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Author(s): [ELI NOAM](#)

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One of the most rancorous political battles in Washington today is over the rules limiting media concentration. Michael Powell, chairman of the Federal Communications Commission, has narrowly pushed through a set of rules that relax ownership restrictions, against some of his fellow commissioners. The share of population that can be reached by the television stations owned by any one company were raised from 35 per cent to 45 per cent. The cross-ownership limits of newspapers and TV stations in the same market were rescinded or reduced, depending on the size of the market. Local ownership ceilings for TV stations were raised. Local radio ownership was slightly curtailed. The result has been a political firestorm, in which the political right and left have joined forces against free-market advocates, resulting in a lopsided congressional vote of 400:21. The Senate is in no better a mood. The White House has threatened a veto if such a law is passed. It would be President George W. Bush's first veto; and judging from the congressional vote tally and the desertion of the FCC's Republican allies, an uphill struggle despite lobbying by the large media companies. Powell, meanwhile, seems disgusted enough to contemplate departing.

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ownership ceilings, the top four station groups, led by Clear Channel and Viacom, account for 34 per cent of stations by revenues. This is more than four times the 8 per cent of two decades ago, and marks a growth unparalleled by any other medium; but even this, in terms of the US government's guidelines on market concentration, is well within the "unconcentrated" range. Furthermore, most of that growth has taken place between 1992 and 1996 and has slowed down more recently. Radio content networking has declined but is a fairly small industry. But local radio concentration is the measure to watch and perhaps the most important potential issue to worry about. It has grown from an average of 44 per cent of an audience held by the top four station owners in each local market 20 years ago to 84 per cent, and definitely within the range of "highly concentrated industries".

For multichannel TV (cable and satellite), the four-company concentration rose nationally from 21 per cent to 60 per cent, which is more troubling than the trends of broadcast TV. Most important is the extent of local concentration. Here, cable used to be for a long time the only option, wielding considerable gatekeeper power. Today, with satellite TV a viable option for national programmes, cable's share has declined to 78 per cent and keeps sliding.

The local concentration of media has in fact been highest for newspapers. While its national concentration is moderate but rising (27 per cent, up from 22 per cent), its local concentration levels are astonishingly high. Whichever index one uses, local newspapers are at the top of the list for local media concentration.

To get an overall picture, we put together the trends for all mass media: TV, cable and radio but also print, music, and film. On average their concentration is low by the definition of the US antitrust authorities but steadily increasing, especially after 1996. Average four-company concentration in each of the industries rose from 31 per cent to 46 per cent, to a level that is still unconcentrated (but barely) by the government's guidelines.

Contrast this with the higher concentrations in the telecom services sector (76 per cent) or even the Internet sector, whose wide-open fragmentation increasingly exists more as a founding myth than as a reality (up from 63 per cent in 1996 to 73 per cent in 2001/2.) We can also look at the presence of the top four mass media companies in the entire mass media sector. Their revenues tripled from \$26bn in 1984, in today's money, to \$78bn last year. But the share of these companies in the overall mass media sector has doubled from about 11 per cent in 1984 to 21 per cent in 2001/2. This is a considerable increase - but the level would be considered low in most sectors. The low percentages, defying conventional wisdom, are explainable by the sheer size and diversity of the mass media market and the diversity of its segments: about \$400bn, if one adds up the revenues of print, music, broadcasting, cable, and film. (There is some double counting involved but that is also the case for the revenues of the large companies.)

These numbers are relevant to the debate in Washington. Outside of radio, they do not show a rapid trend to media concentration and dominance. This should not suggest that media concentration is low or that there is no need for vigilance. But it is quite another matter to call it a crisis, as many have done in the heat of the battle. That is not the case. Congress has clearly signalled its unwillingness to see the radio scenario replay itself for TV. Society is entitled to determine the proper balance between the economic and speech rights of media companies and the public's right to diverse sources of information. And economics is not the only factor to consider. The ownership of news and entertainment media is important to the health of democracy. But the debate over it must be healthy, too, and relate to facts rather than be driven by some dark fear that a handful of "liberal" or "conservative" media giants (take your pick) are taking over, which is not supported by the evidence.