

The Success of the Austrian and American Press

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**Abstract**

*The Austrian and American presses have both been shaped by the change in time and specific events. In this paper, the events of the 20<sup>th</sup> century were examined and discussed to reveal the separate successes of both newspaper industries. In the examination of these events, it is revealed that Austria maintains a sustained press industry by mainly drawing strength from Germany's influence in its media. On the other hand, America's newspapers have not been able to sustain its industry through the competition from other dominating mediums within its media.*

## Introduction

The reality of change occurring with the current events of the day and the introduction of new ideas has been actively present within the newspaper industry. Within the Austrian and American newspapers, although the current events that they both have gone through are similar, the resulted changes that have occurred in the two industries have been quite different. The purpose of this paper is to compare and reveal the evolution of the press in Austria and America from the 20th century until today, the factors that influenced their changes, and the reasons why they are still successful or not. By studying events that have impacted Austria and the United States, the different ways that the press in the different countries has changed will be revealed.

As a citizen of America I have perceived the American newspaper industry as a failing aspect of the American media that has dwindled over time. By researching the different events in the American industry's life, I wanted to find out if it was truly at the edge of its demise. As a student in Austria, I was curious to find out if the press industry in Austria was in the same predicament as America's today; and if it was not, I wanted to see as to why this was so. I also wanted to compare the different histories of the two industries and their separate successes. As a student of communication, I think that it is important to understand the history of the media, the relationships that the different mediums have with one another as well as the different factors that influence it.

For this paper, I focused on the main events of the 20<sup>th</sup> century that affected the Austrian and American and the more specific events that shaped each separate industry. These events vary from the introduction of certain types of newspapers to the wars that affected the entire world. The futures of these two industries also rely upon the conscious decisions of foreign media or simply the powerful and inevitable evolutions of the media at large. Altogether, these factors play a significant part in shaping the Austrian and American newspapers and the success that they hold today.

## Austria

The country of Austria consists of about 8 million people within an area of about 84,000 square kilometers. It is approximately the same size as the state of Maine in the United States. Over the last century, Austria's media has evolved. The newspaper industry, in particular, has been altered by the changes in events and time. In the fifty years preceding the dawn of the 20th century, Austria as a country developed, creating significant change in newspapers. In fact, some newspapers that came from the 19<sup>th</sup> century, including the *Wiener Zeitung* and *Die Presse*, still stand in existence today. Currently, approximately two million copies of newspapers are circulated amongst the eight million people in Austria. Notwithstanding, the country has faced, and continues to face, many changes within its newspaper industry.

### Beginning of the 20th Century: The Tabloid Papers

In the early 20th century, boulevard papers mainly characterized the press in Austria. In general, the boulevard paper, also known as the tabloid, was an internationally popular style of newspaper. The idea of the tabloid was mainly brought about in the nineteenth century. Some of the first ideas of the tabloid were created in England, America with the penny press and also in Germany with the *Generalanzeiger* (Bohrmann et al, 2007). Boulevard papers were mainly characterized as non-political and low in price. They were printed for large crowds and supported by advertisers. It seems that the common trend in tabloids were that they were small in size and known for a more brief style in journalism. As time went on, they were slated with sensational stories. The tabloid was a popular, easily attainable, often sensational type of newspaper that was smaller than the traditional newspaper (Bohrmann et al, 2007). According to Hans Bohrmann, Elisabeth Klaus and Marcel Machill, et al, authors of Media Industry, Journalism Culture and Communication Policies in Europe, these boulevard papers would be altered according to the crowds, prices and the ways in which they were handed out.

On December 29, 1899, a newspaper stamp duty was issued in Austria along with a stop to selling newspapers along the streets. However, on December 31 of the

same year, these restrictions were terminated, and this enabled the tabloids to grow (Bohrmann et al, 2007). As a result, the Austrian press adopted the popular tabloid idea and first published it in Vienna during the Austrian-Hungarian reign. Bohrmann, et al (2007) describes the Austrian press's view on tabloids and says, "[In general], the masses were not only a market but also a mission: the tabloid as the advocate for the common man (p. 301)

Also during this time, new newspapers were being initiated such as the *Kleinformat Zeitungen*, however, the most successful boulevard paper would be the *Illustrierte Kronen Zeitung*, which was founded on January 2, 1900, and only a couple of days after the restrictions on the press were lifted at the end of the 19<sup>th</sup> century. The *Illustrierte Kronen Zeitung* was created by Gustav Davis, who also created the 1896 tabloid entitled, *Reichswehr*. The *Illustrierte Kronen Zeitung* was established as a sub-edition to *Reichswehr*, and it was printed 16x9cm smaller. Davis established the paper as independent and sold it at a low price of just one silver crown per month, which was reflected in the name of the newspaper. He also hired Leopold Lipschütz, a fellow writer of Davis, as the editor-in-chief. Overall, the typical issue of the *Illustrierte Kronen Zeitung* was a small sized paper with short articles, detailed criminal reports, and sections including sports, recipes and entertainment (Bohrmann et al, 2007). Bohrmann, et al., (2007) describes the *Illustrierte Kronen Zeitung* and the vision for it as:

...a newspaper for a wide spectrum of the Austrian population. Like an ever-welcome neighbour it would call every day with the latest news from the whole world and always one or two amusing local stories, maybe also with the latest, current joke; never bombastic, never pompous or affected, but always popular and with Austrian joviality. The pace of the newspaper was in accordance with the pace of the time (p. 291).

