

Eötvös Loránd University, Faculty of Humanities

THESES OF THE PH.D. DISSERTATION

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COMMERCIAL METROPOLITAN DAILY PRESS IN IN THE AGE OF DUALISM:
THE BIRTH OF THE PRESS INDUSTRY IN BUDAPEST

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The aim of the dissertation is to analyse the economic drivers of the development of the metropolitan daily press in Budapest in the age of the dualism, and the context of the evolution of the press industry. I will not present the history of certain press companies but I will examine the tendencies regarding the press market as a whole.

There are only a few examples for the Business History approach in the Hungarian media history scholarship; the comprehensive studies on the age of dualism usually only mention some aspects on companies, and these remarks are often misinformed or would need to be amended significantly.

The structure of my dissertation is the following: I. Introduction, II. Enterprise and factory, III. The supply; IV. The demand, V. Conclusion, Annexes (tables, lists, statistical data on circulation and other figures).

The first chapter of the dissertation provides with an explanation on the title and on the main hypothesis, and with an overview on the historiography of the Business History approach regarding the field of press history, and also on the usage of the term of „commercial press”, which is, though not really adequate, rather prevalent. The main concepts, research methods and sources are also presented in this chapter.

My research was not focused on the editorial aspects of the media outlets but rather on the physical characteristics (size, number of pages etc.) and on the sporadically available, private and public documents regarding the operation of the press companies. The majority of the consulted documents are stored in archives, but I also studied relevant Hungarian and Austrian professional journals from the nineteenth century.

When presenting certain trends, I use foreign, first of all German and Austrian analogies as well.

The second chapter deals with the role of publishing enterprises (which were not necessarily companies; I use the term enterprise in a broader, general sense for „entrepreneurship”, „business activities” as well) on the one hand, while on the other hand with ‘factories’ producing the daily newspapers content-wise and physically (i.e. with publishing offices, with editorial offices and with the printing houses). I opted to discuss the issues related to enterprises and factories together because the chairs of enterprises or the owners of newspapers were often the chief editors of the newspapers, or, in some cases, the chairs of enterprises were the heads of publishing houses as well.

Concerning enterprises I discuss the different enterprise profiles (publishing, editing, printing), the issue of affiliated newspapers, the value of newspapers, the daily business of

enterprises, the tendencies regarding incomes and costs, the funding of publishing houses (by the state or by banks) and the issue of profitability as well.

I present the work of publishing offices, or the „administration” (i.e. the sales of copies and advertisement, public relations), and the emerging role of these units.

When examining the operation of editorial offices I do not provide with staff list (although it is a common practice in relevant studies); in this part of the dissertation I rather focus on tendencies regarding the size of editorial offices (i.e. the number of staff members), the wages of journalists and the volume (and weight) of costs related the operation of editorial offices.

I also discuss the 'expedition' of newspaper copies (shipping, distribution), given that, obviously, the most significant development in this field and in this period of time was the faster and more direct access of rural costumers by the metropolitan newspapers.

When discussing the issue of printing, I will discuss the revolutionary impact of the rotary printing machine and the increase of the capacity of printing houses and also the increase of the price of typesetting and then the introduction of the typesetting machines. As the first one among Hungarian scholars I will also examine the tendencies regarding the price of the printing paper, because the decrease of the price of the paper during the last quarter of the 19th century (to the quarter of the initial rate) played obviously an important role in the quantitative expansion of the media. (However, the price of the paper, usually imported from Austria, increased significantly in the 20th century).

While some of the fields examined in the second chapter occur in the relevant scholarship (though other authors may come to conclusions that are different from mine), the aspects discussed in the third chapter are actually missing from the works of other authors.

In this chapter I examine the tendencies regarding the supply, i.e. the product of the press industry: the number of newspapers, the variants and variation of the lay-out and volume of newspaper, concluding that the growth of the productivity of the journalists was relatively lower compared with the increase of the number of pages.

Based on the prices of the copies, I identify four main types of metropolitan newspapers in the age of dualism (from expensive to cheap newspapers) by presenting the lay-out, the volume, the characteristics and the contemporary reception of the different types.

When presenting the advertisement tariffs, I provide with an overview of the conditions affecting the prices, as well as the units of advertisements, before concluding that while the prices of the newspaper copies did not change much during the age of dualism, the advertisement tariffs did.

Within the different types of newspapers, often, the competition resulted differences regarding the volume (number of pages), and did affect the prices of the copies, furthermore – surprisingly – hardly affected the advertisement tariffs; however the phenomenon of circulation and advertisement spiral was perceivable only on a limited scale.

The fourth, and the longest, chapter of the dissertation deals with the demand side, i.e. with the consumers of newspapers and advertisers, and also with the channels of mediation. The first subsection of the chapter highlights on the social and economic embeddedness of newspaper publishing.

When examining the social demand, I start with presenting the circulation figures of the different newspapers, taking into account that the scholarship on media history tends to neglect these kind of differences.

