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The Epistemology and Ethics of Media Markets in the Age of Information

Abstract:

The paper will seek to demonstrate that information as communication has a dual inherent normative structure that commits its disseminators, especially the media, offline and online, to epistemological and ethical principles that are universally mandatory. With regard to the dissemination of information by the media, its *business intelligence* constituted by its commercial interests as a *media market* must always be congruent with *moral intelligence* on the basis of the epistemological and ethical universal principles that the dual normative structure of information gives rise and to which the media itself is committed. When the media's business intelligence comes into conflict with moral intelligence, the latter must always take precedent over the former. Moreover, the communication of information to the public by the media, offline and online, even if conceived merely as another *market commodity*, commits the media to ethical conduct regardless of any other commercial interests that may come into conflict with the media's ethical commitments to the public.

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Introduction

In keeping with the theme of this special issue of IRIE, “business intelligence meets moral intelligence”, the paper will seek to demonstrate that with regard to the dissemination of information by the media, its “business intelligence” must be congruent with “moral intelligence” and when in conflict moral intelligence on the basis of universal moral principles that the media itself is committed to, must always take precedent over the media’s own business intelligence. The communication of information to the public by the media, offline and online, even if conceived merely as another *market commodity*, commits the media to ethical conduct irrespective of any other commercial interests that may come into conflict with the media’s ethical commitments to the public. In summary, this is for at least three reasons:

- (1) Information as communication has a *dual inherent normative structure* that of necessity commits its communication by all *informational agents*, including the media especially, to ethical conduct that cannot be avoided or overridden by any other conflicting self-interest, including commercial interests.
- (2) With regard to the dissemination of information in the form of *news*, the media, and especially the media in the form of journalism, is committed moreover, by its own internal professional ethical code, to the fundamental principle that the public has a right to know and be informed on matters of public interest truthfully, in an unbiased, balanced and fair manner¹⁰⁸.

¹⁰⁸ The public’s right to know or the public’s right to be informed on matters of public interest is a fundamental principle of journalism enshrined in practically all journalistic ethical codes around the world. It is in fact, what gives the media in the form of journalism, its special status as the 4th Estate, a role that allows them “freedom of the press” and other special privileges not shared or allowed to other commercial enterprises, even to the government that has limited powers to what information it can lawfully access and disseminate on matters concerning its citizens. This places the media, at least in the form of journalism, in a special privileged position in the access and dissemination of information to the public. It is a privilege

- (3) Even if information in the form of communication is construed as a marketable commodity subject to the same commercial exploitation as other marketable commodities, the media perceived merely as a commercial enterprise is also bound to ethical conduct. For consider: if information is conceived merely as a marketable commodity, then media-markets have a similar responsibility as the food industry or the pharmaceutical industry, for example; namely, that the production and delivery of those products, generally perceived as *public goods* (*food, medicines, information*), are what they claim to be (their description is true or truthful – for example, meat is real meat and not some “meat-substitute” designed to look like real meat in order to mislead or deceive the consumers). Hence, those public goods are fit for human consumption and meet normative standards both in their production and distribution. Those standards, in turn, are regulated both within and outside those industries for the ultimate protection and good of society. We can, therefore, ask no less of the media, even if we perceive it purely as a commercial enterprise.

In relation to the potential conflict of roles within the media as both public informers and commercial enterprises, the paper will also briefly analyse the specific roles of the different types of the media - in particular, journalism and public relations - in order to show how those roles are epistemologically and ethically inconsistent with each other and moreover how the convergence of those inconsistent media roles is conducive to *media corruption* – that is, the corruption of information communicated to the public. Given financial cut-backs within media organisations, the corporate media increasingly relies on media releases produced by Public Relations practitioners to communicate information to the public. In view of this practice, can the Fourth Estate be trusted to tell people the truth all the time or even some of the time? Should the public adopt a more sceptical attitude towards the media in view of their commercial interests which are not always congruent with their role as information providers?

which can be of great benefit to society as the exposure of the Watergate scandal by the Washington Post’s investigative journalists demonstrates, and of great harm when that privilege is abused as in typical cases of media corruption that will be outlined below.

