skills, and reference group orientations. On the basis of these variables he found two latent organisational identities:

(1) Cosmopolitans: those low on loyalty to the employing organisation, high on commitment to specialised role skills, and likely to use an outer reference group orientation.
(2) Locals: those high on loyalty to the employing organisation, low on commitment to specialised role skills, and likely to use an inner reference group orientation.

Cosmopolitans and locals are regarded as latent social identities as they involve criteria which are not commonly taken into account in describing the institutional form of a modern organisation. Loyalty to the organisation is usually taken for granted. Commitment to role skills is usually seen in terms of the individual's performance within the organisation rather than in terms of his

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1 Ibid.
basic beliefs and orientation toward his role skills. Reference group orientation has been more frequently used to analyse more informal and illegitimate groups within organisations. In trade unions for example different identities might be assigned to those who orient themselves to political movements and those who orient themselves to the more limited goals of the particular union. Such identities are not fully institutionalised or legitimated within the organisation itself and so remain latent.

This dimension of latent social identities gives an important perspective to the cleavage amongst the staff of the Australian during Newton's editorship. The group of journalists who coalesced around Newton displayed a considerable degree of congruence with Gouldner's characterisation of the cosmopolitan.

What was the nature of their commitment to specialised role skills?

They were highly committed to a professional view of the journalist. While there is no fully accepted definition of a profession,¹ what is meant by

professional in this context is belonging to an
association which has acquired techniques that enables
it to render a special service to the community.
This group of journalists saw their role as an
important mechanism in the process of public opinion
formulation in Australia. That is they saw their role
skills as not merely techniques to be utilised by
the employing organisation, but more importantly as a
specialised contribution to the society in general.
They tended to be younger and to have proceeded further
with education than the other group, having being
attracted by Newton's promise that they would be able
to pursue their special interests at length and
without interference. This high commitment to a
professional view of the journalist is demonstrated
by the fact that many had been contributors to the
fortnightly journal Nation which had given them a
chance to practice their skills of serious, analytical
journalism.

Their reference group orientation can be assessed
in terms of the readership they envisaged their
talents would be directed toward. They expected to
be writing for a paper which would appeal to the
better educated and more intelligent groups in
Australian society. They did not see their task as writing for a popular audience so they objected to sub-editing in the news sections which proceeded upon just such an assumption. They agreed with the publishers of the *Australian Book Review* who wrote that a national paper cannot hope to compete with the major capital city dailies in their coverage of state affairs, or in matters of regional interest.

There is, as *Australian Book Review* has found in its own development a vastly growing mass of people in this country whose interests are national and international rather than village pumpish. These people cannot be satisfied with newspapers of strong provincial bias even though they do not question that such newspapers must serve the needs of their particular urban readers. Therefore Mr. Maxwell Newton has the task of producing a newspaper specifically for a readership of intelligent people.¹

It was such a readership that these journalists were oriented. This readership orientation meant, together with their professional view of their role as journalists, that this group displayed a cosmopolitan reference group orientation. That is, they were primarily oriented to their professional specialisation rather than the employing organisation.

The remaining variable which defines the characteristics of the cosmopolitan social type is a low loyalty to the employing organisation. The group of journalists who coalesced around Newton displayed a rather more complicated pattern of loyalty than a uniform low commitment. Most of them expressed disappointment with the paper, particularly the sub-editing. They were, however, highly committed to Newton, regarding him as being trapped by the structure of the paper from producing what they had expected. Their attitudes towards the publisher, however, were not such that induced high commitment to the organisation. This can be seen in their assessments of his part in what they perceived to be the failings of the paper. These ranged from outright contempt - a picture was drawn of an irresponsible man with too much power and not enough intelligence to be a publisher, to perplexity about his failure to see that his intention to produce an excellent paper was not being matched by his actions. Overall these assessments of the publisher meant, together with their commitment to a particular, professional view of their occupation, that their loyalty to the publisher was not high.
The group that formed around Newton then can be regarded as having a latent social identity which can be characterised as cosmopolitan in the sense that they were highly committed to specialised role skills, that their reference group oriented them to values not particular to the employing organisation and that their loyalty to the organisation, and in particular the publisher, was not uniformly high.

The other group which coalesced around Chandler and consisted of the sub-editors and those journalists dissatisfied with the amount of 'hard' news appearing in the paper displayed group characteristics which have some if not complete congruence to Gouldner's other latent social type, the local. Unlike Gouldner's locals they were characterised by a high commitment to specialised role skills. They tended to be older and more experienced than the cosmopolitans and thus better socialised into their roles as they were practised in the state papers with their regional bias and comprehensive community function. Their confidence in their skills and experience lent conviction to the performance of their roles. They did not, however, exhibit the same professional view of their role as the cosmopolitans. They regarded
themselves as performing a particular task for a particular newspaper rather than belonging to a group with a special role in the process of public opinion formulation in Australia.

The reference group orientation of this group reinforced this more limited view of their role skills. Unlike the cosmopolitans whose reference group oriented them to a specific audience and a definite role to play in the wider society, the locals seemed to be more concerned with a primary commitment to the particular organisation. With the sub-editorial staff this is understandable as their job meant they were confined to the organisation itself and conceived of their tasks in those terms which they had been used to on the state papers. This group generally conceived of the audience the paper was to be written for, was the broad, all embracing popular one they had directed their efforts towards when employed by the capital city dailies. This orientation can be seen as a local one since it stressed a continuance of methods which had been successful in the past. They were not oriented, as were the cosmopolitans, to a profession specialisation which was separated from the organisation in which they worked but
rather saw their purpose as succeeding within the context of a situation to which they were accustomed. Thus they had little sympathy for the cosmopolitans' orientation to an image of paper which was to be produced for a specific section of the community.

