

## **Diversity is squashed in FCC rules change**

By Robert Kuttner, 5/28/2003

FREE MARKETS, taken to extremes, sometimes lead to monopolies. Monopolies, in turn, undermine the benefits of free markets -- consumer choice, innovation, and competition to offer a good product at an attractive price. That's why even the most capitalistic of societies have laws and regulations against monopolies. If there were one supermarket chain or one hotel group or one airline, the quality would soon deteriorate to the level of service in the late Soviet Union. Consumers would be captive to higher prices, too. Mass media are a very special kind of product, because they involve not just commerce but speech. Congress and the courts have long endeavored to ensure that a wide diversity of voices will be heard.

That is about to change for the worse next week, when the Federal Communications Commission is expected, by a 3-2 vote, to throw out several decades of regulation limiting media monopolies. The FCC chairman, Michael Powell, is trying to ram the vote through before wider opposition can build, short-circuiting the commission's usual public comment process. Even if legal, Powell's scheme is awful policy. If he wins, all three major networks could be owned by the same conglomerate (which could also be a defense contractor). The limits on cross-ownership of newspapers and radio and TV stations will also be lifted, as will the constraints on networks' ability to buy up local TV stations.

If you want a glimpse into this utopia, consider the deregulation of radio, which Congress enacted in 1996. Before then, the FCC limited how many stations any one company could own, and ownership was widely diversified. It took less than a

decade for most US radio stations to be owned by just three conglomerates.

To see the potential for political mischief, look at what conservative radio networks did to the Dixie Chicks after their lead singer criticized President Bush. Cumulus Media banned the Chicks from its 42 country stations and some Clear Channel affiliates promoted record-trashings. Right-wing media are particularly benefiting from the new concentration. Clear Channel, with more than 1,200 radio stations, is dominant in many smaller cities. One of its top executives is a close business associate of George W. Bush. Shouldn't liberals just start a radio network of their own? Good idea, but nearly all of the stations with strong signals are taken, and they're not for sale. Here's where politics and monopoly commerce intersect.

Meanwhile, Rupert Murdoch owns Fox, the fastest growing cable company, and just bought the dominant satellite TV company. With his control of TV programming, Murdoch will soon be in a position to squeeze local cable operators. And with the FCC's new ruling, Murdoch could also buy up the major TV networks.

Powell's proposed rules change is a witches' brew that mixes the interests of big conglomerate business with big right-wing politics. The more concentrated the media are, the more money ultraconservative media moguls can make, and the more dissenting voices get squeezed out.

Powell contends that in the Internet age, there is no need for regulation to assure diversity because different kinds of media compete with each other. Radio and TV signals are no longer limited by a fixed broadcast spectrum, Powell points out. In principle, there is an infinite variety of news and information sources, on the Web and on cable TV.

The argument is seductive -- until you realize that each communications segment dwells in its own separate world. Newspapers mainly compete with other newspapers -- or don't. Radio competes with radio, and TV with TV. Even with the Internet, do we really want one company able to control all the networks? Media

play a sacred role in a democracy -- they are how we get our information as citizens. Internet-based insurgencies like MoveOn.org and TomPaine.com are superb counterweights to corporate media concentration, but they are no substitutes for a diversity of ownership among mainstream media.

As Mark Cooper, appearing for Consumers Union and the Consumer Federation of America, recently told the FCC, the media are already too concentrated. But of course, more concentration suits the Bush era perfectly: more blurring of commerce and news, more opportunities for a few right-wing insiders to get very rich and dictate news coverage -- and fewer dissenting voices.

**Clarification:** Last week I urged Democratic presidential candidates to embrace bolder health care reforms, arguing that the best approach would be Medicare For All. I neglected to credit one declared candidate, Ohio Congressman Dennis Kucinich, for sponsoring just that strategy.

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