

Transcript – THE ACTIVE OPPOSITION: Your New\$ and the Bottom Line

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PETER COYOTE- Good evening and welcome to the Active Opposition, tonight we're presenting a national story which our corporate media has chosen to largely ignore, the consolidation of media ownership in America and how that affects what news and information we are allowed to receive. This is the information which determines what we know or think we know about the world and is the basis of a functioning democracy. For this reason we encourage our viewers to call in and participate in our discussion tonight. Before we introduce our guest experts and view an interview we conducted this week with network news icon Walter Cronkite, I'd like to give a little more background on tonight's program: your news and the bottom line.

The 1996 telecommunications act dramatically altered the laws governing our communication industry. It removed the requirement for radio and television broadcasters to present any public interest programming in return for the free exclusive use of the public's airways. It did away with controls on corporate media ownership, which had prevented one corporation's owning the newspaper, television, and radio in a given area. Since 1996, six major media conglomerates AOL Time Warner, Viacom, News Corporation, General Electric, Vivendi Universal and ATT Comcast have moved quickly to control 90% of the broadcast outlets. Republican Senator John McCain has called this group 'the most powerful lobby I've encountered in Washington'. In the next few weeks, Michael Powell, son of Secretary of State Colin Powell and current chair of republican dominated FCC, is expected to further deregulate the media: To allow a single corporation to own all media outlets in a given community. Critics charge that this new market driven FCC regards citizens as consumers and communities as market places. And this apparently innocent change of terms fundamentally alters the relationship of the people and their media to a relationship between consumers and producers of products, services and ideas. Meanwhile our government is preparing to give away new public frequencies without requiring any public service or accountability. An issue for the American citizen is to what extent the news and information which informs our world view and our choices at the election poles, will be determined solely by the bottom line of accountability to the shareholders of six media conglomerates.

Tonight's program "Your News and The Bottom Line" will investigate to what degree deregulation of American media might reduce the news to entertainment, and eliminate the historic role of media as watch dog of the public interest. Let's begin by looking at a recent discussion on these issues I had last week with veteran CBS news anchor Walter Cronkite.

PETER: Once upon a time there was a clear problem there where 3 corporations and 3 networks that controlled 90% of the news. And so deregulation occurred and now there are 5 corporations and 500 channels but these 5 corporations control 90% of the news. Is this diversity as the FCC says it is?

WALTER: No of course not, it's the reverse of that... it's a monopoly...in our case being a few of them rather than one, but that's what we are living with in our news assimilation.

PETER: Who owns the airways?

WALTER: Well allegedly we do, the people. It was decided early on in the 1920s, when radio was first becoming an important factor in our communications picture that we had to control the airways... There were only a certain number of frequencies available at that time, as there are now a certain number of channels available. But with a very few number of frequencies available somebody had to say who got those frequencies. So it was decided, congress organized the Federal Communications Commission to assign those frequencies to 'those individuals who could promise the greatest service to the community'. The licenses were given to those who would serve the interest of the people in the community. And, indeed the licenses were given so that they could be withdrawn. If enough of the citizens of the community filed a complaint against their conduct and said we want better service in our community they were entitled to get it under the law, after an examination by the Federal Communications Commission. What happened at that time was that in forming the FCC, the owners of the networks sat at the feet of the congress of the FCC and learned of their responsibility from those who were designing what the responsibility should be. And those gentlemen were all entrepreneurs, two of them... primarily Paley and Sarnoff ... Paley at CBS, Sarnoff at NBC, and they ... they absorbed this lesson of responsibility. It's only been in the more recent years, when that old ownership passed away, and we came with the new generation, and indeed it was with the ... in the Reagan administration that the FCC changed its thrust entirely to the marketplace.

PETER: Is the public better informed today than it was 30 years ago?

WALTER: No I don't think it is, it has a lot more quote news unquote thrown at it, with all of the cable facilities, but as for getting the information adequate to understanding the issues of the day, I don't think there's any improvement there whatsoever. We're not covering international news nearly like we should we don't have the bureaus we used to have in the major capitals of the world.

The management of the networks has asked the information to be more interesting, which they mean entertaining a word they wouldn't dare use in the news rooms. But by being interesting they do your health and mine, your pocket book and mine, this doesn't belong in the 19 minutes they have left in a half hour evening news program. They're trying to cover a very complicated nation and a very complex world. Nineteen minutes is not nearly adequate just to get the headlines of the day, let alone to get some background information.

Now they've got these magazine programs and what do they do with 'em? Sex, crime almost anything except the serious items of the moment, that people need some instruction about, some information.

PETER: I'm sure some of your confreres would argue and say, 'Walter we're just giving the people what they want. What's wrong with that?'

WALTER: What's wrong with that is that's not the rule of editorial judgment. You don't give people what they want you give people what they need. And this is how you become an editor; this is why you become an editor, that's why we have editors, that's why we have publishers. You give people what you know they need, in the light of keeping them informed as to the actions of their governments.

PETER: I'd like to introduce our guests with us tonight. Beginning in our Washington studio on the left, we have **Adam Thierer**, director of the telecommunications studies at the Cato Institute. He conducts research on how government regulations are hampering the evolution of the communications networks. He also examines the broader economic and constitutional aspects of telecommunications policy. Welcome Adam.

ADAM: Thank you

PETER: In the red tie, **David Honig** is executive director of Minority Media and Telecommunications. This organization represents 51 national minority and religious national organizations before the FCC. And since 1983, Mr. Honig has been engaged in the private practice of communications and civil rights law. He's participated in over 80 FCC rule-making proceedings. From 1975 to 85, he taught communications policy, research, and law at Howard University. Welcome David.

DAVID: Hello

PETER: Next to him, **Jeff Chester** executive director of the Center for Digital Democracy, which focuses on ensuring that the digital media serve the public interest. Jeff is a former journalist and filmmaker. In the 1980's he created the national media campaign that prompted the creation of the independent television service. He was executive director of the Center for Media Education, a leading force on issues such as internet privacy, media ownership and children's TV. I'd like to also mention that we invited tonight a number of corporate CEOs and lobbyists to join us in this discussion and they declined.

Here in San Francisco **Michael Parenti** who's published over 250 articles which have appeared in covert action, quarterly, z-magazine, the monthly review, the nation and numerous other publications. He lectures on college campuses and before a wide range of audiences across North America.

As a way of beginning, I'd like to start in Washington with Adam and just go around the circle with the following question. Walter Cronkite's generational observations are not ... unique, former generational peer Robert Dole has called our broadcast channels 'as much a national

resource as our national forest. If someone were to propose giving the national forest to the timber industry there would be a huge outcry. And yet it seems to me astounding that something as valuable as ownership of the broadcast spectrum has never been publicly debated in the Congress. Why? Adam?