People were critical of Davis and his new ideas and said that they were doomed to fail; and initially, these criticisms seemed to be somewhat true because the people at that time did not usually buy newspapers for themselves. Booksellers would hire newspapers to those who were not able to pay for them. And even though the *Illustrierte Kronen Zeitung* offered low prices, this did not change the old habit (Bohrmann et al, 2007).

### **World War I & II Influences and The Political Newspapers**

Although the *Illustrierte Kronen Zeitung* was not an instant success when it was first created, it became the biggest newspaper in all of Austria after it covered the initial events of the First World War (Bohrmann et al, 2007). In June of 1903, the *Illustrierte Kronen Zeitung* covered the murders of King Alexander and Queen Draga of Serbia. It transcended all the other newspapers and during the war, it connected the people to the war at hand (Bohrmann et al, 2007). Two years after its inception, it grew so fast that they began distributing 30,000 newspapers to Vienna's population.

Quickly after the first war ended, political newspapers throughout the regions in Austria sprang up and some have survived until this day. Anthony Smith (1977), author of Subsidies and the Press in Europe said, "In the republic which followed the First World War a new generation of papers was born to cater for the welter of political tendencies which were active until the Anschluss" (p.89). The Anschluss was the time when the Nazis absorbed Austria into Germany in 1938. After World War I, the Austria-Hungary Empire, which had been in power since the thirteenth century, dissolved and became the Republic of Austria. During this transition, newspapers in Vienna experienced a decrease in circulation numbers. The *Illustrierte Kronen Zeitung's* distribution numbers fell to about 150,000 and focused its concentration on Vienna.

With the onset of the Nazi powers in the Second World War, the Nazis repressed political expression ("Austria Press, Media, TV, Radio, Newspapers", n.d.). *Die Presse*, a declared Conservative and independent newspaper, suffered from oppression from the Nazi rule in 1938. During their time of reign, the Nazis utilized the *Wiener Neueste Nachrichten* paper, as their main instrument. By the end of the Second World War, only

four daily newspapers were able to survive the time of the Anschluss out of the twenty-two dailies in Vienna. Then, after the end of the Anschluss, Austria began to rebuild the press (Smith, 1977).

At the end of the Second World War, Austria found itself under the winds of change yet again. The Allies powers separated Vienna into four areas, until it was able to reunite again in 1955. When the Allies divided Vienna, they also established different newspapers in different areas. In one area, the Soviets established the *Österreichische Zeitung* in April of 1945. In another area, Americans established the *Salzburger Nachrichten* and *Oberösterreichische Nachrichten*. Then, in another area, the French and Americans supported the *Tiroler Tageszeitung*. Eventually, the owners of the *Salzburger Nachrichten*, *Oberösterreichische Nachrichten* and *Tiroler Tageszeitung* transferred ownership of the papers to Austrians. Over time, as the daily newspaper business was able to start up again, boulevard papers grew exponentially along with a large press concentration. According to Mary Kelly, Gianpietro Mazzolini and Denis McQuail (2004), authors of The Media in Europe, "Austria's daily newspaper press restarted business after World War II and the full sovereignty of the republic (1955) with just thirty-five newspapers." (p. 5). New boulevard papers were successful in Vienna but the communication between the city and country were hard (Smith, 1977). Nevertheless, when the Allies took over, they permitted political activity and different parties created political newspapers throughout Austria, such as the Conservative paper, *Das Kleines Volksblatt*, which began in Vienna in 1945.

Although some newspapers were taken away by the war, many of the newspapers that were able to restart were continuations of other newspapers that were older. For example, the *Kronen Zeitung*, along with three other papers from Vienna, joined together to make the *Kleine Wiener Kriegszeitung*. Then, on April 11, 1959, H.Dichand and K.Falk recreated the *Kronen Zeitung*, naming the new newspaper the *Neue Kronen Zeitung*. It eventually did very well and its circulation numbers were able to excel past *Illustrierte Kronen Zeitung*'s. The *Kleine Zeitung*, which was established by the Catholic Press Association in 1904, was also able to emerge once again. *Die Presse* was able to be re-established in Vienna as a weekly newspaper in 1946, until



October 19, 1948 when it was able to become a daily (“Austria Press, Media, TV, Radio, Newspapers”, n.d.). *Die Presse*, along with other newspapers that were created after the war, has been able to remain in business since. Another paper that was renamed during this time was the *Neue Wiener Kurier*, which was actually established during the time of the war on August 27, 1945 by a man named Ludwig Polsterer, and it was published until October 16, 1954. Then, on October 18, 1954, it was renamed the *Kurier* and, like the *Neue Kronen Zeitung*, it surpassed the *Neue Wiener Zeitung*’s success and also remains successful today.

