

Media-ownership rules should be relaxed

By Ken Marlin, Special to The Times

The Federal Communications Commission today is scheduled to vote on changes that would allow broadcast networks to buy more television stations and would lift the ban preventing newspapers from buying television stations in the same city. Three of the commission's five members have indicated support for the relaxation of current rules.

There has been a bit too much hysteria about these particular rule changes. It is not limited to one political party or to liberal or conservative groups — and in a way it's refreshing to see such bipartisanship.

The emotion seems to have centered on four fears:

No. 1: The Big Guys are getting bigger — and that's bad. They should be stopped. News Corp. CEO Rupert Murdoch seems to have become the favorite whipping boy, especially with his newest \$6.6 billion attempt to buy DirecTV.

The new rules will not immediately cause the large firms to go on a buying spree. If they do, they will drive up prices, and drive down investment returns. That's tough in the current market.

Second, changes to ownership restrictions are but one of several factors impacting the value and desirability of media properties. Americans are changing lifestyle habits — reading fewer newspapers, watching less TV; advertising trends are shifting.

Finally, even if media ownership rules are relaxed, proposed mergers would still have to meet the FCC's public-interest standard and pass the Justice Department's antitrust test.

No. 2: The local guys are being squeezed by the "Global Media Barons," and that's bad; we should help the local guys stay local.

There are a couple of problems with that argument. First, by and large the local programs are still there. It's just that fewer people tune in. That's what happens when you get more media outlets. They devolve into niche audiences. Some people prefer local news, some prefer sports, I prefer to listen to Imus in the morning.

Further, in many cases, the local guys aren't all that local any more. Often, they are themselves media groups controlled by corporations and private equity firms. Ten

companies already own newspapers that distribute more than 51 percent of the nation's weekday circulation.

Other large media firms control radio and television stations, networks, cable channels and more. The quality of media coverage has only gotten stronger as a result of these increased corporate resources.

No. 3: The FCC is supposed to protect the "public interest," but the commissioners and their staff are under the thumb of the "global media barons who don't care about the public interest." Relaxing the cross-ownership restrictions would make matters worse.

When these ownership restrictions were first conceived, the concept was built around an assumption of scarcity. That is, the assumption was that there was only enough room on the airwaves for a dozen or so AM radio stations, and another dozen TV channels. Most cities had one morning paper, and (perhaps) an evening one. There wasn't room for more — or so we believed.

At that time, three very big commercial radio and television networks clearly dominated the radio and TV airwaves. There was no Internet and no cable. Congress chartered the FCC to allocate these seemingly scarce resources. Now, the world has changed. And while it is still the job of the FCC to protect public interest, we fail to see how relaxing the cross-ownership restrictions does anything to injure the public interest. In some circumstances, it could help.

We also note, as have others, that cable channels are under no FCC obligation to provide "public interest" programming now. And they now reach more prime-time audience than the networks.

No. 4: Relaxing the cross-ownership restrictions will result in fewer outlets for minority viewpoints to be heard — and that's an abridgement of free speech.

It is absurd to believe that, as a result of these rule changes, there won't be any outlets for minority viewpoints — especially in an era in which 85 percent of the U.S. population lives or works someplace where now, or in the very near future, they will have access to 100-plus cable TV outlets, plus innumerable radio stations as well as Internet Web sites that give audio, video and text access to content from providers as diverse as BBC, Fox and Al-Jazeera.

Conclusion: The best thing the FCC can do for America right now is to go ahead, and relax the restrictions, as planned.

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