ADAM: Well I think that when you look at an analogy like that, the timber industry and ownership of these things, well we have newspapers in this country and they buy newsprint to print their newspapers on, we have broadcast television stations who need spectrum to operate on, they could buy that spectrum. Instead we give it away through a very politicized process, in fact we hand it over to them for zero cost, they don't pay a thing for it and, consequently they don't give us the best kind of service that we could hope for. Now we say we have a quote unquote public interest standard and paradigm to govern them to hopefully get the best out of them because we have no marketplace. Well the problem with that is that, as you can imagine, those very powerful broadcast special interests come to dominate the political and regulatory process and they never get kicked out of those licenses, and they always get what they want, and ultimately we get a watered down system of the public interest that is not going to satisfy much of anybody. Why not better go with the marketplace scenario and situation and allow them to buy and sell and trade and use their spectrum as they wish, in a free marketplace the same way newspapers and magazines and other types of print media do. And finally I would say on that point, why is it that we have this distinct standard for broadcast television and radio different than the traditional newspaper and ... magazines when it comes to the first amendment. We would never think of imposing the type of regulations we're talking about for the broadcast sector on newspapers such as the New York Times or Washington post or magazines for that matter.

PETER: David what do you think?

DAVID: The question of who owns the most influential industry in the world should be covered more, and really... it's a tribute to this channel that it's beginning to focus on it and I hope other outlets will follow your lead, its very laudable. If the question of who owns it generally isn't covered then the question what happens for example to minority groups and their opportunities for access is virtually invisible. Almost no one in the public domain realizes why it is that only about 1.3 percent of the asset value in this critical industry is owned by minorities. The reason in a nutshell is much like your metaphor. Imagine if we had huge amounts of land and we were giving it out in parcels of 40 acres to farmers and yet we decided that only segregationist would have a preference and would get this land and then it would be passed down generationally. That's exactly the way that the broadcast licenses were handed out. There was a decision in 1955 that said that a segregationist had the character under the communications act to be a broadcast licensee. And then of course dozens of universities, for instance, that were segregated were given educational licenses that were used to train people then they said you had to have that training to get other licenses. So that's why the airwaves often don't present certain voices, even though its public property as Walter Cronkite has said.

PETER: Ok, Jeff...

JEFF: Well the entire US media system is at stake here. It's not just broadcasting. It's about what will the democratic nature of our media system be in the early part of the 21st century, the digital age. And what you have are a handful of giant conglomerates really trying to dominate this new media market across broadcasting and cable and newspapers and with online media. And so while we have an opportunity to have a much more diverse system, a system that would unleash the potential for new programming, for the kind of content we see online from what channels like yours. In fact we won't have that opportunity because of the special interest lobbying that's going on, because the public is unaware that they should have a voice in how this media is restructured.

PETER: Michael...

MICHAEL: I think it's best if you don't talk about the media as this distinct entity or industry. The major networks, four major networks dominate the media universe. The giant banks in America are major shareholders in those networks. Representatives from major corporations such as Ford, IBM, General Motors, Exxon and such, sit on the boards of directors of these networks. These networks not only own broadcast media as you pointed out, they own cable, they own... radio stations, they own newspapers, magazines and book publishing houses. So the media are not close or friendly to corporate America, they are an integrated part of corporate America, and therefore they have that perspective. And that's a very real ideological perspective that they have, and dedication. It's one that is dedicated to keeping out certain ideas and promoting other ideas.

PETER: Adam's position seems to be predicated on the fact that the airwaves are a commodity just like any other commodity and ought to be a free market in commodities...

MICHAEL: that's because he wants to privatize the airwaves and sell them, and have the corporations to buy the airwaves.

PETER: the question is, no matter which side of this argument you're on, why has this never been debated publicly? It's never been debated in congress since 1934, and that strikes me as astounding.

ADAM: Well of course it has not been debated, because for the most part those who benefited from it the most are not going to shake up the system at all. The status quo works out very well for the large broadcasters and radio stations and other media organizations that already own the spectrum licenses, again, which they receive as a free handout from the public. So if we were to move to a market place system and consider it a commodity, and by the way you say commodity as if it's a bad thing... what else would we consider it, if it is not a commodity. I think that we can consider these licenses something that can be freely tradable and yes privatized. The same way, again, newsprint is or paper or anything else that we print other forms of media on. So again, what is the rationale for continuing to treat this industry differently? Spectrum is no more scarce than any other natural resource in this world. And certainly it is not an interference issue; there are plenty of reasons why we should allow this market place to work like any other. And at the end of the day if there's a problem, you know where still going to have anti-trust laws, why

do we have different business structure regulations for this industry than cars or oil or anything else.

JEFF: Well anti-trust is an insufficient remedy to deal with the kind of corporate media power that we have allowed to be established here in the United States. We should talk about this upcoming FCC decision because it's very important. Look historically your absolutely right, Peter, there hasn't really been a national debate since the late twenties, early thirties, when they debated the establishment of the Federal Communications Commission and the communications act. And the media companies have not covered it, the progressive community, for the most part, up until very recently, over the last twenty years the progressive community has really ignored this as an issue. There's been very little funding, very little advocacy. I don't think we should go into that right now. What we really need to do is to ensure that the deregulation that is planned is criticized, that your viewers call their members of congress and senators to oppose what Michael Powell has proposed. And to begin talking about what we do next to combat this consolidation and to ensure that the emerging new medium of broadband which can provide many many more channels for access for a whole variety of voices be established in a way that we can have a different kind of media system in the United States.

PETER: We're gonna get to the discussion of the June 2 meeting. But I'd like to follow up with Walter, a minute and ask if any of you agree or disagree about his assertion that a responsible editor does not give the public what they want, but gives them what they need. And that need is predicated on the necessity to remain informed. David, do you want to take a shot at this?

DAVID: I think he's right, and the difficulty with that position and it's always been an... attention issue between publishers and editors in print, in internet and in any kind of medium. Is that at the end of the day, someone needs to meet a certain profit margin. Right now, those profit margins that are expected in broadcasting at the end of the day by investors are as much as 30-35%, and it becomes more and more difficult to attain that and still be journalist in the traditional sense. It's possible and some of the broadcasters have argued that they could do that better, if they were able to take advantage of certain synergies, for example firing more people by conduct-do back office functions, by owning more channels in the same market. They may be right, but then the difficulty with that is then there are fewer voices.

JEFF: Look Walter Cronkite, I'm afraid, his historical perspective doesn't really reflect the reality of the history of broadcasting. I mean Paley and Sarnoff were cross-cutters in their day, and indeed Paley did not back Ed Murrow and the attack on McCarthy. Fred Friendly had to take out their own small add in the New York Times. The only times the networks historically, when there were three networks, really did a good job was when there was political pressure and scandal. For the most part I think traditional US commercial media, large cable, large broadcasting in terms of news and public affairs is pretty much a lost cause. Today, fewer than one percent of all broadcast television stations have any investigator reporting. The focus is really on brand awareness, on promotion, on selling advertising. There's no commitment on the part of the broadcast networks and really the cable networks for serious investigative reporting and analysis. We're going to have to look elsewhere for that, which is why we have this opportunity now with broadband and broadband cable to allow others that want to do a serious editorial job to be able to speak effectively.

PETER: We're just gonna take a call... Herb from Ohio, welcome do you have a question?

HERB: Yes I have a question; I really enjoy your show. The question that I had was that it always seems that it comes down to the people's wishes verses the corporational wishes and I have this funny feeling the corporations and the FCC, the supreme court, all of them are connected in some kinda way. Could it be... will it ever come to... do the people have more rights than the Supreme Court?