As for the political press in the latter half of the century, “Political party ownership of newspapers appeared to be a safeguard against the type of censorship and propaganda which had existed under the Nazis...” (“Austria Press, Media, TV, Radio, Newspapers”, n.d.). However, overall, the political press declined after World War II. At the beginning of the 1950s, the political press constituted around half of the circulation throughout Austria, however, by the beginning of the 21st century, political parties constituted around 2.2 per cent of the circulation.

Around the beginning of the 1970s, the political parties’ newspapers diminished rapidly. Smith (1977) writes,

“Outside Vienna the political colouring of some of these papers is beginning to fade, especially where traditional rivals have disappeared, learning one or two papers to reach a multi-political community...Some papers are overtly independent, though of these a few tend to give their support to the Conservative-People’s Party which lost its own major paper and is losing circulation in its others.” (p. 89).

In the year of 1970, the small, Communist newspaper named *Wahrheit und Volkswille* was discontinued along with *Express*, which was a Socialist paper in Vienna. The Social Democratic party continued to have their *Arbeiterzeitung*, and it eventually

became a left liberal paper until the late 1980s. It was then renamed as the *Neue Arbeiter Zeitung*, but then ended altogether in 1991. The Conservative paper, *Kleines Volksblatt* ended in the year of 1970. The Austrian People's Party published two newspapers. Both papers held numbers in circulation that were less than 100,000. But eventually, the Austria's People's Party's sold 90 per cent of its share in the *Neue Volkszeitung* to a private company towards the end of the 1980s.

### **Modern Austrian Press: Subsidies, other Media Mediums and Influences From Foreign Media**

From the mid-1960s to the 1970s, eight papers throughout Austria ceased to exist. In the 1970s, newspapers that were smaller began to lose circulation and large monopolies were not necessarily the ones to be blamed (Smith, 1977). The *Neue Kronen Zeitung* and *Kurier* constituted 85 per cent of the market in Vienna and 60 per cent of the entire country's circulation numbers (Smith, 1977). However, the amount of people reading outside of the capital was low. Smith attributed this to the fact that the newspapers in the regional areas had a different structure and they grew up alongside the political parties; also the post-World War II events where Vienna was divided and the rest of Austria was divided too (Smith, 1977).

Also during this time, some of the top newspapers in the country began merging. The top four newspapers merged together to create a circulation of 1,530,000, which constituted for approximately half of the country's total circulation. The *Kronen Zeitung* absorbed *Express* into its company and became the leading newspaper in the market in the country. In the year 1971, the *Neue Kronen Zeitung* was the market leader and continued to increase in growth (Kelly et al, 2004). Outside of the UK, it held the highest circulation numbers (Smith, 1977).

Another event that affected newspapers in this time was the federal government's decision to give support to companies that fulfilled certain requirements. The Law of June 1972 designated five million Schillings towards these companies. Then, in the year of 1975, small publishing companies started to suffer from financial problems and as a result, the government granted newspaper and magazine companies

monetary support, again, given they fulfill certain requirements. For the daily and weekly newspapers, the requirements stated that

An Austrian-based publication is eligible for grants from this fund if it distributes in more than one province and has ½ of circulation within Austria and publishes at least 10,000 copies of each edition (5,000 for weeklies) and employs 3 professional journalists and concerns itself with affairs other than of local interest in areas of politics, economics or general culture. No weekly can apply for more than 500,000 Schillings. (Smith, 1977).

According to Smith (1977), “Less than one-third of Austria’s daily press was working at a profit and the purpose of the subsidies was to help the press through its cost crisis. (p. 91) “Specific allocations are decided on a case-by-case basis, and various formulas are used to spread the funds among a large number of publications. No single newspaper can receive more than 5 percent of the total budget earmarked for support of the daily press.” (“Mass Media”, n.d.). Newspapers were also able to acquire other grants that enabled them to have lowered postal and telecommunications charges (Smith, 1977). Within the country, “Each state decides the total sums to be made available and the method of division for itself...” (Smith, 1977)

Up until this point, the other media in Austria such as the radio and television were mainly under one broadcasting company entitled Österreichischer Rundfunk, which was established in the 1950s. Österreichischer Rundfunk was a partner with German-language satellite-distribution programs, along with Zweites Deutsches Fernsehen from Germany, Schweizerische Rundfunkgesellschaft from Switzerland and ARD-network (“Österreichischer Rundfunk”, n.d.). Österreichischer Rundfunk also operated with other international broadcasting archives (“Österreichischer Rundfunk”, n.d.). Austria’s relationship with foreign media did not end with the radio and television but extended into the newspaper industry as well. So from the time when the Second

World War ended, the electronic media and press were able to maintain a symbiotic relationship with one another (Kelly et al, 2004).

