

1 and innovations. This is a network that allows for
2 millions of innovators to find a low cost way to create
3 and distribute product. A PC and some creativity to
4 write software have the potential for competing with
5 companies that have control over traditional bottleneck
6 facilities. The reason is that many small companies are
7 able to develop and distribute products that don't need a
8 trucking fleet, that don't need the same cost of
9 airlines. They have other abilities, inherent in their
10 size, that are worthwhile. So the flip side of that is
11 opportunity, if anything else. I think that it will grow
12 to be what you think it is. It may not be in the form
13 that you're seeing now.

14 AN UNIDENTIFIED FEMALE: Many of the
15 broadcasters in this room that are renown in our
16 communities at least, on the impact on the Internet and
17 rights they're putting circling against some very
18 infringing business practice, by the big corporations,
19 consolidation being number one, but impact on the
20 Internet. The way the content is being split up, and the
21 audience being siphoned off, the providers of those

1 services, providers of that network look like we're sort
2 of getting closed out here. We're not focusing on that
3 as the impact as it would have impact on our mass media
4 community.

5 MR. POWELL: I had a meeting with Stevie
6 Wonder in the office and he was telling me about his
7 radio property. They're being drowned out in Compton by
8 large commercial interests and they have difficulty
9 competing for the ad dollars. These stations reach
10 markets that are not as geographically constrained. So
11 if I am in my office at the FCC listening to Stevie
12 Wonder's radio station, I may now offer him and his
13 advertisers an additional set of ears and that would have
14 been impossible for him to reach regardless of how much
15 power we ever gave him from California. But the Internet
16 is providing an opportunity. There are a lot of the
17 issues associated with that, copyright and other things.
18 But that is one example of this way in which to overcome
19 difficulties within the geographic market. Thank you.

20 MR. CASTRO: My name is Tom Castro. I'm in
21 communications. Your previous position was in the

1 antitrust unit of the Department of Justice and among the
2 things that dealt with was radio consolidation. And now
3 the FCC, there is also an issue that is before
4 Commission. I was wondering if you would share with us
5 your thoughts about a situation where in a significant
6 sized city, through a proposed merger of two companies
7 you would end up having one company controlling 100
8 percent of the radio stations in the African-American
9 community or Hispanic community. The Commission and the
10 Justice Department have shown some interest in this
11 consolidation where a particular station would control
12 all demographics, and say young women 18 to 35 that were
13 all country stations or whatever.

14 On the minority format, it has been less
15 clear, at least to me, what your views are on that. I
16 was wondering if you could share with us just in general
17 how you would view that if through a merger someone would
18 come to own all the stations it served in the
19 African-American community.

20 MR. POWELL: I think it is hard to answer for
21 a couple of reasons. There are any number of

1 considerations in the situation you apprised. It is
2 important to remember there are always two levels of
3 analysis. One is the classic analysis, competent
4 evaluations, well established, 100 years worth of
5 precedents and concentration and a giant and you all
6 would become familiar with.

7 Justice has passed its primary initiative, and
8 it is not as impacted as you might like by the nature of
9 the audience. They basically are focusing on the
10 advertising market. And I would note that there is a
11 little bit of tension or disagreement in the Justice
12 Department and the FCC as to whether or not certain
13 things are a market in themselves. To the Justice
14 Department, radio is a market by itself. Right now our
15 views are generally expressed that radio shares
16 advertising markets with other media, such as television
17 and newspapers; that could lead to different outcomes.
18 The FCC has a separate and distinct and important
19 consideration loosely called diversity.

20 It is in our statutes and in our history and
21 encompassed in the public interest that we enjoy. And

1 those considerations are separate and distinct from pure
2 competition. There is some, you know, attention in
3 overlap. This is what I was saying a minute ago. This
4 is in the area I believe is more muddled than it should
5 be. Mostly because the judicial precedents has really
6 thrown a wrench in the way we have been able to
7 articulate it. We haven't got back on the horse. We
8 have forcefully articulated what are those things we are
9 doing and adopt rules about concentration and ownership.