PETER: Do you want to ask that question to somebody in particular or shall I assign it...

Herb: assign it

PETER: let me ask Michael Parenti

MICHAEL: Well of course they do, the people are the sovereign source of the Supreme Court's power. The Supreme Court is supposed to be serving the people and the public interest. And this whole idea that the media, serve the public interest because they give them what they want is really open to question. I remember that when Marcos was overthrown in the Philippines, polls were taken and people were saying why have we never heard about this, he was always treated like a hero, and why don't we know, and what's going on with the Philippines, why is this happening, why don't we know. So people weren't being given what they want. Furthermore, supply has a way of creating demand. If you keep giving people shock jocks, and you keep giving them these right wing thugs who abuse guests and outdo each other in being as harsh and as ideological as they can be, as left-fashion as they can be... That becomes what the media is, and who says that we all were demanding more of these O'Reilly characters, and people like this. Who said that? There was no big demand for that. That's what Rupert Murdoch and these people have been feeding the people of the country. Their goal is not to give us what we want but to make us want what they give.

PETER: Well do you think there's a difference between the public interest and the public curiosity? For instance in the months leading up to 911, the dominant story in every American media outlet was the disappearance of Chandra Levy and the Gary Condit story. How does a story like that serve the public interest?

MICHAEL: Well it may be an important story, women are victimized by men. And women have been killed, disappeared, raped, and abused in many ways. I don't brush that off as a puffery story, but it does get to be overload after a while and there are any number of other issues that also have to be dealt with. People don't have any demand for them because they don't know about them. How am I gonna ask about what the FCC is up to when that's the very issue of today's program? That hasn't even been covered, the FCC hearings about totally deregulating the media, that itself has not been covered by the major media. There are alternative media people who have gone to the hearings, who have raised all sorts of questions, that haven't been covered. So you can take any number of issues that have to do with single pay or health care, people are very concerned about health care, but we don't get coverage, you don't get a debate about what are the issues involved there. So don't blame the public and say that they are

indifferent, that they just want puffery, they just want sensational stories like Chandra Levy or OJ Simpson, which are not unimportant stories, particularly. But, right, when the media gives 80% of their attention to those things they can do that because they are so busy evading all sorts of other public issues, the news media are.

PETER: Let's say that the news media are free to pursue their penchant for profit. And they serve to pursue profit over the public interest. That doesn't mean that the public interest goes away, and let's not say that profit is bad. But since they're using valuable public resource, why shouldn't those profits and why shouldn't those industries be taxed to set up a non-profit television network that would serve the people's interest that doesn't go away. In other words instead of judging the major medium saying your doing profit, just say there's a job that needs to be done and it's not being done by profit-oriented media, we need to take some rent from our airwaves and apply it to these....

ADAM: Understood.

PETER: Ok...

ADAM: Couple answers. First of all somebody here needs to explain to me what we mean by the public interest, and how we satisfy that. So much of what we hear that goes on in the debates about media ownership and the media in general, smacks of a sort of cultural elitism. If somebody can define exactly what the public interest is. Who's going to do that? Well it's going to be the FCC; it's going to be a set of regulatory officials who probably are going to end up working very closely with the industries they regulate. Second of all, when we talk about these companies making profits and then maybe not serving the quote unquote public interest, whatever that is, and when the need for non-profit outlets we have non-profit outlets right now and of course we have a lot of other forms of competition out there. I don't know if anybody has turned on their television lately and seen the sheer diversity of the things we have to choose from, but I frankly don't understand why so many people are bemoaning the current state of affairs when we live in a world of information overload. And the sheer cornucopia of choices available to us from cable, satellite, even old broadcast television, old radio and newspapers and now the internet. I mean what is the problem here exactly that we are trying to face? I just don't understand.

PETER: I want to ask Jeff Chester a question. Is it actually the FCC that's the appropriate body to establish the public interest or is this not the job of the congress. And haven't many of these media conglomerates worked very hard to keep these issues out of congress and out of public debate?

JEFF: Yes, I mean the media companies are constantly lobbying, in many ways they control both parties, both the democrats and the republicans, so there's a tremendous timidity. Let's remember that the 96 act was blessed by Clinton and Gore. In some ways there's not much difference between the democrats and republicans as they deal with the media. The FCC has always been a captured agency unfortunately under the domination of the media industries historically. And then again there's this revolving door... that goes on, but just to respond, I mean there's a lot to cover...but you know now you have now five companies, you have

everybody in Hollywood the writers gild, Barry Diller, Ted Turner, everybody now knows that five companies control eighty to ninety percent of the channels. That independent producers, people with hundreds of millions of dollars cannot even get a show on the air anymore. And now these very same five companies, plus Comcast and Tribune, they wanna go and end the remaining checks and balances over corporate media power, so that those same companies can not only control broadcast and cable national distribution but also buy newspapers own several television stations in the market, merge with cable and have preferential broadband access. That dramatically is a threat to our democracy, reduces the diversity of voices and it's truly dangerous...

PETER: Jeff while you have the chair there, I'd like you to start and I'd like to go counter clockwise quickly once and each of you take a stab at defining what is the public interest?

David: I'll take a shot at that. One of the aspects of the public interest that the FCC and Congress have both agreed since the twenties, when it was the Federal Radio Commission, was essential, was this concept of localism. The idea that in each local community, there really still is, a very limited number of potential channels for outlets for local expression, for local news, for public affairs to serve local needs which inherently can't be served by national media, and isn't served well, at least yet under the current model by the internet and so on. And because there are only so many channels, the possibility of more duopoly and more concentration in local markets is a genuine issue and the public ought to know more about it. Other aspects of the public interest include what's called source diversity, in 1973, the FCC once said and they were right, it might be, if there were 50 different voices, it might be that the 51st voice is the one that has that viewpoint that otherwise people don't know. Someday the media may evolve in terms of distribution to the point where Adam could end up being right. It's moving technologically towards Adam's model. But it's not quite there yet. It's especially not there in terms of this issue of equal opportunity. Because the government did not hand out the airwaves fairly did not allow merit and viewpoint particularly with regard to minorities and women to have an opportunity to use this great resource which most people still rely on in making democratic decisions. That's unjust and it's dangerous in a democratic society. Until that's corrected, it's really premature to talk about moving completely to a market system.

PETER: David we are gonna address that question a little more deeply. I'd like to give Adam a chance and then go to Michael and hear what your idea of the public interest is Adam...

AT: Well Peter, I think this is an important question. I think the answer to it is that there is no one single amorphous clearly defined public interest. There are many distinct public interests so to speak. And frankly I don't want anybody inside the beltway of Washington DC defining what the public interest is for me. So that gets to the question of how is the public interest defined and who does it? Well it's defined by the public. What does the public say? And how do they say it? They say it by making their views known in a political, and in a market place of ideas and of commerce where they purchase with dollars and their eyeballs and ears the types of things that they want to see and listen to. Now we are of course here, it sounds like, at war with the idea of a commercial medium, a capitalism in media. Hey the media is a business, it's a business like any other, it does have profits. Unless we are talking about going to some sort of a system of completely non-profit type of organization of the American media, there is no getting around the

fact that the American media is a business. Just like any other, it has profits, that is important. And frankly the public does have a say, they can turn the channel, they can vote by going and buying a different type of media. You can go from regular broadcast television to cable or satellite, like almost 90% of Americans have voted with their pockets and completely moved away traditional broadcast over the year television and gone to cable and satellite. That's saying something. And what about the internet again, I mean Matt Drudge broke from the Monica Lewinski story with an internet site and a computer he set up all for about six hundred bucks. This is a different world we are living in now....

