Despite the fact that books had already proved themselves to be a highly adaptable commodity that prospered in the booming market conditions of mass production as early as the time of Charles Dickens and Victor Hugo, "one might almost as convincingly hold that book publishing was the last culture industry to attain modernity. Not until after World War II did it become part of the large corporate sector, and adopt the practices of publicity and marketing characteristic of monopoly capital" (Ohmann 1996: 22). Today, the book is fully integrated into our information age with its global media market. The last three decades of the twentieth century undoubtedly witnessed a radical transformation of a trade that had always seen itself as slightly apart and different from others. As trades go, publishing is a highly contextual business which operates under various different conditions, and thus looks very different in different parts of the world. Substantial local and regional variations in cultural identity, political and legal frameworks, language, economic structure, and social demographics, obviously influence the way in which books are produced. The diversity that results from such complexity cannot be fully accounted for here. Instead, the following chapter takes a different approach and suggests that the story of producers can be told by describing three interrelated themes that suggest a structural and far-reaching reorganization of contemporary publishing, the consequences of which reverberate both locally and globally. These themes are: conglomeratization, content, and convergence.

**Conglomeratization**

Perhaps the most obvious change in the business of publishing during this period is the way in which it moved from being mainly a privately and independently run and owned, small-scale endeavor to being part of larger, increasingly transnational, media conglomerates, so-called TMCs. This is a term used to describe the apparently haphazard amalgamation of disparate corporate entities sheltered by one huge corporation...
which buys everything in its way. Gulf and Western is an early example of such conglomeratization, at one time owning land in the Dominican Republic, insurance companies, racehorses, sports teams, and lingerie manufacturers, as well as the publisher Simon & Schuster and Paramount Pictures (Bagdikian 2000: 28–9).

The integration of publishing into these larger conglomerates began in the 1960s and can be described as a three-stage process. Though close scrutiny will prove that we are not witnessing a perfectly chronological sequence, but rather seeing a fluid process in which some of these broader tendencies overlap in time, we can still summarize it as: (1) beginning with the buying of textbook publishers by companies which had little or no previous experience of publishing; (2) continuing with the buying of trade publishers by larger media corporations; (3) the vertical and horizontal consolidation of the contemporary transnational media corporation including its holdings in print.

The acquisition of textbook publishers by corporations like IBM, ITT, Westinghouse, and Xerox was initially prompted by an anticipation that buying software or “content” would – in combination with the hardware already at the disposal of these companies – serve as the ideal strategy at a time when teaching and education were perceived as one of the largest potential markets. Together with trade and professional books, education is one of the three major segments of the publishing industry. While much of this discussion centers on trade publishing – mostly for its cultural rather than financial significance – professional and educational publishing can hardly be discounted in a society that increasingly pivots around the acquisition of information and knowledge. Consequently, textbook publishers are major businesses in their own right displaying similar characteristics of concentration and consolidation as trade publishing. Evidence of this strategic role is the fact that the period’s largest acquisition in printing and publishing history was the sale by Viacom of Simon & Schuster’s textbook unit to Pearson PLC in 1998 (Mergers & Acquisitions Review 2000: 288).

The second wave of corporate invasions of publishing occurred when corporations such as RCA, CBS, and Gulf and Western began to purchase trade publishing houses. The story of Random House is a good example of the buying and selling pattern typical of this consolidation. Bought by RCA for $40 million in 1966, Random House had already purchased Knopf in 1960 and Pantheon in 1961. Sold to the Newhouse group (Advance Publications) in 1980, they then in turn traded Random House to the German company Bertelsmann for $1.4 billion in 1998. Currently, Random House acts as the corporate umbrella for over a hundred publishing houses in thirteen countries, owning imprints such as the previously mentioned Knopf, but also Ballantine Books and Bantam Dell in the US, Plaza & Janés in Spain, Goldmann in Germany, as well as several venerable British publishing houses such as Jonathan Cape, Chatto and Windus, and the Bodley Head.