10 That proceeding is underway right as we speak,
11 including the ones that you adopted.

12 UNIDENTIFIED MALE: So your mandate might be
13 broader than the Justice Department?

14 MR. POWELL: It is my opinion absolutely, it
15 is.

16 CONGRESSMAN RUSH: Mr. Jonathan Jackson.

17 MR. JOHNATHAN JACKSON: Thank you for coming
18 out, Commissioner Powell. My question is regarding
19 something very local here in Chicago, not given to all
20 potential uses of Internet technology, radio ownership in
21 this city, a city well over 40 percent black in the metro

1 area. There is one predominantly black-owned radio
2 station. That is AM 1450 WVON, called "The Voice Of The
3 Negro." It operates with less than 1,000 Watts and it
4 operates only 15 hours a day. Corporate citizenship has
5 not worked here. Partnering, mentorship, buddyship,
6 people entrusted to do the right things has not worked
7 here. So you're interested in minority ownership, but
8 you would like to do it in a a race or gender-neutral
9 manner. If you could give some examples of how it's
10 worked any place throughout the country -- certainly it
11 has not worked here. From radio's inception to its
12 maturity, now it exhibits saturation and concentration.

13 MR. POWELL: There is a lot in your question.
14 Let's take an opportunity to make something clear. I'm
15 not talking about altruism. I'm not talking about
16 expecting people who have a self-interest in doing
17 something for you and the radio station because they're
18 good hearted. I'm talking about engaging in an effort to
19 devise economic incentives when they act in our self
20 interest their secondary benefit that goes toward
21 ownership. I don't have all the answers. I'll tell you,

1 that is the beauty of it. This wasn't altruism. This
2 was self-interest and financial reasons that happened to
3 have a wonderful effect on minority ownership. I am
4 convinced that we could -- it would be difficult to argue
5 against.

6 MR. JOHNATHAN JACKSON: The last thing, when
7 is it the language of the free market. I would like to
8 put that on trial. If it were a free market, I could go
9 to a Radio Shack and buy 50 watts and broadcast to the
10 degree there is regulations. It is not totally free.
11 And as we look at the historical pattern on how the
12 government has been able to allot radio stations and
13 control the licensing process, it is political and --

14 MR. POWELL: That is right. I can't go back.
15 I can't and neither can the FCC take you back, pre the
16 Telecom Act and everything else. You know, unless, you
17 know better than I do, change the entire statute,
18 Congress took the caps off the radio which means to me I
19 can't sit here and be teary-eyed about that. Where I
20 figure out what to come up with, policies that fit within
21 that statute, to some, perhaps not all of the objectives,

1 but I have to work just as we all do in the confines of
2 the structure. That is not something I'm free to wave
3 away.

4 MR. JOHNATHAN JACKSON: I enjoyed your
5 comments and thank you for coming out. If there were a
6 broader base of ownership in this community, I'm sure we
7 could be telecasting this live and that is the day I look
8 forward to. Thank you.

9 CONGRESSMAN RUSH: We've got to be brief.
10 We're going to take these last three questions.

11 MR. SESSOMS: I'll be real brief. I'm with
12 the Chicago NAACP. Someone indicated there have been
13 some radio stations that have ended up following Chapter
14 11 reorganization. Has that been occurring? Brother
15 Hart, have you heard that?

16 MR. HART: I wasn't here last night. That has
17 happened.

18 MR. SESSOMS: What I would like to see happen
19 then when a corporation files Chapter 11 reorganization,
20 they should reorganize under the statutes. And then
21 therefore required to liquidate Under Chapter 7. That

1 the license, the FCC license should revert back to a
2 pool, that minority pool who would bid on those licenses.
3 Do you understand? We create a minority pool, because
4 these corporations have shown they can't run a business
5 or can't compete and therefore since they have been
6 liquidated anyway, then the license should revert back to
7 this minority pool in which to give them a chance to be
8 in the field. And that's something that you can do in
9 conjunction with the -- under the Bankruptcy Code, create
10 an exemption there.

11 MR. LLOYD: My name is Mark Lloyd, Washington,
12 D.C. Thank you for your endorsement. I think you need to
13 take to heart and really work with us, and in your office
14 on that and try to figure out using your contact and
15 expertise on how do you make that happen on the Hill. I
16 hope we also support the need to really provide support
17 to Tommy Hart. Minorities need to have access to real
18 capital so they can successfully bid on the new
19 technology.

20 I was struck by your comment to Jonathan
21 Jackson about not being able to go back. The fact of the

1 matter is the Commission is now in the process of
2 auctioning off licenses. I don't know if they will
3 auction off the entire spectrum. There are other
4 auctions coming up in the future, which will not put us
5 in a position to having to go back, but we still don't
6 have the answer to the problems of diversity and whether
7 or not we can satisfy strict scrutiny of the courts.