The Dual-Obligation Information Theory (DOIT)

The dual-obligation information theory (DOIT) model comprises two main parts that together seek to demonstrate that information is *doubly normative* (Spence 2007a):

- (A) Information has an inherent normative structure that commits its producers, communicators and users, everyone in fact that deals with information, to certain mandatory epistemological and ethical commitments;
- (B) The negligent or purposeful abuse of information in violation of the epistemological and ethical commitments to which its normative inherent structure gives rise is also a violation of universal rights – specifically, universal rights to freedom and wellbeing to which all agents are entitled by virtue of being agents, and in particular *informational agents*.

Hence, the abuse of information through, for example, misinformation practices, constitutes (a) a violation of the epistemological and ethical commitments to which the inherent normative structure of information gives rise and (b) a violation of universal rights to which all agents and specifically informational agents are entitled.

Echoing Umberto Eco's claim in *The Open Work* (1989, 66) that with regard to human beings information theory becomes communication theory - the paper will show that the demonstrated dual normative structure of information in terms of its own inherent normative structure, as well as the universal rights of informational agents to which it gives rise, confirms and supports Eco's claim.

The Normative Structure of Information

In providing the dual normative model for the evaluation of information outlined above, the paper will employ an epistemological account of information based on a minimal *nuclear* definition of information. Following Luciano Floridi it will define *information* as "well formed meaningful data that is truthful" (2005) and following Fred Dretske it will define information as "an objective commodity capable of yielding knowledge"; knowledge in turn, defined as "information caused belief" (1999, 44-45 and 86).

What is necessary for both information and knowledge is truth. For information without truth is not strictly speaking information but either *misinformation* (the unintentional dissemination of well-formed and meaningful false data) or *disinformation* (the intentional dissemination of false "information"). Of course, journalists, for example, both offline and online cannot always *know* with certainty whether the information they disseminate is true or not. However, in such cases, they should at least have a reasonable justified belief, responsive to at least some minimal objective verification capable of sustaining that belief that the information they disseminate is probably if not certainly true. One could make the case, for example, that the dissemination of "information" by journalists concerning the claim that Iraq possessed weapons of mass destruction before the start of the war in Iraq was not based on a reasonable justified belief capable of yielding knowledge. Insofar as this was the case, the dissemination of such "information" was misinformation at best, disinformation at worst.

How about, however, media reports that merely stated the US government's claims that Iraq had weapons of mass destruction? What is the *informational* status of such media reports, given that information must be true or at least truthful? Insofar as those reports were true (the US government did in fact make those claims as reported by the media) then those media reports qualify as information because true, notwithstanding that the claims themselves were untrue or not known to be true. For the truth that renders those reports *informational* concerns and relates to what the US government claimed and not the truth about the claims themselves. Generally, media reports of the form (Z) = "X claimed Y" would qualify as information so long as it is true that "X claimed Y" even when "Y" is untrue. For the *truth-maker* that renders the statement "X claimed Y" as information refers to *only* what "X claimed about Y" and not to whether "Y" itself is true or false. For the report "Z" only commits itself to the truth of "X claimed Y" and not to the truth of "Y". To see this more clearly, take the statement "X claimed Y although Y is untrue". This statement is perfectly consistent with both it being true that "X claimed Y" (information) but "Y", contrary to the facts, being false (misinformation). This is because the report "Z" that qualifies as true information concerns only "what X said" and not about whether "what X said is true or false". Of course the media, and specifically investigative journalists, have an additional ethical responsibility to enquire into and inform the public, as a matter of public interest, whether in fact what "X claimed

about Y" was true or false. That is, investigative journalist should not only be concerned about what "X said about Y" but also be concerned about "whether Y is true" and report on the truth or falsity of "Y" accordingly.

Finally, on another related topic, media "news", insofar as it is true or truthful, can also be construed and defined as a type of *new information*. So, for example, the statement "Israel invades Gaza" would have qualified as "news" in the form of "new information" when it was reported in newspapers around the world several weeks ago. However, although now it still qualifies as information - because as a matter of reported fact Israel did invade Gaza some weeks ago - it no longer qualifies as "news" as it is now at present archival "old information" and not "new information"¹⁰⁹.