At the end of the 1980s, "Market success as well as internal rivalry [drove] the *Neue Kronen-Zeitung* into structural changes in the late 1980s." (Kelly et al, 2004). Up until that point, the *Neue Kronen Zeitung* had two owners. When they decided to separate in 1988, one of the owners decided to take the other owners' shares but was not able to afford them. As a result he sold 45 per cent of the newspaper to the successful German company, *Westdeutsche Allgemeine Zeitung*. Then, approximately half a year later, the *Westdeutsche Allgemeine Zeitung* acquired 45 per cent of the second largest paper in Austria, the *Kurier*. In the following years, *Westdeutsche Allgemeine Zeitung* was able to raise their shares of the two papers and eventually acquired 50 per cent of the *Neue Kronen Zeitung* and 49.4 per cent of the *Kurier*. With the two companies coming together, they were able to create a company called Mediaprint in Vienna. Mediaprint handles advertising, printing and other business aspects and constitutes approximately 12.5 per cent of the *Westdeutsche Allgemeine Zeitung*. Mediaprint has around 1.5 million people subscribing to their services. Around 600,000 issues of the *Neue Kronen Zeitung* and *Kurier* are distributed throughout the country. In addition to these major newspapers, they also provide services for around three hundred other newspapers, which include various dailies, weeklies and monthlies from Austria and other countries as well. According to Anthony Weymouth and Bernard Lamizet (1996), authors of Markets & Myths: Forces for Change in the Media of Western Europe, Germany's strong influence, created less competition and pluralism in Austria's media market. Although some people voiced their opposition against monopolies in Austria in the 1990s, no groups were wrecked as a result. (Weymouth & Lamizet, 1996).

Another main Austrian paper that can still be seen today is called the *Der Standard*. It was established in October of 1988 as a liberal newspaper by a man named Oscar Bronner. It was printed in a pinkish color, creating competition for *Die Presse*. Initially, the supporter of this paper was the German Axel Springer Verlag until it extracted 50 per cent of its share in the company in 1995. Then, in December of 1998,

the German Verlag Süddeutsche Zeitung took over with 49 per cent of the *Der Standard*. *Der Standard* along with *Die Presse* constitutes approximately four per cent of Austrian readership every day.

Overall, in the 1990s, conglomerates began to take over more of the media's success. This was not only true for newspapers but other aspects of the media as well. Already, from the beginning of the 1980s, "...the media scene in Austria was characterized by shrinkage in the number of daily newspapers and increasingly overlapping ownership, with several major papers owned partially by foreign firms." ("Austria Press, Media, TV, Radio, Newspapers", n.d.). By 1993, the main newspapers in the country were the *Neue Kronen Zeitung* with a daily circulation of 1.1 million; *Täglich Alles* with daily circulation of 500,000; and *Kurier* with circulation numbers around 390,000. All of them produced higher circulation numbers on Sundays and were able to provide over half of the newspapers sold in Austria. In 1994, the country's circulation numbers were 2,530,000.

By 1996, Mediaprint held 54 per cent of the country's printing for newspapers and 51 per cent of the distribution (Kelly et al, 2004). In 1998, the *Süddeutscher Zeitungs Verlag* overtook the German Axel Springer Verlag's shares in *Der Standard*. However, the German Axel Springer Verlag still has a presence in the papers in the regional areas.

### **The End of the 20th Century**

Towards the close of the century, the Internet caught on quickly. By the end of the year in 2001, 53 per cent of the people were able to access the Internet and 42 per cent had personal connection in their own homes (Kelly et al, 2004). In 2004, the accessibility of the Internet increased nearly four times from where it had been in the year 2000. According to Mary Kelly, et al (2004), the media in Austria approached the Internet as another media method in addition to the newspaper, radio and television (p. 11). In response to the introduction of the Internet, many media mediums created websites. *Der Standard* was the first to create one and had other features on it other than just news. As a result, all the main publishers created a website as well, such as

the *Neue Kronen Zeitung* with [www.krone.at](http://www.krone.at) (Kelly et al, 2004). When *Die Presse* went online in September of 1996, they increased in readership numbers, and in 1997, they had approximately 316,000 readers. However, only one newspaper chose to survive solely as an Internet newspaper in August of 2000, and that was the *Taglich Alles*.

As for the periodicals at the beginning of the century, there were about 160 periodicals throughout the different regions in the country. Some of these weeklies and monthlies throughout Austria were very successful. The largest of them were the two weeklies, *Niederosterreichische Nachrichten* and the *Oberosterreichische Rundschau*. The *Niederosterreichische Nachrichten* had 27 local editions that accounted for around 10.7 per cent of the weeklies' circulation in Lower Austria, and for Upper Austria, The other, *Oberosterreichische Rundschau* accounted for around 11 per cent ("Austria Press, Media, TV, Radio, Newspapers", n.d.). The weeklies were able to provide more local news than the broad daily newspapers. Weekly papers were also catered to the multi-language community in the country, where the primary language is German. For example, in Klagenfurt and Carinthia, there are three weeklies entitled *Nedelja*, *Slovenski Vestnik*, and *Nas Tednik* and are printed in Slovenian and in Burgenland, there is the Croatian *Hrvatske Novine*.