Then, I examine the different channels of distribution (subscription, retail, vending on the board of trains, on the street etc.) and the changing importance of these channels during the times. The sale of single copies offered a new alternative of distribution, besides the rather rigid system subscription, first in the capital city and later in other cities as well. The street vending of newspaper copies became prevalent by the end of the year 1896, but I will present numerous examples from previous decades. The market of the capital city may have saturated quite quickly, thus the majority of the copies of the cheap newspapers with the largest circulation figures was sold outside Budapest.

When analysing the circulation figures, I present the data by the types of sources (newspaper stamp registries, postal and package delivery registries, estimations by experts, data on paper consumption, company statistics, catalogues of advertisement agencies, audit reports of public notaries on circulation figures). I am ending up with the conclusion that the sum of the circulation figures of the newspapers in Budapest was 30 times higher by the end of the age of the dualism (approx. fifty years) compared with the beginning of the era. By the time of World War I the sum of the circulation figures was higher than 1 Million per day, and the overwhelming majority of the copies were sold outside the capital city. I highlight also the fact that the catalogues of the advertisement agencies often contained overstatements regarding the circulation figures of the newspapers,

The new types of newspapers reached out to new groups of readers (and consumers). I aim to underline the „co-habitation” of old and new newspapers as well as the groups of old and new readers with an analogy from Austria (‘Styria-phenomenon’).

I start the section on economic demand with a taxation of the different types of advertisements, and I differentiate between the terms of 'commercial' and 'advertisement'. Then, I examine the role of advertisement agencies and their conflicts with publishers.

I will present two types of advertisement, the classified ads and the flat-rate ads, in separate chapters as well. The column of classified ads was created, actually, by a trick of the publishers, while the small ads brought a new strata of advertisers and resulted in a new forum of publicity (to the regret of some conservative groups).

The flat-rate-ads, i.e. the ad spaces that were pre-sold, usually for one year, to advertisers for reduced tariffs, became significant around the centenary. This type of ads was especially targeted by critics who claimed that flat-rate ads risk the integrity and independence of editorial boards.

I present the general advertising tendencies, and an experiment of measuring newspaper advertisement trends (Lloyd-cycles) in the last part of the section on economic demand. According to my hypothesis the sinuses of the revenue-figures were caused by economic tendencies, and the cyclical nature of the revenues characterises the whole advertisement segment of the press industry.

The proportion of the two trends, i.e. the information and economic tendencies, in the revenues is shown by the so-called Reumann-curve which I use to present the situation in Budapest in the age of dualism.

The last subsection ('The Lloyd Mechanism') of the fourth chapter examines also the impact of the two deep processes on newspaper publishing; and concludes (after examining the pricing of the daily newspaper 'Pester Llyod' in the 1860's and in the 1870's) that a consequent decision-making mechanism is identifiable regarding the pricing of newspaper copies and advertisement tariffs during times of crisis.

In the fifth, concluding chapter of the dissertation I elaborate my statement that the main economic driver of the press industry in Budapest in the age of the dualism was the permanent seeking for market space which did not only mean that the companies identified and reached new markets, but these markets were partly created by the companies themselves. The new and newer types of metropolitan daily newspapers were successful in reaching new segments of advertisers and readers (both geographically and socially) by adopting new editing and publishing concept and by establishing of new channels of mediation.

Furthermore, according to my hopes, the frameworks, aspects and approaches, presented in details in my dissertation, would serve as improved tools to describe and analyse the history of the media or certain media companies.

Publications of the Ph.D. candidate related to the topic of the dissertation:

- 1.) Illusztrált napisajtónk első bűnügyi szenzációja. Az 1878-as újpesti rablógyilkosság [The first criminal sensation in the Hungarian illustrated daily press: The murder and robbery in 1878 in Újpest]. *Újpesti Helytörténeti Értesítő*, XI. (2004) 4:11–14.
- 2.) Apró hirdetések és apróhirdetések Magyarországon 1850–1900 [Small advertisements and classified advertisements in Hungary, 1850–1900]. *Médiakutató*, 6. (2005) 4:77–93.
- 3.) „Ha ezt Gutenberg látná!” A magyarországi nyomdászat rotációs forradalma és a Maschinenfabrik Augsburg (MAN) 1881–1898. A MAN Roland Magyarország jubileumi kiadványa tekerceses gépei magyarországi megjelenésének 125. évfordulójára [„If Gutenberg could see this!” The rotary printing revolution of the press industry and the Maschinenfabrik Augsburg (MAN) 1881–1898. The Anniversary Volume of MAN Roland Hungary on the occasion of the 125th anniversary of introducing its rotary printing press machines in Hungary]. Budapest, 2006. 56 pp.
- 4.) Napilapok és pénzüzetek kapcsolata a dualizmus korában. A Guttenberg Hírlapkiadó Társulat [The connections between daily newspapers and financial institutions in the age of dualism. The Guttenberg News Publishing Company]. *Médiakutató*, 8. (2007) 2:73–92.
- 5.) A budapesti tekerceses hírlapnyomdászat születése [The birth of rotary printing press industry in Budapest]. *FONS*, XIV. (2009) 1:25–43.