PETER: Michael... Sorry were you done...

ADAM: yes.

PETER: Michael you wanna take a stab at this?

MP: Yeah, the market place, about what the public interest is, the market place of ideas is heavily controlled. The market place of ideas conges up an image of a bazaar with different stands that you can go to, and that's what he's pushing right now, and you have such a diversity and such a choice. The fact of the matter is it's heavily controlled by the financial market place and that determines what gets mass distribution and what gets cornered in maybe little peak here or there maybe... What's the public interest? The right of all these diverse groups to be able to look at issues from different perspectives, and not just from the perspective that's given to them by General Electric or Ruben Murdock or one of the other media moguls. It was in recent Times media bosses have refused to run advertisement, stories, or commentaries on these subjects: one that advocated single payer health insurance, stories that criticized US military intervention in other countries, or stories that oppose free trade, North American Free Trade Agreement and more recent ones like GATS. Where is the debate on these issues? That's what the public interest is, is to debate these things to have a diversity of opinion. Congress itself didn't even know what they were signing when they passed NAFTA, half of them hadn't even read it, they were so ill informed. What is going on? What is free trade and what is globalization about? What must the USwhy must the president now consider himself to be monarch and ruling power over the entire world, not longer needing to use diplomacy? Where is the debate around that issue? Where is the debate around US interventionism? Where is the debate around the question of increasing the US military budget by another 70 billion dollars, really more like a hundred billion dollars in the last year if you count the money that's going to Iraq, to destroy Iraq? There's no debate on these issues, that stuff is hid, the assumptions are made the media get in line, and they are like the lap dogs in that sense. They follow whatever the white house says, whatever the state department says, whatever the CIA says, whatever giant corporate America says is good for us, they've got people convinced that government is the major problem, government is the enemy. But what about these huge companies that control the quality of the air we breath, the food we eat, the water we drink, that control the job market, that control the images that go into our heads. What about their power where's the debate around that? There is no debate because they also control the means of debate; they also control the means of discourse...

PETER: Wait we have a caller, we're gonna take Steve from Wisconsin and we'll get back to you ...Steve welcome

Steve: Thanks, well along the very same lines I was wondering what the panel thought of the concept that the consolidation of the American media impacted the coverage of the war in Iraq.

PETER: did you want to ask that question of someone in particular?

Steve: No, just sort of a general question.

PETER: Ok... Jeff do you want to take that question...

Jeff: Well to me, I mean I think that it was incredibly striking for many, where one really could see the relationship between the consolidation and the commercialization of the US television industry broadcasting and cable and their coverage. It was narrow, it was forming to US government interests, it didn't really have the kind of criticality and analysis that was necessary for the American public which is why a lot of people went online, and went to the BBC, and else where. I mean the fact that the American public, 42 percent of the American public, thought that Saddam Hussein was responsible for the airplanes that crashed into the World Trade Center, as recently as this year, sort of underscore the failure of our news organizations. Look the public interest, I wanna go back to that point, it can mean a lot of things, it should mean a qui-pro quo, there should be a serious commitment on the part of the broadcasting and cable networks for news and public affairs. We should ensure that the cable networks and the satellite networks in particular open up their channels capacity to many many more voices. The problem is, I think Peter, is we're not gonna get it. You're not gonna get any kind of significant public interest quid-pro quo from the commercial media because they have a lock on the political process and because they are making sure in effect that there is not a debate about these issues. But we do have an opportunity with the new media with the restructure television landscape in every community and in every state nationally to start asking some basic question about how our media system is structured. Because this consolidation and this attempt to deregulation is all about positioning these big companies within this new multi media interactive system that is now being ushered in.

PETER: Jeff thank you, you have given me the link back to my organizing principle here. I want to take advantage of this interview with Walter Cronkite and watch a short clip on media deregulation from that recent interview.

PETER: What do you think the stakes are in this hearing how important do you think they are?

WALTER: Oh I think they are of maximum importance, I don't think you could possibly find any way to diminish their importance. This is the whole ball game, we have to have diversity of ownership in the means of news dissemination in order to ensure that we do not, we are not limited to a single view, a single policy, a single format for government we have to be sure that government actions are reviewed by people of different views so that we can understand the alternatives available to us.

PETER: Who else but government could regulate the industry?

WC: Well self regulation has always proved to be a shi..., in any area, even in our personally lives need some system of justice to tell us when we are wrong. And that's true of broadcasting as well of course.

PETER: Adam would you agree or disagree with Walter Cronkite that the media is incapable of regulating itself or serving the public interest without some kind of oversight.

ADAM: Yeah, I would disagree with that because frankly we do have ways of testing these industries of holding them accountable. Again we are not eliminating all the laws in America just because we deregulate the media sector, and frankly we have this distinction that no one wants to deal with about the old types of media like newspapers, and print, magazines and so on and so forth, who get a free pass on all these regulations, don't have to face any of these same sorts of constraints. And yet we want to impose all these special quote unquote public interest standards which still are not defined by anyone, on the new types of media and I guess even on the internet. And that concerns me, because I don't think we need them when we have a market place where we can choose and compete for different types of services.

You know your caller had an excellent question about the Iraq war. And let me make it clear, my organization has done more than just about anybody in this town in opposition to the Iraq war and intervention. And I personally was opposed to that myself. But the fact of the matter is that, I saw plenty of opposition on television and when we say things like 'oh there was a cover up, there was some sort of conspiracy out there to hide the truth from the people'. I'm not sure what people are talking about in that case, because frankly I saw opposition everywhere! And the fact that we could turn to a BBC or go online and look at other international sources of medium and see what they're saying that's a form of a check and a balance on American media. So again I think there is competition here and I think there's a real diversity of choices and a real market place that we can be proud of and I don't think any more deregulation's going to hurt in that regard.

PETER: Just before I go on to my next question, I'd like you to explain though what those checks and balances and regulations are, you said we're not gonna get rid of all the laws in America, how do we regulate the major broadcast medium?

ADAM: The same way we would say a movie cinema or a large newspaper chain, if there is a concern about a single company coming to dominate the entire land, which I find just incredibly difficult to believe. Then of course there is this thing called the Sherman act, and the Clayton act, and the anti-trust laws that will be used against those companies. You know, what's the harm in freeing things up and seeing what happens, I just don't see it there and I don't think there is justification for special treatment. Furthermore, the special treatment in quote unquote public interest regulation that is the alternative has yet to be defined. What are the standards? Are we going to hold every company to a very small percentage piece of ownership of another company? Does every single company have to be, or a newspaper or cable company or television station have to be owned by a distinct and different company in every single

community in the name of localism, or serving the public interest. Where does the public interest regime begin and end? Somebody has to define it.