Their loyalty to the organisation, in contrast to the cosmopolitans, tended to be expressed in terms of commitment to the publisher rather than the editor. Many of them, particularly amongst the sub-editorial staff, had transferred to the Australian from other Murdoch newspapers. This background meant they expressed a greater loyalty to the organisation itself. They were not as critical of failures in the paper as were the cosmopolitans. While their commitment to Newton was not as high as the cosmopolitans this does not appear to have seriously affected their overall loyalty to the organisation.

The group that formed around Chandler then, can be regarded as having latent social identity which can be characterised as that of the local in the sense that their reference group oriented them to values more particular to the employing organisation, that their loyalty to the organisation and in particular the publisher was higher than the cosmopolitans, and
that despite their commitment to specialised role
skills this did not entail the professional conception
of these skills observed in the cosmopolitans.

The existence of these two groups with their
reinforcing latent social identities produced two
conflicting sources of authority within the organisation.
The cosmopolitans looked to the editor for their
authority, while the locals looked to the publisher.
This led to strains within the organisation. As Gouldner
has noticed,

organisational survival may be threatened
by a recruiting process that considers
only the candidates expertise as much
as a policy that regards loyalty more
important than brains.

The strains within the *Australian* resulted from the
separation of these two groups with their different
conceptions of the national paper, with their
different orientations toward the organisation and
with their differential sources of authority within
the organisation.

After several months of operation these strains
were brought to a head by the disappointing impact the

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A.W. Gouldner, 'Organisational Analysis' in
R.K. Merton, L. Broom, and L.S. Cottrell (eds.),
*Sociology Today*, p.416.
new paper was making upon Australian readers both in terms of circulation and advertising revenue. The paper had little success in attracting enough advertising to enable the enormous costs of the paper to be covered. The effort in this area was furthered hampered by an inability to find an advertising manager who could succeed, and there were as a result many staff changes in this department. A difference of opinion grew between Newton and Murdoch over what were the reasons for the poor circulation and advertising response and over the remedies that should be adopted to correct the situation.

Under the influence of Chandler's contention that there was not enough hard news in the paper, Murdoch appears to have seen the remedy in developing support for the paper by providing more of this news and extending its popular base. This did not necessarily mean that the paper would become sensational, which was the result of such a remedy being applied to the Sunday Mirror. It did mean, however that the aim would be more towards the mass circulation paper of the London Daily Express style. Such a paper has been described as having two aims,
...to give its readers as much of the serious news as it thinks they can easily digest; and secondly to provide them with twenty minutes relaxation in the train of tram on the way to the office, or after their day's work is done.

Newton disagreed with this remedy and contended that the paper would only succeed if it was a quality or prestige paper\(^2\) which, being recognized as such, could attract advertising at a high price from a specific group in society. Newton regarded the Financial Review, the Bulletin and Time as having succeeded in solving the problem of advertising revenue by concentrating on producing a paper which reached a certain type of reader. Despite their low circulations these publications were then able to sell advertising to those who would pay for the privilege of being

\(^1\) S.G.W. Horniblow, 'Can There be a Perfect Newspaper?', eleventh A.N. Smith Memorial Lecture, Melbourne.

\(^2\) The essential characteristics of a quality or prestige paper have been summarised by Schramm, 'These prestige papers', he writes, 'take on themselves a responsibility unlike that of the local or popular press in their countries. That is, they tend to focus on the great events of the day, the national news, the news of foreign countries and foreign affairs, at the cost of the local, the human interest, the sensational; and they tend to treat these larger events at greater length than do other papers.' W. Schramm (ed.), One Day in the Worlds Press, p.137.
assured they would reach this special market. Newton insisted that because of the influence of Chandler's *Express* tastes and style he was not able to produce such a paper.

By this stage Zanetti had been sent overseas and Chandler's influence over the news and cable pages was complete. Also Murdoch had expressed considerable distaste for some of the political stories and editorials that had appeared in the paper, especially an editorial on state aid that had annoyed the Catholic Church, and with what he regarded as an anti-American tone in the paper. Murdoch began to preside over the news conferences, vetting the leaders and letters. Newton's authority as editor was thus curtailed and with it the authority of the cosmopolitans. This was an unbearable state of affairs for Newton, particularly when his conception of the editor as the inspirer of the paper is taken into consideration. It also meant that the unity of the paper was further impaired. 'A paper's success' writes Edward Hyams, 'Is not made nor is it sustained by distinguished contributors but by the kind of editing which gives it a life of its own, a whatness.'