Altogether, with the onset of the new century, Vienna was considered as "...the nation's press capital [as well as the] home of the largest newspapers, the national press agency, the journalists union, and press club." ("Austria Press, Media, TV, Radio, Newspapers", n.d.). Overall circulation numbers in the dailies in the year 2000 was over two million in total as is shown in this table from Kelly et al's (2004) book, The Media in Europe:

Name of Newspaper	Circulation Numbers
Neue Kronen Zeitung	1,133,000
Kurier	307,000
Kleine Zeitung	294,000
Oberosterreich Nachrichten	127,000
Die Presse	123,000

Der Standard	119,000
Tiroler Tageszeitung	118,000
Salzburger Nachrichten	105,000
Vorarlberger Nachrichten	73,000
Wirtschaftsblatt	59,000
<b>Total</b>	<b>2,458,000</b>

Unfortunately, the subsidies that were granted to the press industry were reduced. The highest amount was given in 1990 with €15 million. However, in 2001, it was cut to below €7 million, and this affected the press to where some had to close business. The Socialist's weekly, *Neue Zeit*, was established in 1945, and it slowly declined until finally, the government subsidies could not save it. But today, in Vienna, there were six daily newspapers with the *Neue Kronen Zeitung* in the lead in circulation and advertising.

### America

America's press, like Austria, has evolved and has a rich history filled with change. Also, like Austria, the end of the 19<sup>th</sup> century was a time where rapid developments took place and the press industry was at its peak. In 1900, the population of the United States was 75.9 million people. Immigrants were moving in and industrialism was taking place. Today those population numbers have grown to approximately 300 million people over 9 million square kilometers. In the same way that change has caused the population to drastically change, the change that has been set upon America has also significantly changed the press industry since the end of the 19<sup>th</sup> century.

At the beginning of the 20th century, there were approximately 1,750 daily newspapers generating about 151.1 million copies of newspapers throughout America. In 1910, there were about 2,200 dailies and 14,000 weeklies printed in English. New York was considered the capital of the press industry, with 29 daily newspapers in 1899. At this time, the newspapers also printed what was called "extras", which were special

copies of the news that were not issued on a regular schedule that would report the very latest news. Also, the new developments that were taking place along with the speedy evolution of technology were already beginning to take place. At this time, the newspapers were able to both receive and give out the news quickly with linotypes, folding machines, long-distance telephone, halftone processes for printing pictures and more (Sloan & Startt, 1996).

Besides keeping up with the big cities, other newspapers that served the countryside areas throughout the states were important as well. In fact, most of the population at that time lived in more rural areas and utilized newspapers to report news in their own communities. Many families also created weeklies as a family business (Sloan & Startt, 1996). Another important aspect of the American press was the special ethnic press that catered to the various ethnicities around the country. In 1914, there were around 1,300 journals and 140 dailies that were printed in 36 different languages. In 1905, a man named Robert S. Abbott created the *Chicago Defender* to report matters dealing with race. By 1915 the circulation numbers were around 230,000. However, when he promoted "The Great Migration" by encouraging Southern African Americans to move to more Northern areas to find more favorable circumstances, the paper was forbidden in certain places (Sloan & Startt, 1996). Overall, although some papers merged, the ethnic press declined as the years went on because many had trouble finding support from advertisers.

### **The World Wars, Sensationalism and The Great Depression**

Then, only several years into the new century, the press was subject to change with the onset of the First World War. At that time, both British and German propaganda infiltrated the newspapers. From the beginning, there was a strong presence that was for the British and French with the alliance that was formed with Britain. During this time, the Committee on Public Information, which included the secretaries of war, state and navy, controlled the media (Sloan & Startt, 1996). Its leader was a man named George Creel and was broken up into two parts. One part handled the foreign propaganda that was used overseas, and reached other continents other than just Europe. And the other section took care of the media in the states.



Also, there were three acts that were created to create censorship. Throughout America, there was unrest with the various cultures, affiliations and ethnicities. Some of the groups in the press, for example, the Socialist and German papers, were against America's presence in the war. Also, some newspapers were open toward voicing their support in treating the Japanese Americans poorly. In 1916, a Sedition Act was created that served to make the postal services more strict to certain newspapers, especially German, Radical, and Socialist papers. The government, Committee on Public Information and certain people in the country created an attitude that was intolerant of anything seditious (Sloan & Startt, 1996). When the First World War ended, the number of newspapers that were printed in a foreign language decreased. The German press, which was approximately 40 per cent of the foreign press in 1914, was reduced.

In the 1920s, tabloids, ostentatious photographs, and questions in regards to objectivity characterized the newspapers in the 1920s. This era in the press was called "Jazz Journalism." According to David Sloan and James Startt (1996), authors of The Media in America, "Photographers carrying bulky cameras roamed the streets, looking for scenes that recorded the frenzies of an era known for excitement over bootleggers, speakeasies, love nests, movie stars, bathing beauties, and the foibles of the rich and famous." (p. 346). Imagery was highly valued along with celebrities, with celebrity endorsements beginning to come into the media, along with sex and violence. Upton Sinclair, an American author, likened this type of journalism with prostitution. He said, "[it is] you who take the fair body of truth and sell it in the marketplace, who betray the virgin hopes of mankind into the loathsome brothel of Big Business." (Sloan & Startt, 1996)