8 Would you support a freeze to make sure that
9 we don't continue the bad policies that have gone on in
10 the past, and therefore, we can go forward? We can begin
11 to apply diversity principles to licenses that come up in
12 the future.

13 MR. POWELL: I never pledge to commit to
14 anything. You know, I would have to think about that a
15 lot more. One thing, I'm a public official and there is
16 lots of stuff you're talking about that I don't have as
17 much flexibility in as you might think. Some things have
18 been built in with time lines.

19 REVEREND JACKSON: Let me add this, as the
20 Commissioner prepares to leave and as we continue here.
21 We are not prepared to grant general amnesty, those who

1 have been given radio and TV on a white male preferential
2 exclusive policy. I mean we could almost get access to
3 pension funds to buy more on that same basis. Tax
4 certificate by definition was not racism, because you get
5 a tax break, if you, in fact, include women and people of
6 color. But the fact that we are here wrestling with
7 this, we must mitigate the mystery. That we are not
8 suffering because the government has been race aggressive
9 in its exclusive policies to Blacks and Browns and women
10 and inclusive policies to the white males.

11 We want to work with you on the tax
12 certificate issue as a starter of substance. We have
13 some other ideas say through the plan that we put
14 together. We would like within the next few weeks to
15 meet with you again and the other commissioners on the
16 conclusions and the appeals of this body. We're going to
17 have a conference similar to this in four or five other
18 cities around the country. And your willingness to
19 engage with us and your support on tax certificates helps
20 us at this stage very much.

21 Thank you very much.

1 (APPLAUSE)

2 [A discussion of RAINBOW/PUSH business followed.]

3 PRESS CONFERENCE

4 REVEREND JACKSON: Several of the participants
5 at this historic conference are standing with me. They
6 will quickly introduce themselves for you. I will read a
7 statement and then open up for questions and answers
8 about that which I would have read.

9 When this press conference is over, we'll go
10 right into our next and last plenary section or our
11 plenary session in preparation for our next steps.
12 Reverend Barrow, you should be up here as well.
13 Congressman Conyers.

14 CONGRESSMAN CONYERS: I'm Congressman John
15 Conyers. I'm the senior member of the Judiciary
16 Committee in the House, and in some respects the youngest
17 member of the Black Caucus and in other respects the
18 senior member of the Black Caucus.

19 REVEREND JACKSON: He has an 18th month old
20 baby. That is why he's the youngest.

1 MS. LEVER: I'm Loretta Lever, owner and
2 General Manager of Nameloc Broadcasting and I own a FM
3 radio station in Little Rock, Arkansas.

4 MR. JORDAN: I'm Frank Jordan, President of
5 Worldwide Broadcasting from San Diego, California and I
6 own a FM station and I'm glad that Reverend Jackson
7 called us all together in Chicago.

8 MS. HAWES-SAUNDERS: My name is Ro Nita
9 Hawes-Saunders, and I'm President and General Manager of
10 Hawes-Saunders Broadcast Properties. I own two FM
11 stations in Dayton, Ohio.

12 MR. MADISON: Joe Madison, talk show host from
13 Washington, D.C., and I'm also on the National Board of
14 the NAACP.

15 MR. CAMARILLO: Mateo Camarillo, Chairman of
16 the Board, Integrated Communication Group in San Diego,
17 owner of ten personal communication licenses.

18 MR. ENGEL: I am Congressman Eliot Engel of
19 New York. I'm on the Commerce Committee and
20 Telecommunication Subcommittee of the Commerce Committee.

1 MR. CASTRO: My name is Tom Castro, from El
2 Dorado Communications. We own Hispanic radio stations in
3 Houston, Dallas and Los Angeles.

4 MR. STROUD: I'm Joe Stroud with JOVON
5 Broadcasting. We own and operate the WJYS Channel 62 in
6 Chicago.

7 MS. GALLAGHER: Joyce Gallagher, Cable
8 Administrator for the City of Chicago. I'm Chairman of
9 the Chicago Cable Commission.

10 REVEREND BARROW: I'm Reverend Willie Barrow
11 and I'm Chairman of the Board of the RAINBOW/PUSH
12 Coalition.

13 MS. STROUD: I'm Yvonne Stroud from JOVON
14 Broadcasting Channel 62 in Chicago.

15 MR. MCCHESENEY: I'm Bob McChesney and I teach
16 at the University of Wisconsin and write on media
17 concentration and its effects on journalism and the
18 culture.