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1 E. Hyams, *The New Statesman, the History of the First Fifty Years 1913-1963*, p.119
circumstances it was impossible for him to edit and produce the kind of paper which he saw as a successful national paper. After he announced his intention to resign, Murdoch tried hard to persuade him to remain and Newton said he would if he had complete editorial authority and Chandler's influence over the news was removed. Murdoch did not accept these conditions and in March 1965 he resigned. He released a statement to the press. He said:

Perhaps I am wrong, but the experience of editing the Australian under complete direction in recent times has, in my view, made it impossible to achieve the essential principles, aims and standards of quality which fired the enthusiasm and dedication of a large team of men and women including myself.¹

¹ Newspaper News, 19 March 1965.
CHAPTER IV

REASSESSMENT AND RETRENCHMENT

On Newton's resignation the assistant editor Walter Kommer was appointed editor. He had been one of Newton's original appointees and shared many of the same attitudes on what should constitute the national paper. It was not a propitious time for Kommer to become editor and confront the problem of establishing his authority in the paper. He could not expect an automatic transfer of the loyalties that Newton, who had been so intimately concerned with the original definition and specification of the organisation's goals, had elicited, particularly from the cosmopolitans. More importantly Kommer faced the problem of the status and authority of the editor which had driven Newton to resign. At this stage Murdoch was presiding at news conferences and issuing daily bulletins criticising the content of the paper. These bulletins were displayed on notice boards for all the staff to read. This could not have been
conducive to stability and unity within the organisation since the bulletins were implied criticisms of the executives by the managing editor. Murdoch believed he was following a practice of his father who, when he had been managing editor of the Melbourne Herald, had issued such bulletins. However, his father's daily critical notes were circulated confidentially to only the senior executives of the Herald.¹ How then did the organisation gain cohesion after Newton's departure? Did this involve large scale reassessments of policy?

In the light of the organisational strains and the cleavage that had appeared in the paper under Newton it might be expected that his departure would have brought a re-orientation of policy toward the broader based paper the managing director and the locals had encouraged. An examination of the content of the Australian over the period of the first year would give an indication of the shape of the paper. While such analysis does not enable the measurement of the subtleties of treatment it does give some indication of the broad emphases of the paper. What was the

shape of the **Australian** in its first year of publication? Were there discernible re-orientations revealed after the departure of Newton?

A content analysis of four sample periods was undertaken. The first two periods were taken during Newton's editorship, the second two when the paper was being edited by Kommer. Each sample consisted of six issues of the paper which covered a period of six weeks beginning with the Monday of one week, following with the Tuesday of the next week and continuing in the same way until a Saturday issue was reached. This procedure was adopted to prevent distortion by one news event which may have dominated a sample based on all the issues in one week.¹

An overall impression of the shape of the **Australian** can be gained from comparing the mean number of editorial column inches per issue and the mean number of advertising column inches per issue.

¹ A full description of the content analysis may be found in Appendix 1.
When compared with the mean number of column inches devoted to editorial space in Australia's other morning newspapers the Australian was found to have less column inches but not such a dramatic disparity as was found when the column inches devoted to advertising were compared. In contrast to the figures Mayer found for other Australian daily papers based on a week in November 1962, the results of the analysis of the Australian indicated it was a much smaller paper largely as a result of it not carrying the same amount of advertising.

<table>
<thead>
<tr>
<th></th>
<th>Mean no. of column inches. Editorial</th>
<th>Mean no. of column inches. Advertising</th>
<th>Mean no. of column inches. per issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>2108.5</td>
<td>1069.3</td>
<td>3177.8</td>
</tr>
<tr>
<td>Week 2</td>
<td>2081.5</td>
<td>710.5</td>
<td>2792</td>
</tr>
<tr>
<td>Week 3</td>
<td>2084</td>
<td>586.5</td>
<td>2634.5</td>
</tr>
<tr>
<td>Week 4</td>
<td>1895.2</td>
<td>966.6</td>
<td>2861.8</td>
</tr>
</tbody>
</table>

When compared with the mean number of column inches devoted to editorial space in Australia's other morning newspapers the **Australian** was found to have less column inches but not such a dramatic disparity as was found when the column inches devoted to advertising were compared. In contrast to the figures Mayer found for other Australian daily papers based on a week in November 1962, the results of the analysis of the **Australian** indicated it was a much smaller paper largely as a result of it not carrying the same amount of advertising.

<table>
<thead>
<tr>
<th></th>
<th>Mean col. inches Editorial</th>
<th>Mean col. inches Advertising</th>
<th>Mean col. inches per issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney Morning Herald</td>
<td>2460.75</td>
<td>6537.25</td>
<td>8998</td>
</tr>
<tr>
<td>Daily Telegraph</td>
<td>2357.25</td>
<td>2542.75</td>
<td>4900</td>
</tr>
<tr>
<td>The Age</td>
<td>2832.5</td>
<td>5234.25</td>
<td>8066.75</td>
</tr>
<tr>
<td>Courier Mail</td>
<td>1142.25</td>
<td>4714.5</td>
<td>6856.75</td>
</tr>
<tr>
<td>Advertiser</td>
<td>2635</td>
<td>7206.25</td>
<td>9841.25</td>
</tr>
<tr>
<td>West Australian</td>
<td>2110.25</td>
<td>3760.5</td>
<td>5870.75</td>
</tr>
</tbody>
</table>

*Source: H. Mayer, op.cit., Table 43, pp226-7*
The shape of the *Australian* was quite different to other morning papers with its lack of classified advertisements and with a higher proportion of editorial space than advertising space. The figures indicated that there was very little change in this shape over the year. The slow decline in total editorial space probably indicated the reductions that were made in the staff which left the paper with less than half the number of journalists employed by the *Age* or the *Sydney Morning Herald* by the end of the first year of publication.