Then, in the 1920s, a man named Joseph Medill Patterson introduced the press to tabloids. He established the newspaper, *Daily News* in New York City in the year 1919. It was small in size and was injected with the sensationalism of the time. The typical tabloid size was 40x28cm. The story of the execution of a woman named Ruth Snyder is an example of how some of the tabloids ran their newspapers. On January 12, 1928, the *Daily News* hired an outside photographer from another city to secretly take a picture of Snyder who was being electrocuted for murdering her husband. The

paper that featured that story had a large headline that said, "DEAD!" accompanied by a picture of Snyder being executed. Many people rose up to protest against the *Daily News*' actions. However, the paper managed to sell approximately 500,000 additional issues. By 1925, the *Daily News*' circulation numbers were reaching one million. In the decade that followed the *Daily News*' inception, other large cities created their tabloids. With the rise of the tabloids, there were some people who spoke out in defiance. Walter Lippmann, who was a former editor at the *World*, made an effort to sustain objectivity in journalism by training journalists. Other contemporary intellectuals said that the tabloids valued entertainment and was merely "picture writing" (Sloan & Startt, 1996).

When the 1930s decade approached America, the "Jazz Journalism" phase in the press began to depart. The main event that characterized these years was The Great Depression, which was caused by the fall in the stock market in 1929. The most severe years were between 1931 and 1932. During this time of economic difficulty, thousands of banks were shut down and by 1932, around one in four people were without employment. Some tabloids were ended, but *The Daily News* carried on. Many looked down on the years that preceded The Great Depression and blamed the "Jazz Journalism" time, saying that the tabloids hindered the people from seeing the events leading up to The Great Depression, and did not present the news clearly (Sloan & Startt, 1996). George Seldes, a journalist and press critic said, "It is held by many people that the failure of our newspapers to inform us honestly and accurately about the economic situation from 1927 to 1929, and the wish-fulfillment policy from 1929 on, constituted its greatest failure in modern times." (Sloan & Startt, 1996).

Then, with the onset of the Second World War, war came back into the news. Many papers were not for the United States becoming apart of World War II until Pearl Harbor was attacked in 1941. After that, many were for it. Many newspapers were also willing to submit themselves to the Code of Wartime Practices, which, again, caused the newspapers to be censored ("United States Press, Media, TV, Radio, Newspapers", n.d.). Also during this time, the Office of War Information was created in 1942 to take care of propaganda in the media within the United States as well as around the world. Reporters traveled all around the world, gathering news to report the war for

newspapers and other media mediums. Towards the end of the war, the number of dailies had decreased.

After the Second World War, chain ownership in the press grew. At this time, chain owners owned approximately two-fifths of the newspapers in the country. At the beginning of the century, only one-tenth of newspapers were under chain ownership. Also, objectivity was enforced more, and typical newspapers in this time included various pages for different groups of people such as women, kids, men, etc. in the papers. Also, people would pay from five to forty-five cents to subscribe to a weekly paper.

### **The Press and New Technology**

A phenomenon that occurred in the years after World War I was the growth of the radio. Although the radio was introduced before the events of the First World War, the military was able to use it during the war, and after that, it became one of the main mediums in American media. The people were able to receive the news and entertainment faster and this created competition for the newspapers. From the time between the 1920s and 1940s, America would lose around 300 daily newspapers. Now, although the radio could not provide the people with detailed information like the newspaper, over the years, the advertisers' investments in newspapers decreased. In 1929, the advertising expenditures for newspapers went from 54 per cent to 38 per cent ten years later, while advertisements in radio increased. In 1929 national advertising in radio was 4 per cent and in 1939 it was 27 per cent.

The next major shift in the American media occurred after the Second World War with the growth of the television industry. Like the radio, the television was not solely introduced after the war, but it was during that time that it was able to grow exponentially. In 1946, there were about six television stations. By the year 1949, America held over 100 television stations; and by 1970, that number increased significantly to where there were around 900 with approximately 95 per cent households having a television. From the next 50 years after 1940, the circulation numbers in the American press declined from there being one newspaper for every two adults to one

for every three adults by the year 1990 (Stephens, n.d.). Over time, the television became a threat to newspapers as the television networks began to grow as big as the country's largest newspaper companies (Sloan & Startt, 1996). According to Everett Rogers and Francis Balle (1985), authors of The Media Revolution in America and Western Europe, the television industry accounted for about half of the entire nation's advertisement revenue by the 1980s (p. 55).

Shortly after the television took flight, more new technology was introduced. "In the period between 1945 and 1974, newspaper technology was revolutionized as publishers embraced computers and new ways of getting ink on paper." (Sloan & Startt, 1996). The way newspapers were arranged and printed became easier with the help of new technology in the pressrooms, particularly in the 1960s. At first, in the 1960s, newspaper companies would utilize both old and new technology in the production of papers by using both the linotype and computer. Then, eventually the idea of "desktop publishing" came about. Desktop publishing included working with a personal computer with special software and a printer on the desk. The special software would allow the production process of the newspaper including the writing of stories, changing in layouts, editing, libraries for graphics and more ("Desktop Publishing", 2008)