Using the minimal account of information described above, the paper will now develop a *normative account of information*, which demonstrates and describes the generic epistemological and ethical commitments that necessarily arise in the dissemination of information.

Briefly, the argument is as follows: Insofar as information is a type of knowledge (it must be capable of yielding knowledge, one must be able to learn from it) it must comply with the epistemological conditions of knowledge, specifically, that of truth. And insofar as the dissemination of information is based on the justified and rightful expectation among its disseminators and especially its users that such information should meet the minimal condition of truth, then the disseminators of information are committed to certain widely recognized and accepted epistemological criteria. Those epistemic criteria will in the main comprise objectivity as well as the independence, reliability, accuracy and trustworthiness of the *sources* that generate the information. The epistemology of information, in turn, commits its disseminators to certain ethical principles and values, such as honesty, sincerity, truthfulness, trustworthiness and reliability (also epistemological values), and fairness, including justice, which requires the equal distribution of the informational goods to all citizens. Thus in terms of its dissemination, information, *as a process and product of com-*

*munication*¹¹⁰, has an intrinsic normative structure that commits everyone involved in its creation, production, search, communication and consumption to epistemological and ethical norms and these norms being intrinsic to the normative structure of information are rationally unavoidable and thus not merely optional.

The Rights of Informational Agents based on Alan Gewirth's Argument for the Principle of Generic Consistency¹¹¹

Gewirth's main thesis is that every rational agent¹¹², in virtue of engaging in action, is logically committed to accept a supreme moral principle, the Principle of Generic Consistency (PGC). The basis of his thesis is found in his doctrine that action has an inherent normative structure, and because of this structure every rational agent, just in virtue of being an agent, is committed to certain necessary prudential and moral constraints.

Gewirth undertakes to prove his claim that every agent, *qua* agent, is committed to certain prudential and moral constraints in virtue of the inherently normative structure of action in three main stages. First, he undertakes to show that by virtue of engaging in voluntary and purposive action, every agent makes certain implicitly evaluative judgments about the goodness of his purposes, and hence about the necessary goodness of his freedom and

¹¹⁰ This qualifying phrase is used to emphasize that it is only as a process and product of communication that information becomes inherently normative due to the reasonable and rightful expectations that informational agents have with regard to the truthful communication and dissemination of information. That is, we reasonably and rightfully expect and trust that we won't be lied to or misinformed when engaging in inter-informational-communication practices with others.

¹¹¹ A full and detailed analysis and defense of the argument for the PGC against all the major objections raised against it by various philosophers can be found in Spence 2006 (Chapters 1 to 3), Deryck Beyleveld (1991) and Alan Gewirth (1978).

¹¹² Understand "rational agent" to mean any putative agent who is minimally capable of inductive and deductive reasoning of the most basic and minimal kind including instrumental reasoning or "means-end reasoning".

¹⁰⁹ I would like to acknowledge my thanks and gratitude to the reviewers of this paper for bringing these additional matters and their relevance concerning the truth condition of information to my attention.

wellbeing, which are the necessary conditions for the fulfillment of his purposes. Secondly, he undertakes to show that by virtue of the necessary goodness which an agent attaches to his freedom and wellbeing, the agent implicitly claims that he has rights to these. At this stage of the argument, these rights being merely self-regarding are only prudential rights.

Thirdly, Gewirth undertakes to show that every agent must claim these rights in virtue of the sufficient reason that he is a *prospective purposive agent* (PPA) who has purposes he wants to fulfill. Furthermore, every agent must accept that, since he has rights to his freedom and wellbeing for the sufficient reason that he is a PPA, he is logically committed, on pain of self-contradiction, to also accept the rational generalization that all PPAs have rights to freedom and wellbeing (Gewirth 1978, 48-128). At this third stage of the argument these rights being not only self-regarding but also other-regarding, are moral rights. The conclusion of Gewirth's argument for the PGC is in fact a generalized statement for the PGC, namely, that all PPAs have universal rights to their freedom and wellbeing.