The third stage – which is the most interesting for us – can perhaps be best described as a further consolidation of stage two, in that we now see these developments operating in a distinctly transnational media market. Publishing has by now left behind its tradition of being a set of family-run businesses and become integrated into transnational media conglomerates, conglomerates that look very much like a Russian babushka doll.
where the largest doll holds a smaller one, which in turn holds a still smaller one, until the most minuscule is reached. Translated into publishing, this means that if Jonathan Cape is now an imprint within Random House, Random House is only one of many companies owned by Bertelsmann. Within these larger media conglomerates, book publishing rarely constitutes more than a small part. In 2000, Time Warner Trade Publishing’s contribution to Time Warner’s total revenues stood as a mere 1 percent. HarperCollins provided 7 percent of its parent company News Corporation’s total sales, and Simon & Schuster’s contribution to the Viacom total revenue was expected to decline, as a result of the purchase of CBS in 2000, from 5 percent to 3 percent. In 2000, Random House had sales of $2 billion, representing approximately 12 percent of its parent company’s total revenues (Milliot 2001: 62–3). The emergence and consolidation of the media conglomerates must also be seen against a much larger backdrop of general transnationalization and globalization where the growth of transnational corporations in all types of businesses has been most dramatic in the developed countries.

On the one hand, this period appears to be one in which the market for books expands and becomes truly global; on the other hand, this development is matched by another, in which the control and ownership of publishing through the media conglomerates becomes ever more concentrated. Names and owners come and go, since the *modus operandi* of the conglomerate process is a continuous state of mergers and acquisitions, alliances and licensing deals that, during the 1990s, resulted in a “tiered global media market” (Herman and McChesney 1997: 52), where a handful of companies represented the most important and powerful. Although several of these were American, most notably Time Warner, Disney, and Viacom, the increasing transnational nature of the media market also meant that many companies rising to global prominence at this time were located outside the United States, but with substantial investments in American publishing, leading to a growing recognition that the United States was by no means immune to what some referred to as a possible “takeover” by European interests (Barrett and Cavanagh 1994: 105). Major players based outside the United States at the beginning of the twenty-first century were Rupert Murdoch’s News Corporation, the German firm Bertelsmann, the Dutch–British Reed Elsevier, the Dutch Wolters Kluwer, the Canadian Thompson, the British Pearson PLC, and the two French giants Lagardère and Vivendi Universal. It is interesting to note that all of the above non-US corporations have a history in print culture, several of them starting out as publishing houses, whereas firms such as Time Warner, Disney, and Viacom have stronger ties to movies, music, and television.

Undeniably, conglomeratization meant a structural transformation in the way in which publishing as a business was conducted. What emerged was a new economy and with it came new players onto the field, not necessarily because they desired to work with books, but rather because they were equipped with the know-how demanded by a new type of market. For instance, the literary agent knew how to negotiate and promote the deals that some authors never expected: in particular, the subsidiary-rights race that began in the wake of a truly successful book with paperback publishing, but would then branch out into major licensing deals for everything from movies to duster...
covers. Other developments that had a considerable impact on the industry were the technological breakthroughs in inventory control, in particular the arrival of computerized systems that would indicate how well a book was selling. This was the corporate technologizing of books: the idea that everything could be tracked, understood, and made profitable by the new gadgets of surveillance. Add to this that the product itself— the text— faced massive challenges in the shape of things to come— e-books, hypertext, and more— and it all added up to a reconfiguration of a business that had existed without fundamental changes since the emergence of the mass market for such writers as Dickens and Hugo.

Of course, it was only to be expected that such profound restructuring would have a less tangible, but every bit as revolutionary, impact on those who worked in publishing: it caused an identity crisis that took many by surprise. Thomas Guinzburg, who sold Viking to Penguin in 1975, expressed a sense of lost innocence when reflecting on the deal, which looked ideal on paper, but quickly turned sour in real life. Penguin did not understand, Guinzburg said, after being ousted from the company, that "our intuition for books was always central" (quoted in Whiteside 1980: 145).

Despite statements to this effect, the business of publishing was never at any time or place a homogeneous and harmonious field— quite the opposite, in fact— and yet it is generally assumed as a truth of sorts that it used to be a calling where profit margins were low but steady and thus offered you a line of business you rarely entered for profit but because you had some sort of relationship with books and reading. In other words, publishing was "run by its editors rather than its accountants" (Schiffer 2000: 81). The rewards you could hope to reap in such a system were intangible, coming to you in the shape of cultural and social capital rather than in dollars or pounds. Building a reputable stable of writers was a long-term rather than a short-term commitment, where investments were made in authors based on what they might achieve in the future and dividends put on hold until they eventually— many years in the future perhaps— provided a return on that initial investment. One of the basic premises that made such reasoning possible was that publishing operated on a principle of swings and roundabouts. If the publishing house was fortunate enough to secure a bestseller, then the substantial revenues that could be expected from that book would subsidize the losses incurred by less-successful and perhaps occasionally controversial books, books that nonetheless were judged important as part of the overall publishing program. Although having the occasional bestseller was important, it was the offerings of the house in its entirety, as well as a well-managed backlist, that finally justified the work of a publisher.