In 1980, the number of dailies throughout the country totaled to around 1,700. The advertising income of that year was over 8 billion dollars, three billion dollars more than what it was five years prior to that. In 1981, the circulation numbers for dailies across the States reported 29.5 million copies from 400 morning newspapers, 32.8 million copies from almost 1,400 afternoon dailies, totaling to around 62 million in daily circulation (Rogers & Balle, 1985). Also, there was a rise the Sunday newspapers to where there were around 55 million Sunday papers being issued in 1980. In 1982, there were less than 36 cities throughout the country with daily newspapers competing against one another and by this time, chain ownership was prevalent within the American press. The trend of cities having multiple newspapers declined. This was something that grew especially during the 1960s and continued to grow. In the 1960s, the numbers of local owners of newspapers began to decline while the number of chain owners continued to rise. By 1960, approximately 563 daily newspapers were under

the control of 114 chain owners, which constituted for around 32 per cent of the daily newspapers in the country (Sloan & Startt, 1996). By 1977, around 1,061 daily newspapers were under chain ownership, which was about 60 per cent of the daily newspaper population. By the 1980s, around 150 groups led around 1,150 dailies, which constituted around 65 per cent of the daily newspapers. Rogers and Balle (1985) found that more than one-half of the chain owners only controlled a few papers, there were a few large papers that really influenced the industry as a whole. For example, around that time, Gannet, a company that established *USA Today* (a successful newspaper that used large, color pictures, short articles and was distributed to 32 different places in America (Stephens, n.d.). In 1982 Gannett owned around 100 dailies, creating circulation numbers around 4 million. Another chain owner was the Hearst chain with 1.3 million people reading their 15 newspapers every day. Dow Jones accumulated 2.4 million and Scripps-Howard had 1.5 million. Altogether, the top ten chain groups constituted over 35 per cent of America's circulation numbers (Rogers & Balle, 1985). Also according to Rogers and Balle (1985), the United States did not have a "national" newspaper like many of the countries in Europe with a number of different newspapers generating large circulation numbers (p. 47).

Towards the end of the 1980s, the idea of videotex was introduced. Basically, videotex was a system that allowed people to create a subscription to newspapers from their home computers. Some newspapers would give a special password to people, allowing them to be accessible to the newspapers' data. According to Sloan and Startt (1996), "Such services indicated an awareness on the part of the publishers that no longer were they strictly in the business of putting ink on paper." (p. 560). Then at the beginning of the 1990s when the Internet became more prevalent in American media, many newspapers went online and that number increased over the next decade. According to Zhanwei Cao and Xigen Li (2006), authors of an article called "Effect of Growing Internet Newspapers on Circulation of U.S. Print Newspapers," the Internet's relationship with the print newspapers was not as fatal as many predicted it would be, however, overall there has still been a decline in circulation since the 1990s. With the onset of Internet newspapers, 43 per cent of publishers said that the number of Internet

newspaper readers lessened their print reader population, though it did help the overall readership of their newspaper for some (Cao & Li, 2006).

### **The Dawn of the 21<sup>st</sup> Century**

During the last years of the 20th century, the number of chain owners increased and influence from technology increased.

[From the year 2000,] despite the growing population and affluence of the United States, many newspapers continue to suffer from declining or stagnant circulation...Fierce competition from cable channels, network television, radio and the Internet continues to cut into newspapers' market share and circulation. ("United States Press, Media, TV, Radio, Newspapers", n.d.).

From 1990-2001, the circulation numbers among small-sized newspapers declined, especially after 1995 (Cao & Li, 2006). By the year 2002, the circulation numbers for 2002 decreased by 6 per cent from 1990 and the numbers for weekday circulation decreased 11 percent in 12 years ("2004 Annual Report - Newspaper Audience", 2004). In 2006, the circulation numbers for the top 15 newspapers in the country from the Audit Bureau Circulation from the article, "Top 100 Newspapers in the United States", 2006) were as shown:

<b>Name of Newspaper</b>	<b>Circulation Numbers</b>
USA Today (Arlington, VA)	2,528,437
Wall Street Journal (New York, N.Y.)	2,058,342
Times (New York, N.Y.)	1,683,855
Times (Los Angeles)	1,231,318
Post (Washington, DC)	960,684
Tribune (Chicago)	957,212

Daily News (New York, N.Y.)	795,153
Inquirer (Philadelphia)	705,965
Post/Rocky Mountain News (Denver)	704,806
Chronicle (Houston)	692,557
Post (New York, N.Y.)	691,420
News/Free Press (Detroit)	669,315
Morning News (Dallas)	649,709
Star Tribune (Minneapolis)	606,698
Globe (Boston)	604,068