These figures give little indication of changes in content within specific categories over the year which might indicate broad changes in policy. In the news sections of the paper it was found that the percentage of editorial space devoted to news did not change greatly over the year, with the exception of the final sample period. The figure for week four is a distorted one due to the reinclusion of the Canberra news within the broadsheet. Nearly all of this approximately ten per cent increase in news space can be accounted for by these pages, most of which were concerned with local sport.
NEWS CONTENT OF THE AUSTRALIAN
(per cent of editorial space)

<table>
<thead>
<tr>
<th></th>
<th>Week 1</th>
<th>Week 2</th>
<th>Week 3</th>
<th>Week 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Australian News:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political, Social,</td>
<td>12.7</td>
<td>11.8</td>
<td>12.5</td>
<td>14.5</td>
</tr>
<tr>
<td>Economic</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sport</td>
<td>12.8</td>
<td>13.4</td>
<td>13.4</td>
<td>23.2</td>
</tr>
<tr>
<td>Other</td>
<td>0.8</td>
<td>2.4</td>
<td>1.8</td>
<td>0.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>26.3</td>
<td>27.6</td>
<td>27.7</td>
<td>38.6</td>
</tr>
<tr>
<td><strong>International News:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political, Social,</td>
<td>11.7</td>
<td>10.6</td>
<td>8.4</td>
<td>8.5</td>
</tr>
<tr>
<td>Economic</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sport</td>
<td>2.1</td>
<td>1.2</td>
<td>1.7</td>
<td>1.6</td>
</tr>
<tr>
<td>Other</td>
<td>0.5</td>
<td>0.8</td>
<td>0.6</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14.3</td>
<td>12.6</td>
<td>10.7</td>
<td>10.4</td>
</tr>
<tr>
<td><strong>All News:</strong></td>
<td>40.6</td>
<td>40.2</td>
<td>38.4</td>
<td>49</td>
</tr>
</tbody>
</table>

It can be seen that there was a gradual decline in the space devoted to international news, but when the findings are compared to Mayer's figures for other Australian newspapers, the original characteristic of devoting a slightly higher percentage of editorial
space to international news is sustained.\textsuperscript{1} This is particularly so of political, social and economic international news.\textsuperscript{2}

In the area of Australian political, social and economic news the \textit{Australian} slightly increased its percentage of space over the year. Yet again this increase meant little overall change in the shape of the national edition in particular, which did not carry the Canberra news. As with the international news the paper was devoting a higher percentage of editorial space to Australian political, social and economic news than other Australian morning newspapers who averaged about 10.7 per cent for this category in Mayer's sample.\textsuperscript{3} When the increase in sport in week four is seen as due to the inclusion of Canberra

\textsuperscript{1} See Ibid., Tables 37 and 38. It was found that international news constituted approximately seven per cent in morning papers and eight per cent in afternoon papers.

\textsuperscript{2} Percentage of editorial space: International, Political, social and Economic News.

\begin{tabular}{|c|c|c|c|c|c|}
\hline
S.M.H., & D.T., & Age, & C - Mail, & Advertiser, & W. Aust. \\
\hline
4.9 & 4.5 & 5 & 5.3 & 3.9 & 7.1 \\
\hline
\end{tabular}

\textsuperscript{3} Ibid., Table 43.

\textsuperscript{3} Ibid., Tables 37 and 38.
sport, the overall percentage of editorial space devoted to sport can be seen as consistent throughout the year in the national edition. In the category of sport Mayer's figures suggest there was little difference between the Australian's percentage of editorial space and that of other morning newspapers. Overall, then, the analysis of the news content of the paper does not show significant changes in the amount of space devoted to the various categories of news.

Changes were not spectacular over the year in other categories of the paper.

<table>
<thead>
<tr>
<th>CONTENT ANALYSIS OF THE AUSTRALIAN</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>(Percentage of editorial space)</em></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Week 1</th>
<th>Week 2</th>
<th>Week 3</th>
<th>Week 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Features: Political,</td>
<td>3.8</td>
<td>6.5</td>
<td>8.4</td>
<td>6.2</td>
</tr>
<tr>
<td>Social and Economic.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Features: the Arts.</td>
<td>1.0</td>
<td>1.6</td>
<td>2.5</td>
<td>2.1</td>
</tr>
<tr>
<td>Features: Book Reviews.</td>
<td>2.9</td>
<td>2.4</td>
<td>2.8</td>
<td>1.9</td>
</tr>
<tr>
<td>Features: Women's.</td>
<td>3.0</td>
<td>1.8</td>
<td>1.5</td>
<td>1.0</td>
</tr>
<tr>
<td>Features: Others</td>
<td>0.8</td>
<td>0.7</td>
<td>0.7</td>
<td>0.5</td>
</tr>
<tr>
<td>Business and Finance.</td>
<td>29.7</td>
<td>32.9</td>
<td>29.2</td>
<td>23.9</td>
</tr>
<tr>
<td>Entertainment.</td>
<td>10.4</td>
<td>4.2</td>
<td>7.0</td>
<td>9.2</td>
</tr>
<tr>
<td>Editorials and Letters.</td>
<td>3.7</td>
<td>3.1</td>
<td>3.3</td>
<td>4.1</td>
</tr>
<tr>
<td>Services.</td>
<td>4.1</td>
<td>6.6</td>
<td>6.2</td>
<td>2.1</td>
</tr>
</tbody>
</table>

1 Ibid., Tables 37 and 38.
There does appear in weeks three and four to have been a trend towards a lesser amount of space concerned with business and finance. This could have been a result of Newton's departure but it can hardly be seen as a change in policy since the percentage of space devoted to business and finance still remained very high compared with other morning papers.\footnote{Ibid., Table 39.} While there are decreases in the space allotted to book reviews and women's features neither of these indicated any radical reorganisation of the paper. Those categories in which there were increases did not indicate any basic re-orientation of the paper either, the greatest increase in political, social and economic features taking place under Newton. While an increase in features devoted to the arts is discernible this category remained a relatively unimportant section of the paper. There is more significance in the increase in the entertainment category which refers to items such as comics, cross-word puzzles, cartoons and the column. Peter Brennan had been dropped at the end of October 1964 and about a month after Newton's resignation a new column appeared, Martin Collins,
this time on the back page rather than on page three. This accounts for the variation in the entertainment category rather than pointing to some new departure.