19 MR. SCHWARTZMAN: Andrew Jay Schwartzman. I'm
20 President of the Media Access Project, which is a public
21 interest law firm in Washington, D.C.

1 CONGRESSMAN RUSH: I'm Congressman Bobby Rush,
2 First District of Illinois where with this historic
3 conference is being held. I'm also a member of the
4 Commerce Committee and Telecommunication Subcommittee.

5 Let me just say that we have been
6 participating in the making of history yesterday and
7 today. We have individuals from all aspects of the
8 telecommunication and technology field industry here
9 today to talk about a common agenda and common approach
10 toward solving some of the massive problems we face as a
11 nation. We're here today of the vision of the visionary
12 Reverend Jesse Louis Jackson. Reverend Jackson for the
13 last 30 years has been talking about economic parity,
14 economic justice, equal access to broadcasting and other
15 aspects of the media. And we're here today to put that
16 inspiration, put that commitment, to put those kinds of
17 energies and those kinds of concerns into a concrete
18 program by which we will re-engage a movement, a movement
19 for economic justice here in this nation. At the
20 forefront, at the head, heart of this movement, I want to
21 bring to you the Reverend Jesse Louis Jackson.

1 REVEREND JACKSON: I also introduce the
2 Chairman of our Wall Street Project, Maceo Sloan of North
3 Carolina.

4 We came here today to challenge the revival of
5 monopoly and resegregation of the ownership in the media
6 and telecommunications industries. Until now, the FCC
7 has done little except rubber stamp merger applications
8 without serious public debate. It has violated the
9 principle of fair competition and fair access through
10 policies of white male preferences and exclusion.

11 Over the past 60 years, the FCC has given
12 almost all of the radio frequency spectrum to white males
13 for free. Then, through the tax certificate policy,
14 between 1978 and 1995, it made a modest effort to help
15 minorities buy into what had already been given away to
16 whites for free.

17 Too few people control too far much of the
18 electronic media, telecommunications and the Internet.

19 The 1990's are the era of merger mania, in
20 which huge multinational corporations are gobbling up
21 media conglomerates. For example, in 1995 the Walt

1 Disney Company acquired Capital Cities/ABC, which owned
2 the Number 1 television network, for a record \$19
3 billion. Less than 24 hours later, CBS agreed to be
4 bought out by the Westinghouse Corporation for \$5.4
5 billion.

6 These mergers are mind-boggling in size and
7 threaten democracy, because they will cost jobs and
8 increase prices, decrease opportunity, and deprive
9 Americans of fair access to the stream of electronic
10 communications.

11 Today our culture, our political agenda, our
12 news agenda, and our entertainment choices are largely
13 determined by five giant, global companies: News
14 Corporation, Disney, Time Warner Viacom and TCI.

15 Six major record companies determine the
16 world's music choices: Sony, Bertelsmann, Thorn-EMI,
17 Polygram, MCA and Time Warner, only one of which is
18 American.

19 Minority ownership of broadcast facilities is
20 now down to about two percent, representing less than
21 3/10ths of a percent of broadcast industry asset value.

1 There are perhaps four minority-owned cable television
2 systems still standing.

3 We must wage a battle for democratic access to
4 the media and telecommunications. Therefore, over the
5 next several months we'll hold meetings like this one in
6 Atlanta, Houston, Detroit, Los Angeles and Seattle.

7 We have a twelve-point plan to promote
8 democratic access to the media and telecommunications,
9 curtail the growth of monopoly and end resegregation of
10 ownership. Let me highlight a few of those goals.

11 One: The FCC should hold a public hearing on
12 the threat posed to democracy by increased concentration
13 of media and telecommunications ownership in the hands of
14 so few. The FCC should also hold hearings on all major
15 merger applications.

16 Two: The FCC should immediately ask Congress
17 to restore the tax certificate policy in order to reverse
18 the dramatic decline in minority ownership following
19 passage of the 1996 Telecommunication Act.

20 Three: The FCC should ask Congress to
21 authorize the creation of the American Communications

1 Investment Bank. It would be initially funded by large
2 corporations and multinationals wishing to invest in
3 American media and telecom ventures. The bank's
4 investment criteria would include minority ownership as a
5 primary decision-making factor.

6 Four: The FCC should adopt a zero tolerance
7 policy on employment discrimination in broadcasting,
8 cable and telecommunications.