As time went on in the new 21<sup>st</sup> century, newspapers in America continued to decrease. As of lately, a number of newspapers all over the country have begun to become close to closing business. For example, at the end of the year 2008, the *Star-Tribune* in Minneapolis, Minnesota, filed for bankruptcy. The *Star-Tribune* found themselves responsible for \$661.1 million, but only had \$493.2 million in assets (Kaplan, 2009). Then, the owner of the *Philadelphia Inquirer* and *Philadelphia Daily News* from Pennsylvania found themselves in a similar situation to the *Star-Tribune*. According to the Audit Bureau of Circulations, the *Philadelphia Inquirer's* weekday circulation, as of September 30, 2008, had decreased 11 per cent, and their average Sunday circulation numbers decreased 14 per cent from the year before (Lentz, 2009). In his article, "Philly Newspapers File for Bankruptcy," Bob Lentz (2009) wrote, "Philadelphia Newspapers Inc., owned by Philadelphia Media Holdings, is the second newspaper company in two days, and fourth in recent months, to seek bankruptcy protection." Then, towards the end of the year 2009, Freedom Communications Holdings Inc., a company that owns a number of different newspapers throughout the country including *The Orange County Register*, located in California, and the *Jacksonville Journal-Courier* in Jacksonville, Illinois, made the decision to file for bankruptcy protection. The company found itself in financial difficulties when the advertising income decreased significantly. In response to the company's actions, Burl

Osborne, the chief executive of Freedom Communications, said, "Reaching this agreement with our lenders provides us with an orderly process to realign our balance sheet with the realities of today's media environment." (Liedtke, 2009). Michael Liedtke (2009), author of the article entitled "Newspaper Chain Files Chapter 11 Bankruptcy," which reported Freedom Communications Holdings Inc.'s story wrote that Freedom was at least the tenth newspaper publisher to seek protection from becoming bankrupt within the past year.

[So] the number of newspapers in the United States has continued to shrink, even as the country has experienced substantial growth in population, affluence, and literacy. At the beginning of the twenty-first century, the country's population was slowly aging, as a result of the post-World War II "baby boom," and older Americans have tended to be more frequent newspaper readers than younger persons ("United States Press, Media, TV, Radio, Newspapers", n.d.).

In spite of the efforts to boost readership in American newspapers with Internet newspapers, the overall trend in the United States is a decrease in the newspaper industry.

### **Analysis**

By looking at the research from both countries, it is apparent that the newspaper industries in both Austria and America have undergone significant changes from the events in the 20<sup>th</sup> century, along with the first several years in the 21<sup>st</sup>. Research also shows that Austria remains more successful in sustaining their newspaper industry today in comparison to the American press, where newspaper readership has significantly declined over the last century.



At the beginning of the 20<sup>th</sup> century, Austria was a larger country than it was today when it was under the Austrian-Hungarian Empire. Its newspapers were characterized by the success of the tabloids, especially the *Illustrierte Kronen Zeitung*. America, at this time, was expanding vastly and the newspapers were still successful from its peak in the previous century. Also, the country's population numbers were growing rapidly.

Then, when the World Wars came about, both newspapers were affected. Austria experienced dramatic changes with the different changes in power. After the First World War when the Austro-Hungarian Empire was at its end, the political papers were on the rise, only to be suppressed a little while later with the onset of the Nazi powers during the Second World War. While Austria's news industry was being subdued and controlled by the new powers, America's news industry was flooded with what was happening overseas while experiencing some domestic turmoil with certain cultures within America that were against America's involvement in the war or even sympathetic towards Germany. The American press had to be censored during the time when the World Wars took place because of all the different cultural affiliations within the country to prevent any kind of seditious attitudes. In both countries, the press was key in reporting the wars and what was happening.

After the Second World War, both Austria and America experienced changes in technology. However, Austria's future with new technology was different from America's. It seems that Austria was formerly introduced to new technology when the Österreichischer Rundfunk was established over both Austrian radio and Austrian television in the 1950s. Österreichischer Rundfunk became a strong broadcasting company that also had roots extended in various countries. The public broadcasters and local press barons were able to co-exist (Kelly et al, 2004). In America, the radio was not only quick to infiltrate the American media but it was also quick to damage the newspapers. This is shown in the way the advertising expenditures for newspapers decreased as they increased with the growth of the radio. Although the newspapers tried to work with the radio, it did not work. Then, when television came into the scene, it took away audiences and people from both the radio and newspapers industries and

rose to become the ruling medium. Although the onset of computers and desktop publishing improved the American newspapers, overall, its relationship with technology was negative.

In the latter half of the 20<sup>th</sup> century, although the newspaper industry was no longer the main media medium, Austria gained support with subsidies from the government and media conglomerates. Comparably, in America, the number of chain owners increased. In Austria, German media became more involved in Austria's media market. For newspapers, the *Westdeutsche Allgemeine Zeitung* invested in Austria's top newspapers and the German Axel Springer Verlag invested in other Austrian papers. Weymouth and Lamizet (1996) said, "The consequence of such a strong German presence in the Austrian media market...is a reduction in free competition and genuine pluralism." (129). Meanwhile, in America, the number of chain owners did increase, however, decreasing advertising revenue and readership continued America's newspapers on its downward path, causing newspapers across the country to be at the edge of demise today.

In conclusion, the Austrian and American media have evolved from the events of the 20<sup>th</sup> century. For Austria, its help from various sources have sustained the press, with foreign media providing a lot of the help in establishing strong media industries within the country. As a result, there is little room for congestive competition in the media within this little country that is the size of a single state in America. In America, its newspaper industry's success has been hurt by the other forms of media and has been losing the competition against those other mediums.

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