The content analysis shows that under the editorship of Newton the basic shape of the paper was laid down and that his departure did not result in any drastic alterations being made to that shape. Such a content analysis is not, however, a very sensitive indicator of policy changes within the paper since it does not allow an assessment to be made of any changes in the treatment of the news within these categories. To investigate policy differences between the Newton and Kommer periods it is necessary to turn once again to the organisation itself.

Since much of Murdoch's criticism of the paper in the last few months of Newton's editorship had been that it was not readable enough or lively enough to attract a wider readership, it might have been expected that the influence of Chandler and the locals would have increased after Newton's departure. However, only a few weeks after Newton's resignation Chandler was transferred to another Murdoch paper. This appears to have been a result of Murdoch assuming what amounted to the powers of the editor. When Murdoch was in
close contact with Chandler each day, seeing how he treated the news pages in particular, he realised that Chandler's tastes were too sensational and his priorities were not suitable for a national newspaper that was striving to be accepted as respectable and influential. Murdoch had thought Newton's tastes were too narrow and he wanted a wider audience for which he was prepared to popularise the news where Newton was not. Yet at the same time he wanted the paper to be admired and respected. Murdoch was surprised by Newton's resignation and was not able to understand the reactions his interventions and the bulletins produced.

There were important unintended consequences that followed the departures of both Newton and Chandler from the organisation. With the removal of the two individuals who had been the focus for each of the conflicting groups within the organisation the cleavage became less acute. The conflict between Newton and Chandler no longer dominated relations within the organisation and some of the tension that had typified relations between the cosmopolitans and locals dissipated. The basic differences between the cosmopolitans and locals remained in their
orientations toward the organisation and their conceptions of its goals but the removal of Chandler and the resignation of Newton meant that the cosmopolitans were no longer a group identified with the editor. Now the cosmopolitans' work was not singled out and treated personally by the editor to ensure it was not ruined by Chandler. The cosmopolitans all agreed that the paper was much improved by the removal of Chandler. Thus the groups within the organisation became much less clearly defined.

This tendency was reinforced by the difference in approach to the problems of the paper by the new editor. Kommer, like Newton, believed the goal of the national newspaper should be the production of a serious and intelligent paper with recognised high standards of reporting. Unlike Newton he saw the attainment of this goal was not immediately possible in the Australian setting. Initially the paper would have to have a wider basis of audience support than the paper under Newton's editorship had been able to gain. Kommer then believed a slow process of improvement would enable the paper to achieve both success as a viable economic unit and as an important
and respected organ. This view was to Newton's mind a fatal compromise to the trend of newspapers to be instruments of social control, being merely entertaining and ignoring their proper role of 'the well informed and fearless critic of public affairs.' To seek the wider base would necessitate popularising the paper to the detriment of such a goal. There is some evidence to support Kommer's view in this disagreement over the means of attaining the goal of a respected and influential newspaper. G.D. Wiebe argues that if a newspaper is going to have an impact upon society, being an innovating influence rather than one of social control, it must remain close to popular tastes or it will have only a very limited audience and ultimately fail. If the media is close to popular taste Wiebe argues that given cultural leadership of a high standard a gradual but cumulative effect can be substantial. Schramm also argues that mass communications can rarely have an immediate social impact. 'Rather it works in a long slow rhythm,

and in combination with the audience's individual predispositions and group norms.1 E.C. Pulliam, a publisher of newspapers in Arizona and Indiana, claims that it took ten years of emphasising foreign news before his readership surveys began to show his readers wanted more.2

Kommer's position with respect to this argument over the means of attaining the goal was no doubt also influenced by the internal situation of the paper. If he was to remain editor he could not afford to adopt an inflexible position toward the managing director. It would be good tactics to agree to Murdoch's efforts to widen the appeal of the paper initially and work slowly toward the fulfillment of aspects of the goal of a respected and influential paper. Yet in adopting a much more conciliatory attitude to the intervention of the managing director, the staff of the organisation could not regard the editorial authority of Kommer as being as clear as Newton's had been. It led to doubts about Kommer's

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1 W. Schramm, Responsibility in Mass Communications, p. 57.
independence. If an editor is independent the staff will be aware of it and

...they have so much the more pride in him and in themselves and in their work. The feeling goes right down through a paper and so, regrettably, does the knowledge that the editor is subject to the opinion of someone else, owner or manager.\(^1\)

One journalist described the effects of this. 'It meant that one was unsure whether the editor's directions were really what the editor wanted or what the managing director wanted', he said. Newton's authority had rested upon his independence and his enthusiasm and encouragement of individual initiative amongst the staff. Without a clear line of authority the achievement of the goal which Kommer and Newton agreed upon would be prejudiced since Kommer was not able to make it completely clear to the staff that this was in fact his goal.