Jeff: The Supreme Court in the 40s in the associated press case, established in many ways what the legal framework should be, I think, for the US media system was that it was really the right of the citizen to have access to a diverse array of information sources. Now when you have five giant media companies that control television, broadcast and cable and satellite television, the most powerful forces in our society, and then you eliminate the rules that prevent them from owning multiple television stations, owning the newspaper, controlling cable and then because the same FCC that's about to do this has also undermined the future of the internet by changing the regulatory structure of the internet. These very same entities will be able to dominate the architecture of the emerging broadband environment as well. Five, six, seven companies are insufficient for a democracy in terms of ensuring diversity of communication.

PC: Ok, Michael you wanted to say something...

MICHAEL: Yeah, when we see in other countries journalists silenced, taken off the air because they've said something that upsets the rulers, we're very upset, we're indignant. But it happens in this country all the time. Lowell Bergman, who used to be producer of sixty minutes, says and he quotes news producers who say it's getting harder... 'finding it more and more difficult to do pieces that are critical of fortune 500 companies or, of corporate sponsors or, suppliers to various networks. Jim Hightower, he had about 200 stations which were carrying his show, he got critical of Disney which owned ABC and he was off like that, he was just suppressed, he made one critical comment about them. If that's the way a democracy works, if that the way the universe of discourse the communication field works in a democracy we are in trouble, and that's going on. Michael Moore's TV nation that got kicked around in five different spots and then was finally taken off, and TV nation was very mild in the kind of ... how it poked good natured fun as some big companies now and then. The truth is we have something very close to an ideological monopoly; it goes from conservative centrist to far right radicalism. To quote Ruben Murdock he says 'I'm not a conservative, I'm a radical conservative' and he means an extreme conservative and he certainly is. And that's the imprint that is coming more and more. There isn't dialog there isn't dialog about fundamental things and fundamental issues. Even when a company, a big corporation is finally attacked like the tobacco industry where finally the media came out and actually said, 'well what do you know this is happening they've been injecting nicotine in it deliberately, there's a link between cigarettes and cancer'. Well you know that was information we knew fifty years ago, when I was a kid we knew that. There were studies already showing that, it took a half a century for this to finally come to the fore and become an issue because of the power of the tobacco industry as advertisers mostly, I don't know if they own much in the media. So we do have a plutocracy, in the media we have a plutocracy ruled by wealth we do not have rule by the people.

PETER: David because our subject really is deregulation I'd like to frame the next part of the show and ask you to explain to the viewers what the implications of the upcoming June 2nd meeting are, just briefly so it'll give us a frame to operate in...

DAVID: This rule-making that the FCC is going to resolve probably on June 2nd, is going to cover a broader spectrum of regulation of who can own the media than any rule-making in the FCC's history. It's profoundly critical to democracy. For example, they're going to look at who defines, what is the definition of a radio market? How many radio stations can be in a market, can one company own? They are going to look at whether you can own two television stations in the same community, even in a small community. They are going to be looking at whether one company can own affiliates of the same network, for example, throughout the United States, more than a certain percentage as they have now, so that they become a national force through ownership of affiliates. They're going to be looking at whether a newspaper can buy a local television station in its own community, where before it would have been precluded. Or more television and radio cross ownership. These issues each in its own way, some of them more than others, are going to affect the availability of sources, the number of voices that get heard, whether one voice is heard through a number of different channels. One argument that's been made is that if you own a number of different channels your gonna counter program each one, you'll have more variety. But variety has its place, and it's valuable but niche programming independent voices, someone who may have only one channel and does have something essential to say, that meets local needs in way that a group owner may not meet them, also has its place. The question that the commission is gonna consider is whether there is some balance between these niche operators and their survival and group owners and their ability to provide variety, which will serve what the commission has historically said to meet the public interest.

Peter: We're going to take another call, Daren from Tucson, welcome to the Active Opposition.

Daren: Yes, thank you World Link for this extremely rare opportunity to be heard. My question is with large corporations holding a significant ownership both locally and globally, and that's financial interest, in major media news sources. Why is the public not to believe that there will be a degree of censorship and selective dissemination of information to suit their corporate agenda?

PETER: Adam would you like to take the first shot at that ...

ADAM: Sure, the answer is because frankly there are other places to turn if you feel things aren't being heard or seen that you want to see or hear. And frankly this whole notion that somehow, again we get back to this conspiratorial notion, that somehow, the private sector is the censor issue or problem or big brother problem, in our democracy is to me quite ludicrous. You know the big problem in censorship issue that I'm concerned about is when a government with coercive powers comes in and quashes a printing press. Or shuts down an internet site, like China tries to do with Google or, France tries to do with yahoo those are the kind of things that concern me. When a certain private owner of a certain private press attempts to censor the news because they have a certain corporate sponsor, my answer is so what... That story will come out, it will come out somewhere else and that certain person who did will look like an idiot and have egg on their face.

JEFF: But Adam you know, let's look at how they've covered their own lobbying around the media issues. Because the fact of the matter is, the networks have in essence censored this. You and I know they're up on the hill they're at the FCC. Look in the last few weeks, Bob Right and

Rupert Murdoch and Mel Carmers(?) of Viacom have all come in to see Chairman Powell. Eisner's been in there as well. In the 1996 act they stole huge chunk of digital spectrum, right, in 92 they got special interest policies so they could force their way onto cable. You've not ever seen on broadcasting or on cable any serious analysis or investigations of what those media companies are doing to benefit themselves and their industry. And I think that is a good illustration of the concern and danger. When you add to that the risk adversity that underlies all of US television and the lack of commitment to any kind of serious news in public affairs...

ADAM: Can I respond very briefly?

Peter: Is that Adam?

ADAM: yes, very briefly

Peter: ok, very briefly

ADAM: Very briefly, the point Jeff made is very important and he's proving my point. Because he said that all those important corporate big wigs were in to see the people at the FCC and in congress, the people who are supposed to be setting the quote unquote public interest. So who are we supposed believe in? Who's going to set that public interest, if not for the people that are meeting with those large corporations? Again, leave it to consumers to set the public interest, because the public interest as defined by politicians is already been corrupted.

PETER: Well in my research for this show, it became very clear that time after time when the FCC did try to intervene on the public behalf, politicians intervened and threatened them with investigation, canceling them out of the budget, things like that, and pressure tactics. And so my question to the panel is, haven't strategies like this made the corporations themselves the de facto owners of our airwaves?

JEFF: Well they are, look they are the de facto owners of the airwaves and of cable. We have seated control over our electronic media system to these handful of giants, it needs to be fought post this decision and there are things that the public can do. But there is a new media system emerging that's why these guys are lobbying now. There's no longer any limits on the number of channels you can have on television, on cable television or even satellite, we have an opportunity to ensure that broadband internet sites of a diverse range be placed to the foreground of the public consciousness. So even though I think yes we've lost it to these folks, there is still an opportunity to restructure the system to serve democracy.

Peter: We have two questions the first is Tate from North Carolina, did I get the name right?