Applying the PGC to information, we can now make the further argument that information must not be disseminated in ways that violate informational agents' rights to freedom and wellbeing, individually or collectively, (Negative Rights). Moreover, information must as far as possible be disseminated in ways that secure and promote the informational agents' rights to freedom and wellbeing (Positive Rights). Conceived as the Fourth Estate, this places a significant and important responsibility on the media, especially journalists, both offline and online, in their role as disseminators of information to the public.

For example, certain media practices such as *media release journalism* (P. Simmons and E. Spence 2006, 167-181), misleadingly and deceptively disseminate media release information produced by Public Relations professionals as objective and independent information through print or broadcast media sources (newspapers, television and radio) as "news". This occurs without any disclosure that these so called "news stories" are sourced from media releases produced by PR professionals on behalf of their clients, often verbatim and sometimes with the journalists' bylines attached to them. Practices such as media release journalism are therefore ethically objectionable because they are designed to deceive and do deceive the public by stealth, sometimes in

collusion with journalists and government representatives. Moreover, these practices constitute media corruption for they are conducive to the corruption of the informational processes and products that are essential for informing citizens on matters of public interest in an objective, truthful and fair manner¹¹³.

Constrained by space as well as being beyond the scope of this short paper I cannot discuss media corruption in any detail. Suffice to say, media corruption occurs primarily because matters of "business intelligence" at both the individual level of media practitioners as well as at the institutional level of the professional practices of the media organizations themselves are allowed by omission or commission to override matters of "moral intelligence". As we saw above in section (2) matters of moral intelligence with regard to the communication of information by the media must of necessity, both with regard to principle and practice, always override matters of business intelligence when the two come into conflict. Even if we are to construe information purely as a marketable commodity, the media and the market, in principle if not always in practice, can ethically co-exist as in the case of other commercial enterprises that distribute public goods to consumers, such as the food and pharmaceutical industries. Things go ethically wrong, however, when conflicting interests operating within the media become *conducive to media corruption*, such as the example of media release journalism outlined above. For a detailed analysis of a taxonomy of

¹¹³ For a further analysis and discussion of corruption generally and media corruption, specifically, see the following: A. Quinn, and E. Spence. Two Dimensions of Photo Manipulation: Correction and Corruption. Melbourne: *Australian Journal of Professional and Applied Ethics*, 2007; E. Spence. Corruption in the Media, In Jeanette Kennett (Ed.), *Proceedings of GovNet Annual Conference, Contemporary Issues in Governance*, Melbourne, Monash University, Australia, ISBN 0-7326-2287-5, 2005; S. Miller, P. Roberts, and E. Spence. *Corruption and Anti-corruption: An Applied Philosophical Approach*. Upper Saddle River, NJ, Pearson/Prentice Hall, 2005; E. Spence & B. Van Heekeren, *Advertising Ethics*. Upper Saddle River, NJ, Pearson/Prentice Hall, 2005; and E. Spence, A. Alexandra, A. Quinn and A. Dunn (forthcoming 2009) *Media, Markets and Morals*. Oxford: Blackwell Publishers.

media corruption that outlines and examines the different *types* of media corruption see (Spence in press 2008).

Such media corrupt practices, which once appeared only in the old corporate media (newspapers, television and radio), have increasingly become more prevalent on the Internet, for example, in blogs. Media deception is demonstrably unethical on the basis of the PGC because it can actually or potentially at least violate the rights to freedom and wellbeing that people have generally as agents and specifically, as citizens that require accurate, reliable and trustworthy information on matters of public interest. More generally, media deception through collusion by PR professionals, journalists and government representatives, violate all citizens' rights to freedom and wellbeing collectively by undermining the democratic process itself that requires the truthful, fair and objective production and dissemination of information on matters of public interest. It is partly for that reason that media control is sought and exercised by totalitarian regimes, such as those in China and Iran for example, that do not want their citizens to be well informed.