The consequences of this dilemma Kommer found himself in can be seen by an examination of the operation of the essential features of the institution which had been constructed under Newton and which on the evidence of the content analysis had undergone

little change. Firstly the organisational structure of the news reporting had been an unique response to the problem of providing national news stories. Newton, in close consultation with B. Johns, who had been recruited to the paper from the Australian News and Information Bureau, had decided that the public service in Canberra was an important and underestimated news source. The intention was, instead of having police rounds, the parliamentary round and all the other distinctions between sources employed by the state papers, that each reporter would be given a federal government department or set of departments as his focus. This division would enable the journalist to specialise in all aspects of the functions of that department and enable him to report on the events of national importance that affected the department in question in much greater depth and with more understanding than any other Australian newspaper. Journalists were assigned to National Development, Trade and Primary Industry, the Tariff Board, Immigration, External Affairs and Defence, and the Department of Health. In operation this structure had not worked entirely successfully for several reasons. There
were no separate parliamentary reporters so that when parliament was sitting there was a tendency to ignore the public service aspect of the round and to concentrate on the current political manifestations. Newton and Johns thought that many of those entrusted with these rounds were not able to develop inside contacts sufficiently to make this news source vital. In addition the use of the public service as a news source required special skills on the part of the journalists. It meant they would have to be able to read and assess reports and publications of the various departments which would often be of a complex and technical nature. The condensation of such material into a meaningful and accurate report was not an easy matter, particularly for the locals who were neither trained nor oriented to such a task. This source, if it was to be effectively utilised, required the analytical and interpretative journalism Newton encouraged from the cosmopolitans. Often national news of such issues as national development of tariff policy needed several articles of a discursive nature before they became real news. With the locals opposed to such journalism, especially in the sub-editing section of the paper, the real failure of the paper
to capitalise on the public service as a news source seems to have been the lack of enough journalists who were both capable enough and oriented to making this type of reporting successful.

The overall structure of the news reporting was not immediately changed by Kommer when he became editor. What did happen was that several of the cosmopolitans who had, under Newton, enjoyed some protection of their copy resigned from the paper. This was culminated by the resignation of Johns a little over a month after Kommer became editor. Johns felt the original plan for national news reporting he had worked out with Newton had failed and furthermore had little chance of future success. So by the end of the first year of publication the paper had lost the two originators of its national reporting structure.

A similar fate was to overtake the features and Saturday magazine sections of the paper. The features had, under Morrison's authority, become one of the most impressive aspects of the paper. This was achieved despite the fact that the paper did not have a regular staff of feature writers as did other Australian morning newspapers. The original intention was that features would be written by a combination of outside contributors and the journalists who, as a
The discovery of Hal Porter, artist

By MAX HARRIS

There will be a raising of eyebrows when the idea is tossed abroad that Hal Porter is an Australian Betjeman. The gentle, sleepy Betjeman, with his unkempt beard, untidy shirt, and faintly quizzical air seems far cry from the roaming eye of Australian literature.

But Hal Porter is a secretly disciplined character, as one would believe from his sustained literary output, and it has been his habit for any number of years to do a Sunday-check on his city mates from time to time, but to retire after a short while into the more orderly ways of country town life.

Here the same eye that was at work on Watcher on the Cast Iron Bellows, the same mind with its capacity for almost total recall, has been applied to the shapes, styles and quirks of the burning township. The editors of Australian Letters knew something of Porter's devotion to the evocations of rural Australian architecture when they commissioned him to produce an article on the life of eastern Victoria.

The drawings were the surprise. Few of Porter's closest friends knew of his hobby. Porter himself proved too fairly incognto to his exercises in architectural drawing. Nonetheless they are good architectural drawings in that they show an unerring instinct for the interesting and idiosyncratic detail; the approach is attention and afterthought.

The drawings and Porter's typically abrupt textual comments—both of which are published in part on this page—will appear in full in Australian Letters next month.

Porter's drawings will remind us and long suppressed passion in the Australian temperament. The hearty heritage of the Mechanism Institute, the occasional vertical absurdity of the bush oval, grandstand, the lugubrious stone adorning of Edwardian buildings provide for the Australian some secret and nostalgic landscape of the mind.

It constitutes our Betjeman territory. Hal Porter is perhaps one of its first sympathetic explorers.
result of their specialisation in specific federal government areas, would be able to write strongly political and social features. Morrison's ideas and approach had meant that this worked to a large extent but after Newton's retirement, the associate editor C. James was given the specific task of supervising feature material. This step alienated Morrison who had been criticised in the bulletins for having an overly intellectual approach, and by the end of the first year he, too, had announced his intention to resign. Again the initiative of an originator of a distinctive section of the national paper had been curtailed. Previously Morrison had been successful in encouraging journalists whose function was not ostensibly feature writing, to contribute such material. James was not to cope as effectively with this problem that the organisation of feature and news sections presented. Since Morrison's departure the paper has found it necessary to appoint specific feature writers.

Kommer's problem of realising his goal to make the paper accepted as a respectable and influential one was further harrassed by the continuing problem of low sales and not enough advertising to cover costs.
By making an effort within the advertising field, seeking the custom himself, he was able to increase the amount of advertising as the content analysis showed. It was not enough to cover the costs but at least it was encouraging. To cut down on running costs the decision was made in late June 1965 to abandon the Canberra supplement since it had failed to make the Australian the accepted service paper for the city. This involved the reduction of the staff by 23 members. Canberra news was still included in several pages for the area but within the national paper. Canberra sales dropped even further as a result and it was clear from this point that the viability of the paper was going to rest upon its finding acceptance as a national paper.