In his memoir The Business of Books (2000), André Schiffer described a meeting in January 1990 with Albert Vitale, the man brought in to lead Random House when Newhouse purchased the publisher. The topic for their discussion was the spring 1990 list, one that the editors were particularly pleased with, partly because it included books about that highly popular cartoon family, The Simpsons.

Vitale looked through the books that we were to publish... "Who is this Claude Simon?" he asked disdainfully, having clearly never heard of the Nobel Prize-winning
novelist, "and this Carlo Ginzburg?" probably Italy's best-known historian. I then noticed that he would begin reading on the right side of the page, where the print was smaller, and only then moved to the puzzling titles. For him, it was as if we were a shoe manufacturer, making shoes too small to fit most customers. "What is the sense of publishing books with such small printings?" he shouted. Were we not ashamed of ourselves? How could I face myself in the mirror each morning knowing that I wanted to publish such hopelessly unprofitable titles? The list included Groening's books, which, according to our reckoning, would cost more than amply pay for the losses that might be incurred by the more difficult books. But Vitale's new policy was that each book should make money on its own and that one title should no longer be allowed to subsidize another. (Schiffer 2000: 91)

Schifferin's account expresses in a nutshell the clash between the old ("swings and roundabouts") and the new ("bean-counting") approach to publishing. The relentless search for bestsellers and the demand that each title carry its own weight — both ideas seen as the result of conglomeratization — placed the two men in opposite corners: one following in the tradition of those who know how to "read" and the other belonging to those who know how to "count" (Bourdieu 1999: 16).

Even if we are compelled to accept this description of a widening split in attitude toward publishing, it is one in dire need of additional clarification. Publishing has always been two things at once: a commercial activity as well as a cultural one. The scales might have tipped in favor of the former during this period, and being subjected to the whims of the market no doubt provided an unwelcome wake-up call to the realities of corporate life. As it developed during this period, the identity crisis of the business can be related to this built-in dichotomy in which publishing — and trade publishing in particular — is seen as an entry that needs to make a profit, on the one hand, and, on the other, clings to a die-hard self-image as a unique undertaking operating according to its own economic laws.

The importance of publishing in monetary terms borders on the insignificant, yet the symbolic capital at stake was and is substantial. The impact of this trade reaches therefore far beyond what its relatively modest contribution to the media conglomerates and other transnational corporations suggests, and we must rather search for the reason behind the continued importance of print properties elsewhere. Albert Greco's point that "the U.S. book industry was the prestigious keystone of the entire mass communications industry, primarily for the 'content it generated' is therefore an interesting one to consider (Greco 1997: 45).

Content

A privileged word in the language of the media conglomerates is content. Content ownership was a major incentive behind the conglomeratization and concentration in media and publishing. But few things are as prone to politics as statistics. While some say that the title output has never been so impressive, growing by 256 percent in the United
States between 1960 and 1989 (Greco 1997: 34), others disagree and point out that since a handful of companies now controls the market, this is only a smoke-screen argument, since it hides the fact that true publishing clout of the kind only available to the media conglomerates is necessary in order to sell and display a publisher's books in chain bookstores that "are now able to demand almost whatever terms they wish from the major publishers, who are pressed to pay large amounts of co-op advertising money if they want their books to be placed prominently in the stores" (Schiffrin 2000: 124). Be that as it may, a common observation is that the market tended to become increasingly polarized. It was also characterized by the emergence of the "brand" authors at the beginning of the 1970s, many of whom were women – Judith Krantz, Jackie Collins, and Shirley Conran come to mind. These authors not only tapped into a new market but could also command advances and advertising budgets that marked a new era in publishing.

In his survey of the symbolic boundaries marked out in French and American publishing, Daniel Weber noted that French publishers were more prone to "justify a desire to launch a bestseller as a means of subsidizing a more difficult or experimental work" than their American counterparts (Weber 2000: 128). In general, the American publishers Weber interviewed were largely utilitarian in their approach to literature, relying on the market to determine what constituted a good book. The French interviewees, on the other hand, were more sensitive to the possible effects of recent publishing trends, such as conglomeratization, and expressed concern for the possible fate of French literature and language in the wake of importation and translations (Weber 2000: 141). The concern of the French editors can, of course, be attributed to many things, among them the desire to appear to be an alternative to mass-market mainstream publishing and to the specter of "Americanization."