9 Five: The FCC should expect all licensees and
10 all industries it regulates to encourage minority and
11 female entrepreneurs to contract for goods and services.
12 Moreover, as part of its nondiscrimination and universal
13 service mandate, the FCC should require
14 telecommunications companies to set aside at least 10
15 percent of their advertising and promotion budgets to
16 Black and Spanish radio.

17 Six: As a high priority, the FCC should adopt
18 a plan to equalize the wiring of schools and libraries
19 for the Internet irrespective of the race of the student
20 population.

21 Thank you very much.

1 UNIDENTIFIED MALE: Reverend Jackson, can you
2 explain why these monopolies are of special importance to
3 minority and low income people?

4 REVEREND JACKSON: Because when you revive
5 monopoly and you raise the price of stations, you remove
6 a way for fair competition. You remove fair access. You
7 remove local programming. And therefore, so few people
8 having so much media power that they can then control the
9 transmission of information, which undercuts the
10 democratic promise.

11 What must be made clear, given how the mass
12 media reacted to the tax certificate and the Viacom deal
13 with Frank Washington, most media people must know that
14 it was the government that did the research for radio
15 technology. When it became a reality in the 1920's, the
16 government gave all radio channels away to white males
17 preferentially and exclusively before Blacks, Hispanics
18 or women had the right to vote. That was a racial quota
19 exclusive policy by our government. Then the government
20 did the research for television technology. Then gave
21 away all television channels on that same basis. 1948,

1 six years before the 1954 Supreme Court decision, 17
2 years before the Voting Rights March which took place in
3 Selma this week 33 years ago.

4 So the basis of radio ownership and radio
5 technology and TV ownership and technology is the result
6 of government preferential exclusivity of distribution.
7 The only break in that was a modest conservative remedy
8 of giving a company a tax break if it sold to a person of
9 color. And when the Republicans came in in 1994, they
10 killed that.

11 Now the government, by not challenging the
12 gobbling up of cable and telecommunications and Internet,
13 now presides over the increased monopoly of media, with
14 ten companies virtually owning all, and revival of
15 segregation in terms of ownership.

16 So the government has been a partner in the
17 process of media monopoly and resegregation. We urge FCC
18 to stop these mergers until there is a plan of fair
19 competition and inclusion in ownership, in procurement,
20 in employment, in access and in fair competition.

1 MR. MEADE: Reverend, would you support a
2 repeal of the '96 Telecommunications Act to break that
3 monopoly?

4 REVEREND JACKSON: Indeed I would. There may
5 be two or three radio stations in Chicago owned by
6 Chicagoans. Evergreen owns most of that in Chicago. One
7 company owns 400 radio stations. Why? Why should
8 Murdoch own so many stations? He owns more stations than
9 he can look at and more papers than he can read. What is
10 the greed factor in controlling this much? Why would
11 someone a year in citizenship and access to billions
12 control so much of American media? Why should people who
13 have been here, who live here, have so little access to
14 public media?

15 We're convinced that the democratic imperative
16 is fair competition open and free access to media. And
17 the government historically has been the major force in
18 giving out media on preferential exclusive basis, denied
19 it to people of modest means, people of color and to
20 women. If they stop these mergers and force a

1 re-evaluation, people in Chicago should own Chicago
2 media.

3 Right now there is a WorldCom/MCI deal, a \$4.5
4 billion deal. One company will control 60 percent of the
5 Internet moving toward monopoly. Now, what does it mean
6 when Ameritech and Bell South, what does it mean when
7 even they become small players? What about the common
8 people? Once they have a monopoly, what can they do, you
9 have rate hikes, because your options are reduced.

10 Blacks in Chicago spend \$308 million a year in
11 telephone bills. There is no evidence of that in access
12 to media and telecommunications. Small wonder. Why?
13 Cook County jail is wired, but DuSable is not. Small
14 wonder why we have first class jails and second class
15 schools,. For the wealthy, the roof is off. For the
16 poor, the floor has been removed. The middle class has
17 the anxious sinking feeling.

18 We should have a priority on democratic access
19 to media. And the government must put forth a remedy for
20 inclusion, because it was the major culprit in fact in

1 segregating or the monopolizing of media by too few
2 people.