The whole problem of whether the paper was to base its appeal on being a second paper or whether it should try and provide all the services of the capital city daily was raised again. It was argued that the sporting coverage, which was complete in racing and tried to report nearly all important events in other sports, should be reduced to one column or page. However it was decided that this would result in a further loss of readers. Murdoch
in particular was against any reduction in the sporting coverage.

A decision was made, however, to reduce staff in the feature and book review section. Contributors who had been on a part-time basis had their contracts terminated. At the end of the first year it was decided to completely reorganise the Saturday book review section. This had been organised by an academic from the Australian National University, R.F. Brissenden. A panel of people expert in particular fields had formed a committee under his chairmanship and then reviewed the books within their fields. Brissenden edited their reviews and instead of paying them on a line for line basis he established the principle of payment per review, so that liveliness and 'timeliness' were their criteria rather than length. With the termination of Brissenden's contract this whole structure was handed over to journalists and very little editing was done on the reviews. Again an originator and inspirer of one of the distinctive sections of the paper was no longer associated with it.

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By the end of the first year of publication, without basic alterations being made to the shape of the paper, many of the key men who had originally given it a distinctive character were no longer involved in its production. Newton, who had seen the paper as becoming a dynamic and critical force in Australian society;¹ Morrison, who had set new standards in imaginative and elegant production; many of the cosmopolitans, who had seen the paper as offering them an opportunity to exercise and develop their journalistic skills in a manner not possible in other institutions of mass media in Australia; had all left the paper. Furthermore, it had not found an audience which would ensure its success. However the managing director was still prepared to persevere. Also, while the new editor's hopes were perhaps not as ambitious as the first editor's, his goal was the same - for the Australian to be ultimately accepted as an important, influential and respected disseminator of the news.

¹ This intention is perhaps best illustrated by his article 'Ten Lost Years', The Australian, 20 August 1964.
CONCLUSION

By the end of the first year of publication the Australian had not been able to disturb substantially the localised pattern of Australian newspaper reading. It had also failed to establish a community base of its own in Canberra. The examination of policy within the institution shows that from the beginning there had been different ideas amongst the decision-makers as to how a national newspaper could succeed in Australia, of what its audience might consist and what kind of paper should be produced to induce their response.

As the two most important decision-makers were the first editor and the managing director the different conceptions of the nature and shape of the national paper tended to become focused upon these two individuals. While the development of the conflict between the managing director and his editor had an important idiosyncratic and individual dimension, this study does seem to reveal a functional problem that confronts institutions such as newspapers which perform a public function and require the
services of trained personnel with reference groups which encompass values outside the organisation. The function of the editor, particularly when he conceives of his role in the manner in which Newton did, seems to be directed towards seeing those who buy his newspaper as constituting a public. That is, a group of people who the editor perceives require information and the assessment of that information which the editor can give. The function of the managing director on the other hand leads him to see those who buy the paper as constituting a market. That is, a group of people who ensure the economic success of his organisation. This tension will be emphasised when, as in the case of the Australian, there is neither a well defined or large enough audience to enable both these functions to be fulfilled.

This problem does seem to have been at the basis of the conflict with the Australian during its first year of operation. It was, however, emphasised by the first editor's precise conception of his role as a publicist. The publicist has been well described by Lasswell who sees him as the type of agitator who operates through the press, the other being the
oratorical agitator who concentrates upon face to face appeals. Lasswell writes:

The essential mark of the agitator is the high value which he places on the emotional response of the public. Whether he attacks or defends social institutions is a secondary matter. The agitator has come by his name honestly, for he is enough agitated about public policy to communicate his excitement to those about him.¹

Newton's goal of the prestige paper with its specific audience seems to have been dictated by his desire to be an agitator as in his view this was the role of the newspaper in society. Kommer on the other hand seemed to be much more the administrator, who, while agreeing with the goal of a recognised prestige newspaper, was much more willing to make concessions in the direction of a mass audience as he does not appear to have been so fundamentally concerned with influencing that audience. It would appear that newspapers more directed toward an undifferentiated mass as opposed to a public, require administrators rather than agitators. With the increasing concern in the *Australian* over its failure to make an impact upon Australian readers the tendency toward a more

widely based paper with a mass appeal required the administrator rather than the publicist.

This study then, shows the importance of the internal structure of an institution of mass media in the determination of what orientation it will take in the media process. It suggests that the orientation of the media is not merely determined by the demands of the society in which it operates. While the institutional evolution of the paper did display a tendency towards mass orientation determined in part by the organisation's notions of the society in which it operated, it was also seen that the policy of a prestige paper, directed towards a specific public, was never fully implemented due to the internal organisational cleavage. It was from this cleavage, from the conflict between decision-makers with different values and between cosmopolitans and locals that the orientation of the Australian in its first year of publication derived.
APPENDIX A: THE CONTENT ANALYSIS

According to Berelson content analysis is 'a research technique for the objective, systematic, and quantitative description of the manifest content of communication.'\(^1\) The objectivity of the technique has been subjected to considerable criticism since assumptions are made in the selection of categories and where more than one coder is used there is no guarantee of uniformity in their understanding of the categories.\(^2\) The content analysis of the Australian was undertaken to give a profile of the paper over the first year of publication. The categories were chosen upon several bases. Firstly they represent a simplification of the very detailed and complete categories devised by the British Royal Commission on the Press (1949) and the Indian Commission on the

\(^1\) B. Berelson, Content Analysis in Communication Research, p.18.