In discussing the link between business intelligence and moral intelligence with regard to information I have specifically focused on the corporate media because it offers a uniquely paradigmatic case of the conceptual and practical convergence between "business intelligence" in the media's role as a type of a commercial market enterprise on the one hand, and "moral intelligence" in its formal role as a professional body of disseminators of public information to citizens and consumers, on the other. However, insofar as information as a process and product of communication necessitates unavoidable epistemological and ethical commitment as demonstrated by the dual-obligation information theory (DOIT) model argued for in this paper, those same commitments apply to all informational agents both inside and outside the media. In particular, it should be emphasized that all informational agents in their functional role within companies (and not just media companies) as well as in their functional role within the market economy generally (for example, for gaining and disseminating information about competitors and products, amongst other things) are constrained by the same epistemological and ethical principles to which the media are committed. This consideration also reveals and renders apparent the important underlying link between media and business intelligence, as most large corporate companies these days have their own internal media departments for disseminating information to the public so

as to protect and promote their business interests¹¹⁴. The widely reported IT fraud in India recently concerning the outsourcing corporation Satyam that has been accused of inflating its profitability status by falsifying its accounts and financial statements, illustrates how terribly things can go wrong both morally and commercially when information is abused and misused to misinform the public, the Stock Exchange, investors, share-holders and clients¹¹⁵. This goes to show that when it comes to information, truth is the best policy, both with regard to business intelligence as well as moral intelligence.

Conclusion

DOIT has provided a meta-conceptual framework comprising two inter-related parts that together demonstrate the epistemological and ethical universal character of information. Together these two inter-related parts have demonstrated the *doubly-normative structure* of information; (a) by disclosing the *inherently normative structure of information* and revealing the epistemological and ethical principles and values inherent in *information as a process of communication* to which all informational agents are universally committed (Spence 2009 in press; and 2007a); and (b) by disclosing the universal rights (freedom and wellbeing) to which all informational agents are entitled by virtue of the *inherent normative structure of action* (Spence 2006; Gewirth 1978; 1996; and Beyleveld 1991). Hence, together these two inter-related parts of DOIT have demonstrated the doubly-normative structure of *information action*, to which all informational agents, including the media are committed by universal necessity. Thus, information as communication can generally be epistemologically and ethically evaluated *internally* by reference to its inherent normative structure. That structure commits its disseminators, to ethical and epistemological norms. This is especially

¹¹⁴ I would like to acknowledge my thanks to the reviewers and editors of this paper for pointing out to me the more general application and relevance of my argument to the business intelligence of companies generally.

¹¹⁵ See, for instance, the article "Indian IT fraud sparks economic fears" by Salil Panchal, reported in the Sydney Morning Herald, January 8, 2009. Accessed on 27/1/2009 on <http://news.smh.com.au/business/indian-it-fraud-sparks-economic-fear-20090108-7c5j.html>

true of the media and its professional communicators such as Journalists and PR Consultants, for example, on-line and off-line.

In addition, the ethical values to which the inherent normative structure of information as communication gives rise requires that the informational agents' rights to freedom and wellbeing must be respected, secured and promoted. Those values are mandated by the Principle of Generic Consistency (PGC) and therefore information can also be *externally* evaluated by reference to the PGC. In sum, *informational action* as both *information* and *action* is doubly normative.

In view of this, the media (including the new media) as the primary producer and disseminator of information to the public through all the different modes and channels of media communication, including journalism, public relations and advertising, offline and online, has a particularly central and crucial moral role in the dissemination of information to the public. This places upon it the highest moral responsibility in ensuring that the information it produces and disseminates accords with the highest epistemological and ethical standards as outlined in this paper, notwithstanding that the media, as media-markets, operating within a free-market economy, is also unavoidably and perhaps desirably, a commercial enterprise. However, as we would not settle for less stringent norms of professional conduct from other commercial industries such as those of the food and pharmaceutical production and distribution industries, we should not be expected to settle for less when it comes to the media. Information is a vital commodity whose integrity is paramount to the wellbeing of individuals and society. The media's role in safeguarding the integrity of information is therefore of the utmost importance in the age of information. Hence, with regard to the dissemination of information by the media, its business intelligence must always be guided and accord to moral intelligence that of universal necessity is mandated by the dual inherent normative structure of information. Moreover, as discussed above, the same epistemological and ethical constraints apply to all informational agents, both within and outside the media, and in particular informational agents whose role within companies of all types and sizes is critical with regard to both the business intelligence as well as the moral intelligence of the information gathered and disseminated by them to the public, their competitors and to all other relevant stake-holders.

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