Kate: From North Dakota actually, a reservation...

Peter: What's your name?

Kate: Kate...

Peter: Oh Kate, well come to the active opposition....

Kate: Yeah well hey thanks for the opportunity. In North Dakota here, the majority of our radio stations are owned by Clear channel and for a small population state such as ours this is like a real right wing slant become dominant. And I guess I'm wandering how people can, who want a more diverse airwaves, could speak out or seek change in this media dominance?

Peter: Michael would you like to answer that?

Michael: Well the way you don't find it is Adam's happy little pastoral image of 'why you could just go somewhere else, go on the internet'. Well most Americans aren't on the Internet; there are tens of millions of people who aren't connected to the internet, who get their information from TV and the radio in their car. And if the radio in your car has one right wing pundent after another, one right wing ideology... propagandas after another, that's what the people are going to get. It's not an open system. What you could do is of course by breaking up Clear channel, bringing back the anti monopoly rules that we had, which says 'that you can't own but one radio station in a community', not six as you do now. And forcing them to sell those others off, that would be bring the price of them down. They got them very cheap, they're very expansive now because all that capital is coming in and radio stations have gotten more expansive. But sell them off and those stations could be owned by other people, church groups, peace groups, labor unions. Why don't any of these groups have... they used to, they used to have radio stations back in the 20s, and that was all taken away... That would be one way....

Peter: Kate's question was kind of mimicked by Fred Hetsel in Cleveland Ohio; he also had a question about Clear channel. I don't know if all the viewers know but Clear channel owns about fifty percent of the radio stations in the United States. They're currently having a legal dispute with Bruce Springsteen and Britney Spears, because they say that if you won't let Clear channel book the tours they won't play your records on the air. And recently they've pulled the Dixie Chicks from the air and Fred wanted someone on the panel to speak to this...

DAVID: I'll speak to it ...

PETER: Ok...

DAVID: First, Clear channel owns 9% of the stations in the country, they own...they have a substantially greater proportion of revenue and in some markets they are dominant. And the FCC has been considering for example whether if the two largest broadcasters in a market each control more than eighty or ninety percent of the advertising shares, is that in the public interest? And that's the question, kind of where that line is drawn. But it's just important to have accurate information. We've been talking a lot about the disadvantage of consolidation. If I could I'd like to just give an example of the advantage of diversity. Through the years since 1978, the FCC had a policy of promoting minority ownership. That policy is largely dormant now, but it did cause that 1.3% that I mentioned earlier, of asset value to be held by minorities. It has had an equal employment opportunity rule, which has been in effect most of the last 30 years, that's been exemplary. And what happened after 911 was, some of the worst instincts of some people in the country began to come out and we saw ethnic groups, members of minorities groups

targeted who had nothing to do with this horrible crime. Same thing with the war in Iraq. When it happened though fortunately, there were enough broadcasters who had gotten their licenses in this way, who were themselves minorities, who had enough critical mass, through talk shows that they had such as Tom Joyner, the Smiley show when it was there, some of the local shows here in Washington and Detroit, New York and so forth, to raise this question of holding the country to it's highest values, in terms of nondiscrimination, in terms of fairness and in terms of religious and racial tolerance. I really attribute President Bush's statement that Islam is peace, to the fact that those broadcasters were heard, had a voice because the commission's diversity program's over the years had worked. So that different voices had a chance to get into the public domain be heard, and be taken seriously. And the question before the commission now is how can we protect and continue that ability to have serious issues get into the public domain.

JEFF: I'd like to talk about Clear channel for one second. Clear channel has about twelve hundred radio stations it's the largest radio network and indeed it's dominating the many markets. There are very good organizations out there now fighting Clear channel. Future of music, future of music dot org, is one of those groups that are leading the campaign to get legislation through that would perhaps break up Clear channel, force them to sell a few stations. There are boycotts planned of Clear channel station, so I hope that your viewers will support those efforts to put pressure to break up the strangle hold that Clear channel has in many communities across the country.

PETER: Well this discussion of radio leads me to my next point. Many people feel that deregulation of television will follow what's happened with radio. And since 1996, one half of the nation's 11 thousand radio stations have changed hands. And there were over one thousand radio firm mergers. There was an FCC hearing recently chaired by the democratic minority on the board to take public input for this June 2nd decision. I attended it and spoke with FCC commissioner Jonathan Adelstein and, Brad Johnson, a former employee of Clear channel the largest radio conglomerate. I'd like to show you another short clip on media ownership from that interview.

JONATHAN: I've been concerned about media ownership, ever since I joined the commission. Really it was... what heightened my concern was when I came to these hearings and got outside of sort of the debate that we have in Washington where we get well paid lobbyists that come in and say 'oh this is ok, we can allow some more consolidation, we'll put better news on, if we can get bigger'. And they try to make you feel comfortable that there's not really an issue here. But when you go out and you talk to people, when I went out to the hearing in Richmond, or when I went out to the hearing in Seattle, and today, every time I do this I am just alarmed by how profound the concern is by the American people, and how much responsibility I have, as a member of the commission, to respond to those concerns. And to make sure that somebody in government is listening to that, that somebody expresses that to my colleagues who are in power at the FCC to say 'wait a minute is this really what's best for the people out there, don't we have a responsibility, like a fiduciary responsibility to make sure that all those voices aren't drowned out by those few people who come in here with their fancy studies and their Gucci shoes and say 'don't worry more concentration isn't gonna hurt anybody as a matter of fact it'll be good for people', that's not what I'm hearing from the real people who are actually the ones we are supposed to watch out for.

PETER: Commissioner Thank you very very much.

BRAD: I think a lot of people in the industry are afraid to talk about Clear channel. Because it's so hard to get a job at a station that is not clear channel. I guess the biggest impact is when Clear channel buys a station they have their ideas set for what they're gonna do with it already. They gonna put in their automation system, so they can control it by remote control from other cities and share commercials. When Clear channel plays a song it's coming off a hard drive, and they get on the hard drive on a CD that Clear channel sends out, and if your song doesn't get a number on that CD your song doesn't get on the radio. Literally, you have to be on the profit system CD to get into the system, and it's got the same song number at every radio station Clear channel owns. And if you know, they don't like the Dixie Chicks, they just pull up the computer network and delete her songs from the system, and gone! It's that fast.

PETER: Michael, is this the future of television, is consolidated, and centrally controlled television going to control what's seen on various markets like it has in radio.

MICHAEL: That seems to be the trend but hopefully we're gonna be able to reverse it. The thing we should keep in mind, the point that was made by Adam that he's worried about the government which has coercive power, the private sector has enormous coercive power. There have been any number of investigative journalists who have lost their jobs at TV stations, radio stations, and newspapers because they've investigated things like bovine growth hormones, or they've investigated corporate America, I could name... we don't have the time to go into it... but aside from the people who actually loose their jobs, there are the others who are just warned or coerced into silence and wanna keep their jobs and learn how to trim their cells, and learn how to not say anything that gives offense to anybody in America who has power and wealth.

PETER: I'd like to ask Adam, President Reagan's FCC chairman Dennis Patrick claimed that 'television is like a toaster; it's only there for the marketing'. What would you say to that?