\(^2\) See A.V. Cicourel, Method and Measurement in Sociology, pp.146-56.

I. de Sola Pool, Trends in Content Analysis.

Press (1954). Secondly they were designed to have some congruence with the available data on other Australian newspapers.

THE SYSTEM OF CLASSIFICATION:

Australian News: This was subdivided into Australian political, social and economic news, Australian sporting news and other Australian news.

International News: For the purposes of comparison a similar categorisation of foreign news into political, social, economic, sport, and other was employed.

Feature Articles: All feature articles with the exception of those included in the specific business and financial section. There was a problem here when feature material was compared with that in other Australian newspapers. The international news pages often included material which was marginally feature, that is, it was not a report of a very recent event, and could have been treated as a feature by other papers. However, most of these cases were included in the international news categories as they were

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generally sub-edited in a manner to suit the news pages. The feature article category was subdivided into political; social and economic features, features on the arts; book reviews; women's features; and other which included the occasional feature on motoring, building etc.

Business and Finance: This category included business and financial reporting and excluded news stories on the economy. It included stock exchange prices.

Entertainment: This was designed for light columns, strips, crosswords. It excluded features on the arts but included serialised books.

Services: Weather and postal information, television programmes and shipping notices. It excluded stock exchange prices.

The other categories of advertisements and editorials and letters are self-explanatory.

MEASUREMENT AND SAMPLING:

Each item was measured in units of column inches. Since it was impossible to analyse every issue of the Australian in its first year of publication it was decided to take four one week samples over the year so some idea of any change could be gauged. As one
news event can dominate the pages of a newspaper for several days it was decided to reduce such distortion by not taking a complete week for each period. Instead one day was selected from each week in a six week sequence to make up one sample period. Thus the year was covered by four one week sample periods. The issues analysed were:

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<th>Second Sample Period</th>
<th>Third Sample Period</th>
<th>Fourth Sample Period</th>
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<td>29 August 1964</td>
<td>12 December 1964</td>
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APPENDIX B

THE INTERVIEWING PROCEDURE

The bulk of the information for this examination of the Australian was obtained from a series of interviews with selected individuals who participated in producing the newspaper in its first year of production. Time and the scope of the research topic limited the number of people who were interviewed. Concentration was placed upon the decision - makers, those who were involved in the initial planning and formulation of policy over the period investigated. However, not only the policy makers were interviewed; several journalists who represented different orientations toward the paper also contributed important information. In all eighteen individuals were interviewed.

Most of the interviews were recorded on tape and took the general form of the open ended interview, that is questions could be answered in any way and at any length the respondent chose. There was no standard interview schedule since all the interviews were
carried out by the investigator allowing the maximum amount of flexibility for both respondent and interviewer. The only structuring involved a series of basic questions and topics the investigator considered relevant but the interviews did not strictly adhere to these. This list of questions and topics was only to give the interviewer broad guidance and varied depending on the person being interviewed. Some of those interviewed requested a list of likely questions in advance and these were provided. For points of fact this was often useful as it enabled the respondent to obtain and check the information prior to the interview. Again the interview was not restricted to these questions so that the respondent was not able to prepare a complete set of answers in advance. All those who were interviewed were given a broad indication of the nature of the investigation when an interview was requested.

The range and amount of information thus gained was enormous and extremely difficult to organise. The fact that it was in no way standardised meant that the evaluation of it was in terms of the investigators own presuppositions and interpretations. What was precisely fact and fiction in an interview was almost impossible to untangle particularly as these interviews took
place not long after the events in which these people were involved had occurred, and in some cases the respondents personal involvement was of a highly emotional character. As Cicourel has said, 'errors arise in interviewing because the researcher and the actual questions are both potentially misinterpreted and misinterpreting respectively.'

While agreeing with this limitation it seemed equally important for a general understanding of the issues involved in the Australian to interview the participants while their very involvement in the aims and principles of the organisation was still alive. The passing of time and as in several cases the changing of jobs would make the task of understanding the organisation through individual interviews more difficult as the participants would have had time to rationalise their experiences more fully. This process was probably already taking place as the interview proceeded. However as facts and interpretations were cross checked from individual to individual a cogent and reasonably accurate picture evolved for this

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investigation. While a claim cannot be made for interpreting all this material correctly, let alone fully, it is hoped that there has been some accuracy in the portrayal of the general situation.

Since this was a small scale study completely undertaken by the one investigator one methodological problem that the use of the interview as a research tool often poses was eliminated. There was no question of standardising the responses which the use of a panel of different interviewers raises. Standardised responses by the participants in the organisation which would enable some systematic testing of hypotheses was not attempted. In this sense the study was a preliminary investigation of an organisation of mass media. On this level it is to be hoped that it provided some knowledge about the functioning of an institution of mass media in Australia and that it suggests specification of hypotheses which might be followed up in a more systematic manner. A full investigation of an institution of mass media which would involve all the staff (those who print the paper as well as the writers and managers) could be undertaken by a combination of methods; participant observation, a comprehensive questionnaire
administered to all participants, as well as interviews of the type utilised in this study. Such a project would enable more concrete conclusions to be drawn about the functioning of an organisation of mass media and more generally contribute to the understanding of institutions of popular culture which are a prevailing aspect of modern industrial society. While this study was of a limited nature it is hoped that it has opened up a useful approach to the study of mass media in Australian society.
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