# US: Bush administration fast-tracks relaxation of media ownership constraints

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Last week, the head of the US Federal Communications Commission unveiled a plan to scrap regulations on media ownership in order to facilitate increased corporate consolidation. The proposal, which would take effect in two months, is crafted for the exclusive benefit of multi-billion dollar media conglomerates and their private investors.

The plan would repeal a rule prohibitinga single company from owning both a newspaper and a television or radio station in a single city. Many companies already operate on the basis of exceptions to this rule. It would also relax regulations on the number of television and radio stations that a company can own. Polling indicates that the overwhelming majority of the population opposes greater media consolidation.

FCC chairman Kevin J. Martin announced that he would allow public comment on the rules in mid-November and hold a commission vote December 18. According to an October 19 Associated Press report, agency officials have indicated that the proposal already has the support of three of the FCC's five-member voting board.

This schedule coincides neatly with the completion of an $8.2 billion buyout of the Tribune Company by Chicago real estate magnate Samuel Zell. Tribune—a conglomerate with annual revenues of $5.5 billion and includes newspapers such as the *Los Angeles Times,* the *Chicago Tribune,* and the *Baltimore Sun*—currently operates on waivers to the cross-ownership rule that would be voided by a sell-off.

The Tribune corporation owns 30 television stations, one radio station, 26 newspapers, 10 magazines, and several publishing companies. Its waivers apply to broadcast properties in the largest cities in the US including New York, Los Angeles, and Chicago. If the FCC board votes to eliminate the cross-ownership ban in December, the Tribune sale could close before the end of the year.

Rupert Murdoch, whose News Corporation has already likewise surpassed the ownership ceiling, has lobbied for years for a complete repeal. In New York, News Corporation currently operates on a waiver, owning both the *New York Post* and the local Fox television station.

Martin's move is the latest in a long effort to dismantle limits on concentration of media ownership. Restrictions on the number of television stations a company could own were enacted in the 1940s in order to prevent monopolization of the media. The limits were raised over the next several decades, generating a froth of corporate mergers and consolidations with each revision.

By the mid-1980s, the FCC mandated that no network could control local media that reached more than a quarter of the nation's homes, or own more than 12 stations. Democrats in the Clinton administration championed substantial loosening of this regulation, removing the cap on station ownership and raising the limit of local control to 35 percent as part of the Telecommunications Act of 1996. That year alone saw nearly 200 television station mergers and acquisitions.

Radio followed a similar path. Between 1996 and 2000, large conglomerates bought up more than 2,000 local stations. Three major companies—AMFM Radio, Infinity Broadcasting, and Clear Channel Communications—bought the vast majority of those local stations. In 2000, AMFM Radio and Clear Channel merged.

In 2003, the FCC, headed by Michael Powell, attempted to repeal restrictions on cross-ownership of television and newspaper outlets in local markets. Only one public discussion was held, and Powell sought to force through the changes in the face of overwhelming opposition. Over three million public comments were filed against it—the most comments the FCC has ever received during a rule-making process.

Organizations opposing the new rules included right-wing outfits such as the National Rifle Association, which mobilized its membership against the changes on the grounds that they would give greater power to the "liberal" media.

After the FCC voted to approve the repeal, a federal appeals court reversed the changes, saying the commission had not adequately justified them or allowed appropriate public review. Over the next four years, the FCC held six public hearings on proposed rule changes.

An article in the *New York Times* on October 18 noted, "Industry executives had not expected the agency to move again so soon." FCC chairman Martin's rationale for exceeding expectations is the complaint by one dissenting commissioner, Michael J. Copps, that large companies such as Tribune are already circumventing the regulations with waivers. In other words, because the rules are not being enforced, the rules should be scrapped.

Martin told the *New York Times*, "The issues have been pending for years... I think it is an appropriate time to begin a discussion to complete this rule-making and complete these media ownership issues."

The anti-democratic nature of the proposal is clear in the way it is being pursued. Copps told the *New York Times* thatthe schedule for the FCC vote allowed too little time for review. "We shouldn't be doing anything without having a credible process and nothing should be done to get in the way of Congressional oversight and more importantly, public oversight."

The other Democratic member of the FCC, Jonathan Adelstein, is considered to be more sympathetic to the changes and more likely to vote to support them.

Whatever criticisms the Democratic chairmen on the FCC make, media consolidation has proceeded over the past several decades on the basis of bipartisan support. Over the last two decades, the number of corporations that dominate broadcast, film, publishing, and Internet providing has dropped from 50 to less than two dozen, according to the media policy organization Free Press. Ownership is concentrated in ten multi-billion dollar conglomerates that exercise enormous control over the information to which the American people have access.

The consolidation of the media is part of a larger social and economic shift underway in the US. Over the last decade, US public corporations and institutions have increasingly adopted the corporate business model, which entails subordinating any notion of public service obligations to the bottom line. This includes many of the major newspapers and television networks, which have gone from public to private operations.

As the Project for Excellence in Journalism put it in its 2007 annual report on the state of the news media, in recent years, "the argument that journalism was more than a business, that it had some larger public-interest obligation, began to fade. What could not be justified financially, quite simply, could no longer be justified. The media business felt it could no longer afford it."

Governance of the media, like other federally regulated industries, has centered not on regulation and oversight, but on the opposite: deregulation, removal of public accountability standards, and so-called "free market" policies.

In the process, the media—from the liberal *New York Times* to the right-wing *Wall Street Journal* and Fox News—has become an ever more integrated component of the ruling class, functioning increasingly as an arm of the state, justifying and covering up for war and attacks on democratic rights.