ADAM: Well it was actually Mark Fowler, I believe, who said that in the early eighties. And in a sense what Fowler was saying, is that we need to look at the television like we've look at a lot of other types of commodities or devices, or products in our world, in our marketplace, in our home, and treated no differently, and I'm sympathetic to that argument. Now is television more important in our society than a toaster? Well of course it is. It doesn't mean however, that an extensive regime of controls and quotas and other types of public interest regulatory requirements is necessary for television anymore than it would be necessary for newspapers or magazines. I keep going back to that and nobody seems to want to address that, that nagging and uncomfortable issue. But frankly that's what we are talking about here is the special types of regulatory standards for this industry. That's what Mark Fowler was getting at, which is we don't need to treat this industry any differently.

Peter: Wait... I would like to give Adam a chance because we've been treating him lightly; by the way it was Dennis Patrick...

All: No it was Mark Fowler...

Peter: Ok I'm out-voted... Anyway Adam would you like to respond? Is this a special interest? Are we holding a different standard for the broadcast industry than we hold for the newsprint industry, the magazine industry?

ADAM: Well I think we are in the sense that for the newspaper industry and for magazines or anybody in the print media, the non-electronic media as we would refer to it in legal terms, have a very distinct different type of legal and regulatory standard. There is no public interest requirement for the New York Times! I mean there have been famous court cases, New York Times versus Sullivan and the like, that have dealt with the various types of issues of the relationship between government and newspapers and magazines. They have gotten almost complete freedom to do as they wish. Now we come along and say well we're gonna treat broadcast differently because the spectrum is special or unique or it's quote unquote scarce, none of which is true...

JEFF: Adam... Adam... you know, I have to say Adam, you know very well... I don't know if I can speak, but you know very well, right, that there has been this limited spectrum and look what the broadcasters have gotten out of them. The broadcasters have lobbied in 1992 to get themselves a special policy which is called Re-transmission Consent, which has enabled those broadcasters, off our public property, to gain access to tens of billions of dollars worth of cable channels. The reason you see ESPN 2, or national geographic, or home and garden television, those cable channels owned by broadcasters, only possible because they were able to lobby the congress, 'Hey, we are serving the public interest, right, please give us this giveaway'. Then in 1996, when they lobbied to get the digital spectrum worth anywhere from 60 and 80 billion ... And now they're asking for interactive full capacity on cable systems, right? Of course they should be treated differently, because they've been given this free piece of public property and they have extracted from it, last year the four broadcast networks and their companies made 200 billion dollars, in part through this public largess. So certainly there should be some qui-pro quo. Now there's not going to be, don't get me wrong. They have a control on this political process, they have no intention of doing any kind of serious public service, we already have an oligopoly, and we're not gonna be able to change that, it's just gonna get slightly worse after Michael Powell has his way, and we're gonna ruin newspapers that's truly a tragedy... which is why we have to come up with an alternative policy now to deal with this mess that's been created here.

Peter: Thank you, I'm gonna go to another caller, Sean from Chicago welcome to the Active Opposition...

Sean: Thank you. It seems to me that we have been Wal-Mart-ed, Kmart-ed, Target-ed, McDonald-ed into this homogenized American mediocrity. That might be further exacerbated by the consolidation of the American media. I mean it's happening already, I've got 300 direct channel TV channels and very frequently I can't find anything to watch. I just wondered what the panel had; forget all the business issues, what the panel's concept of the impact on creativity and the American spirit?

Peter: I'd like to ask David to start...

DAVID: Small companies in every industry have always been the innovators. And that's why it's essential that consolidation within a market not proceed to the point that it simply becomes impossible for a small broadcaster with one station or two stations to make a profit and to survive. It seems essential to protect the ability of that one company that, maybe it's a mom and pop company; maybe it's some iconoclastic individual who just holds the license sometimes intending not to make the greatest profit, to be able to be sustained. That's at the end of the day, whether the commission allows three companies to own 90 percent, or whether it allows one to own 50 or 60 percent. Having those remaining few independent voices, that will provide innovation and provide a competitive spur to the big ones, is really at the end of the day the most important issue in this proceed.

PETER: I'd like to show you another short clip on media ownership from my interview with Walter Cronkite

WALTER: ...is we need ownership of the communications facilities, that is liberal, not in a political sense, liberal in the sense of believing that all sides must be heard, all sides must be reported. We need diversity of government theory, we need diversity in the market place, and we need diversity in the racial mix of ownership. And the figure we have, which is the reason for this program, is in the narrowing of the ownership to the degree that we are not getting the diversity of ownership which can assure the freedom of speech and press that the constitution guarantees we should have.

PETER: Michael, I wanna ask you a question about the relationship between ownership diversity and content. I'm particularly curious about the fact, if this plethora of right wing talk shows, suggests that right wing talk show hosts are genetically more talented and entertaining than their left wing counterparts or whether there might not be some interface between their politics and the politics an interests of their corporate ownership.

MICHAEL: Well, exactly the latter which I've been arguing throughout this program. He who pays the piper calls the tune. And they hire people who are ideologically suitable to them. And that's why we have, you know, almost nothing on... just almost no debate on the question let's say of alternative energy sources, because the oil companies and the automotive industries and such are pretty much monopolize... you know... the media are pretty much taking the view that corporate America has. And you can go issue after issue, where there are alternative viewpoints, alternative arguments to be made, and they're just not getting on the air including elections themselves. Where in most elections, political elections, most election coverage is about insider strategies, about style, about the horse race itself which candidate seems to be edging out that candidate, and almost nothing about the issues, about the content, of what are the urgent issues. And again, people are not going to know there's an issue there until they can at least hear about it. They feel the grievance, they wonder what it is and all that, they can't afford to go to a doctor they can't this,... they're not hearing about what are the issues and what could be the alternatives.

PETER: I'd like to bring this just close to home, for a second. The channel you're watching tonight exists because of a little know court case, in which broadcasters were forced to give back 4% of their channel capacity to public interest broadcasters. They were not required to give any

operating funds to stations like World Link which is why public service broadcasters are always begging for money...

JEFF: Peter that's not true you know....

PETER: excuse me?

JEFF: I helped lobby that legislation in 1992, that's not true Peter...

PETER: What isn't true?

JEFF: That isn't true. The reason that World Link and Free Speech TV for example is on satellite, is because advocates such as myself, I don't know whether David lobbied the media access and others, as far as the 1992 cable act we said that... that it's going to be a new medium such as direct broadcast satellite, that a certain percentage of the channels be reserved for non-commercial use on the direct broadcast satellite, as we have reserved non-commercial space on... for broadcast television and for radio. So it had nothing to do with, I just have to say and correct you, it had nothing to do with the over the air debate... Peter, it really was a sense from the advocates and from public broadcasting that wherever there's a new medium we should ensure non-commercial voices...

PETER: are you saying that...

JEFF: and that's a very important precedent that we have to include as we look at this new media system that's emerging...

PETER: Jeff, I'm trying to find out what I said that was not true, that there was no court case in 1992?