While it is practically impossible to capture the range of content made available by book publishing, one can at least observe that is it mostly written and published in English. According to UNESCO (2004), almost 50 percent of all translations are made from English into various languages, but only 6 percent of all translations are into English. Merely 2.96 percent of the books published in the US in 1990 were translations; in Britain, the number was 2.4 percent for the same year (Venuti 1999: 12). In 1994, 1,418 of the 51,863 books published in the US, or 2.74 percent, were translations (Venuti 1998: 160). Between 1968 and 1992, only 2 percent of the books on Publisher's Weekly annual list of bestsellers came from non-English language authors (Lemieux and Saint-Jacques 1996: 285). A comparison of book translations in the so-called SIACS (States in Advanced Capitalist Societies) – France, Germany, Japan, the Netherlands, Spain, Sweden, UK, and the United States – between 1983 and 1985, substantiate these findings. English is the language from which most translations occur. This tendency to dominate is corroborated by the reciprocally minimal ratio of translations going the other way (Held et al. 1999: 346). This subject is further discussed by Claire Squires in chapter 30 of this volume.

According to one of the very few sources we have on the global production of books, The UNESCO Statistical Yearbook 1999, most countries have a negative trade balance
when it comes to the import/export of print culture and, if we accept these numbers at their face value, then we can conclude that – with a few notable exceptions – the entire world engages in the importation of textual material that the UK and the US exports. However, we need to interpret these statistics with some care. We can almost certainly discern tendencies of exclusion, whereby entire continents such as Africa display negative trade balances over time, whereas the US and the UK consistently display positive trade balances (UNESCO 1999: iv. 134–50). However, most accounts of the advantages and disadvantages of being an “importer” as opposed to being an “exporter” are far too sweeping in their generalizations. For instance, cultural movements of this sort are not simple, and their benefits and drawbacks can rarely be found only on one side.

While the global economy thrives on increasingly complex flows which no longer can be explained by a straightforward connection between language and nation-state – and several of the most powerful transnational media corporations today are non-US based and non-US owned – most TMCs are still building their empires on the English language: in research, in entertainment, in literature. In order to reach a global audience for an author writing in a “minor” language, translation first into English is absolutely necessary. If all we needed in order to prove linguistic power were numbers, then Chinese would appear to do well. As it is, English remains the vernacular of the world.

Convergence

If one of the major motives behind conglomeratization was the accumulation and control of that valuable asset “content,” then it was a consolidation in two dimensions: vertical – the mergers and acquisitions of publishing houses according to the principles discussed previously – but also, and perhaps even more importantly, horizontal, ensuring the same kind of control over all possible distribution channels used in order to distribute the content in question. And this is the point at which the third element enters the picture – the component of convergence – the possibility of drawing on a number of new technologies in order to exploit their potential to the fullest: on telecommunications, cable, and the Internet. By the end of this period, convergence suggested not only that the traditional functions of telephones, television sets, and personal computers were about to merge, but also that this represented the erasure of traditional boundaries between media forms, and the commingling of diverse platforms in media, telecommunications, and software. This was a development that promised to bring together the compounded assets achieved by years of consolidation in a hitherto unprecedented manner.

The year 2000, a significant year in terms of mergers, saw two major, well-publicized deals with a clear impact on the global media market: the acquisition of Time Warner by America Online, and the arrival of Vivendi Universal. On December 8, 2000, Vivendi (the result of the 1998 merger between Compagnie Generale des Eaux and Havas, one of the largest publishing groups in France) announced its merger with
Seagram (owner of, among other things, the Universal Music Group and Universal Studios and ranked twenty-third among the world's one hundred largest transnational corporations in the World Investment Report 2000) and Canal+ (one of Europe's largest pay television providers) to produce Vivendi Universal.

As with media, telecommunications were also becoming global, through alliances and cross-national mergers, partnerships and acquisitions. Even more than in the former area, deregulation was central to the expansion of telecommunications. Increased global cultural flows, digitization, the importance of information, and, above all, the critical breakthrough of the Internet into millions of homes, created market euphoria within the media conglomerates. Even publishers' backlists, once regarded as valuable property but rather ignored in the pursuit of the next bestseller, now seemed to offer an opportunity for revival. In his book *The Agent: Personalities, Politics, and Publishing* (2001), Arthur Klebanoff, one of the founders of the electronic press Rosetta Books, tells of his experience of trying to secure electronic rights to books by Kurt Vonnegut, something that caused the original publisher, Random House, to take Rosetta Books to court, arguing that these rights were included in the original contracts, an argument the court rejected. The material and immaterial repercussions of e-books, a new kind of "book" that few publishers knew what to make of, were very real in Klebanoff's world:

Delivery to the consumer by almost instantaneous download; a reading experience limited only by the pace of new technology, with the appliances and software packages which make it work; easily adjusted font size for those who prefer larger type; search engines that find words in context, anywhere throughout a book, instantly; dictionaries that define and even pronounce highlighted word; on-screen note taking and highlighting, used to collect and summarize information for writing papers; and a storage capability equal to forty books in a single handheld device, with compression technologies coming to market which will multiply that amount by ten. (Klebanoff 2001: 7-8)

The promise of a golden technological future may have triggered the AOL–Time Warner and Vivendi mergers, but both conglomerates fell on hard times in 2002. The combination of a brutal stock-market backlash and the September 11 terrorist attacks on New York and Washington in 2001 swiftly turned a technological dream into a nightmare. Shares plummeted and heads began to roll. Throughout the summer of 2002, it became clear that the grand edifice that the media moguls had built was nothing more than a house of cards. Bigger had not meant better, and very little, if anything, of the hopes of synergy and convergence had been realized in an economy that showed no signs of recovery. The days of the media-shopping spree were over, at least for the time being. As 2002 drew to a close, nobody was heard promoting convergence, the Internet hype was long gone, and more conservative executives stepped in to replace those that had been associated with the dot.com era, and selling instead of buying became a favored corporate activity.
Conclusion

The story of publishing during the three final decades of the twentieth-century is easily read as a tragedy that, in a way, has altered (for the worse) the business of books. However, an alternative view could claim that publishing before conglomeratization was a backward, inefficient, and even at times an unprofessional business (Whiteside 1980: 13–14), which was in dire need of modernization.

It was a trade not only marked by bursts of eccentricity, but also by a distinct gender bias and equally apparent class distinctions that operated to increase rather than reduce the differences between highbrow and lowbrow. But perhaps more than anything, the story of how publishing became part of the media conglomerates is a male story. Perpetuating a nostalgic longing for a mythical time when publishing was a profession for gentlemen is a stratagem that increases in strength as the market pressures from consolidation and concentration transform the global media landscape.

During this period, women became part of publishing and the book business to an unprecedented degree, and they made their mark as publishers, editors, writers, and readers, perhaps most visibly within the mass-market domain of paperbacks and best-sellers. The history of their impact on the events I have described still remains to be written. "All publishing was run by many badly-paid women and a few much better paid men: an imbalance that women were, of course, aware of, but which they seemed to take for granted", writes Diana Athill, long-time editor (and partner) at André Deutsch in her book Stet: A Memoir (2000). An exception to the lack of documentation on the role of women in publishing, Athill’s fifty-year career as editor represents a first-hand experience of how publishing once was allowed to operate according to charmingly idiosyncratic rules but then became just one cog in the media machine that in the end is just there to enhance the total value of the parent conglomerate. Today, books are by and large expected to meet much higher profit margins. Since it is equally desirable that they perform well individually rather than in the context of a complete publishing program, internal subsidization and long-term investments are no longer considered part of a viable publishing strategy.

Where once there was a publishing house relentlessly searching for quality or a bookshop with an owner passionate to promote a good read, now stretches the desert-like corporate spaces of major multinational media conglomerates whose understanding and appreciation of books and reading is close to nil. In fact, this is no doubt an oversimplified account of the current state of affairs, if for no other reason than that it assumes too much, both of the present and of the past.

In trying to summarize these developments, one finds, perhaps inevitably, both pros and cons. Despite the fact that they made independent booksellers go out of business, the arrival of the multi-stores Barnes & Noble, Borders, and Waterstones have helped to create a new form of public space. The technological advances of print-on-demand and e-books might solve permanently the problem of keeping seldom-asked-for titles available. However, looked at from another perspective, this technological wonderland
can be counterproductive, hindering public accessibility to a wide range of literature by celebrating a market dedicated to a mass audience. However, the mushrooming of transnational media conglomerates have not been an obstacle to the simultaneous growth of small and specialized publishers which can be both successful and quality-conscious, and the Internet holds the potential for fostering new, niche presses. The mergers and acquisitions will no doubt continue, just as assuredly as the players and corporations involved will have different names.

Perhaps the most accurate account of what has taken place in this highly volatile business is to suggest that it illustrates an inherent polarization: between centralization and decentralization, between consolidation and diversification, between expansion and contraction, between art and business. Whatever else can be said, the growth of an increasingly transnational and global media market, conglomeratization, content, and convergence proved a combination that dramatically, and permanently, changed the face of publishing between 1970 and 2000.

REFERENCES AND FURTHER READING


