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### **Measuring concentration in communications markets**

Debates about media concentration and its adequate handling are not coming to an end. The changing structure of the communications industry, which is mainly driven by the convergence of media, telecommunications and information technologies, is said to increase the competitive pressure on telecommunications and media companies to consolidate, diversify and extend their traditional operational scope to other areas (e.g., Internet). Suddenly, everything is about assessing concentration in communications markets, and the questions of what constitutes the relevant market in an increasingly convergent media environment and whether traditional instruments for assessing concentration are applicable in communications in general and in a mostly conglomerate communications world in particular move center stage of regulatory debates. Convergence exacerbates the problem because it unites sectors with historically diverse regulatory models (print vs. broadcasting vs. telecommunications), in which cultural and economic values prevail to different extents. This results in a value conflict in communications policy: from a public-policy point of view, communications policy is intended to accommodate both economic and cultural values so as to enable communications industries to meet both economic goals and central, often constitutionally granted functions in society. This value conflict is particularly evident whenever concentration issues arise as a result of the need to align two “competing” interests: the safeguarding of competition, on the one hand, and the securing of media plurality, on the other. This paper stresses the dual character of media goods (i.e., economic and cultural), the underlying ideological ideals, the attendant institutional setting and convergence as source of value conflict in communications policy making. It discusses this value conflict and gives examples of where it surfaces and how it is confronted. It is particularly evident in the regulation of concentration. Newly introduced communications laws and policies within Europe and the USA aim to reduce (ownership) regulation, promote competition and cope with the challenges posed by convergence. This quest is coupled in part with protections of media pluralism through custom-developed indices for measuring concentration in media markets and tests for assessing media plurality in merger cases. The paper describes and discusses such new methods and instruments as novel but imperfect attempts by policy makers to respond to the various challenges in communications such as convergence of telecommunications and media, value conflict, the need for empirical proof of the effectiveness of sector-specific ownership regulation and claims for non-economic ways of assessing media diversity. It concludes by stressing the need to re-emphasize normative claims as essential guiding elements of communications policy making.