JEFF: No it had nothing to do with the court case... there was no court case in 1992. What happened was, they have to be able to get the legislation in, in the 1992 cable act, then Tom Warner and others took that provision and other provisions to court... and we... pre prevailed....

PETER: you prevailed and wasn't the result of that...

JEFF: it was really pro-active public interest lobbying in the 92 act, that created the public policy framework that allows you to be on the satellite for now.

PETER: Ok I understand that's an error of emphasis. I understand that, but had you not won the case, we wouldn't have this 4%. And my question that I want to pursue and I'd really like to go back to Adam because I asked this once before. If the media corporations choose to pursue their profits and ignore public service why shouldn't they be taxed to support the non-commercial channels and infrastructure which are trying to serve the public interest and those needs continue to be underserved. What's wrong with that idea?

Adam: Well again we have such a non-profit system in place today of course with a variety of types of public broadcasting and service programs. And if you're going to continue to dole out spectrum free of charge to an industry then taxing the use of that underlying spectrum might make some sense, some sort of a lease fee for spectrum. This is technical stuff. But the fact of the matter is, is that if you're leasing out this stuff, why not charge a small fee for it, then you can figure out what you wanna do with that fund and you can do anything you want. Unfortunately, I gotta tell you what congress is gonna do with it, their gonna spend it on a bunch of garbage. But if you can lobby them and, effectively with Jeff, find a way to finance your program and others like it, power to you. But a better system, to me, would be to give people rights to the spectrum they currently hold. And again I know my panelists here; my fellow debaters are against the idea of increased commercialization or privatization of the spectrum. But then I guess they're also against more private newspapers or magazines or other types of internet sites... I mean let's faced it again, this is a business, you have to make your way in a business world by proving to the people you've got something that they should want to watch or listen to ...

JEFF: It's not justI'll yield to my colleague here

DAVID: There is a way to take the best elements of what Adam is proposing. And some of what, for example the civil rights organizations have been talking about for years and use market forces in a way that promotes diversity. Look for example, and I know there's a mixed record on this, at what's been happening in environmental protection, where, for example, companies are able to have a private market, like a commodities market, in pollution credits. In basically saying that if you meet a target for reducing emissions of coal or gas or some noxious substance, you can sell that to another company that maybe can't meet those targets but then will have aggregate targets. You can do the same thing for diversity of ownership. In theory, we've made a proposal along those lines that the commission can look at, ultimately that's a way to use market forces in a way to promote diversity...

JEFF: but you know it just can't be, I have to say... I know you don't like... it just cannot be market forces here, alright. Because what we're really talking about now, is a handful of companies that have over the decades lobbied themselves into an oligopoly where they have control over that spectrum Adam, alright. We're talking about, you know, the cable companies have monopoly control over the broadband interactive digital environment in most communities in this country, the broadcasters and the broadcast networks have control... creating some kind of private market place will not allow for the creation of a mechanism for the diversity of ideas that's essential for a robust debate in a democratic society. There have to be other approaches. Yes we should be taxing those folks if we can, I don't think we can do it frankly because they're too powerful, but we should try. But we have to come up with alternatives to the market because the market is failing our democracy and I think falling voter participation is one indicator of how our media system is ill serving us.

PETER: We've got John from Albuquerque on the phone... go ahead John

JOHN: Oh I could sputter on...

PETER: Well sputter on for a few minutes but not too long...

JOHN: If I were Mr. Adelstein I wouldn't want to fly in any private aircraft soon... The free market is a complete oxymoron and I don't know how anyone can sit around and deny that! The market places are always owned, they're always controlled. And the inevitable trajectory of any commodity is toward monopoly... I mean for heaven's sake that's what markets do! This is a corporate state, in a corporate state corporate media are state media, so how can any medium and its all one medium, singular, serve anything like a public interest which is diverse and diffuse. When the first and only thing the media actually service is private interest almost already and primarily. Goodness me... And the notion that the congress could only spend money on garbage is housing and Medicare garbage...give me a break....

JEFF: I'd like to respond very briefly to say that when you talk about the internet and the evolution of the internet, into this broadband environment which will transport multi-media television images cable channels etc, that that is not coming from the same framework of our current corporate system. We have an opportunity with broadband with the next generation of the internet to make some decisions locally, at the state level and nationally to correct the problems we have with the present media system. The internet comes from a different tradition. Today it has an incredible diversity of expression and we have to ensure that diversity of expression and the power of the online medium plays a central role in the digital media environment that we are creating at this part of the 21st century.

PETER: I'd like to ask Michael a question. John makes a point, I mean isn't it just sane and rational behavior if you were a multi-billion dollar company and you were gonna make multi-billion dollar investment wouldn't you want to make sure that you were in a media that had very high entrance barriers to diminish competition? And isn't monopoly actually a sane and rational choice? Wouldn't any investor like to be in a monopolistic situation?

MICHAEL: Yes, I mean inevitably that's the inclination that's the instinct to try to monopolize as much of the market as you can. Which is why, we really do need regulations for the right to respond, we do need regulations to ensure diversity, we do need regulations to give airtime to minority candidates in political contests, we really have to go back to that. And the reason we single out the broadcast media and not the print media, I think it should be done with the print media also, but the print media are totally privatized. And if you privatize the broadcast media of course than you'll be freeing them from any kind of regulations also. But so far they're using the airwaves. The airwaves are the property of the people of the United States, and we should have the right through congress, through the government, to really start demanding regulations from these networks and broadcasters. They don't have a right to those airwaves, it's a privilege, it's been granted. What they do have, they do have an obligation to serve the public, and serving the public means not just having one little part of the ideological spectrum pounding away, but having a diversity of views respecting the idea that you don't have a- and you may have a monopoly control over that broadcast medium- but you don't have a monopoly over truth and justice.

PETER: I need to push us forward because we are running out of time. This issue is clearly too vast and complex for us to do more than scratch the surface in our 90 minutes. I'd like to show you one final anecdote from Walter Cronkite.

WALTER: You know when we were liberating the terrible concentration camps in Germany, as the head of regime collapsed. We went we were at these concentration camps that were being liberated, and you know outside the tall walls around all these camps, the burgers from the neighboring villages were all gathered, these rosy cheek blue-eyed German folks, gray haired folks with tears rolling down their cheeks, and they would see us with our war correspondent badges, they'd... believe us that we didn't know about this, we didn't know about this, we didn't know about it... I claimed that while they didn't know about it, they were just as responsible as those SS troops inside the walls for it, because they didn't know about it. Why didn't they know about it? Because they had applauded lustily when in 1933 the Nazi socialist party came into power, and the first thing they did was shut down the competition newspapers, and any voice other than their own, the national socialist voice. The people applauded that, they were glad because those other papers were quote communist or something of the kind, they didn't bother about the other side of the picture. As such they became just as guilty as the ones carrying the rifles themselves and turning on the gas.

PETER: There you have it. I'd like to thank tonight's guests Michael Parenti, Adam Thierer, David Honig and Jeff Chester for their contribution to our discussion and urge each and every one of you the viewers to not be a burger who didn't know what was going on. To contact your legislators and make sure that your opinions of these critical issues are expressed before June 2nd. Good night from the Active Opposition we'll see you next time.