3 CONGRESSMAN CONYERS: Thank you, very much,
4 Reverend Jackson.

5 It has been observed here by the experts that
6 have assembled here in Chicago that we can project
7 roughly the year within the next century, which there
8 will be no African-American broadcaster. So we need an
9 emergency situation. We've waited too long. But this
10 historic meeting is the beginning of a long range effort
11 to turn around a very ugly and critical situation, and
12 we're grateful for those of us who have come in around
13 the country that we could be here for this.

14 REVEREND JACKSON: I want to make very clear
15 when we say the revival of a monopoly and resegregation,
16 don't just focus on the black, brown part. The extent of
17 which Blacks, Hispanics and women have been historically
18 locked out and now the certificate has been withdrawn, it
19 does resegregate ownership. The revival of monopoly may
20 be even more ominous. While the race gap and ownership
21 is wide, the vertical gap and concentration and

1 consolidation of monopoly is even more ominous because
2 too few people from too far away determine what we can
3 consume and what we act to. And their agenda, their
4 priorities -- Mr. Murdoch who owns Fox Network and the
5 New York Post, he put \$1 million into the Republican
6 campaign to help support Proposition 209 just a month
7 before the election. An extremely political person who
8 is able to politic his citizenship and then politic that
9 commitment of ownership and then invest money in the
10 right wing that locked our children out of our schools.

11 Silicon Valley has 350,000 more jobs than
12 trained workers. Murdoch supports Proposition 209 which
13 cuts off the training. Now he supports raising the quota
14 to import labor. So the politics of media control is
15 having a devastating impact. We demand the right for
16 democratic access for the American media.

17 CONGRESSMAN ENGEL: I really want to make the
18 point that this is an issue that should not only be of
19 concern to minority communities in this country, but I
20 think to all communities. Because we can see a pattern,
21 and this was really evident with the experts this

1 morning, but even a pattern in our committees of a back
2 sliding. And if we're approaching the year 2,000 and as
3 everyone says the "New Millennium", then we're going
4 backwards. We are finding out that less and less people
5 are going to control more and more media. And we find
6 out that wholesale communities are shut out.

7 What does this say, first of all, about our
8 country, and what impact does this have for the future of
9 our country. If we're saying that we want people to
10 improve themselves and then rob them of the tools to do
11 it, then it seems to me that it is nothing more but sheer
12 hypocrisy.

13 So I think this is an issue I believe in
14 Congress needs to have hearings. I want to compliment
15 Reverend Jackson. Bobby Rush said that he is a
16 visionary. That is true. Because these are being held
17 here today, but also ought to be held in Congress.
18 Congress ought to be looking at this and looking at ways
19 to expand ownership and not just to consolidate it in the
20 hands of just a few.

1 REVEREND JACKSON: Two other people will ask a
2 question and then we'll go back to our session.

3 MR. CAMARILLO: I'm a broadcaster and our
4 company is a small company. We serve the Hispanic
5 community. But I can tell us that as Congress Engel
6 noted, this is an issue that affects all people. There
7 are hundreds of small broadcasters. And small is not so
8 small, but compared to Murdoch, you're small. Hundreds
9 of broadcasters, white broadcasters, who are on the verge
10 of being driven out of business, people who have served
11 their communities sometimes for two or three generations
12 are on the verge of no longer being able to do so.

13 This is an issue that affects all Americans
14 and it affects our democracy. Reverend Jackson is an
15 eloquent spokesman for people of color and people who are
16 the have nots of society, but this affects all people.
17 This is a little guy versus the big guy issue. And today
18 is a historic day for the little guys are standing up.

19 MR. McCHESNEY: I'm Bob McChesney from the
20 University of Wisconsin. Two points are worth noting.
21 First of all, although the media is extremely important,

1 telecommunications is extremely important to democracy,
2 in the United States unfortunately these issues are made
3 behind closed door too often. No participation by the
4 great mass of people in this country in the decisions
5 that would so strongly affect the nature of our media
6 system and our telecommunication system.

7 So this today is an effort to inject the
8 citizenry into discussions of the most important issues
9 to face us as a democracy and as a nation.

10 Secondly, the issue of media concentration
11 that we alluded to and we're talking about does many
12 things. One worth considering is increasing the market
13 power of these handful of super giant firms who can
14 dominate our mass media gives them more power to
15 commercialize the content, to cheapen the quality of the
16 news, to pummel us with advertising. It really affects
17 the entire culture of our communities, not just in
18 broadcasting, but in the form of billboards,
19 merchandising across the board. So this is an issue that
20 goes right to the heart of the future and the sort of
21 country we want to live in.

1 MR. MADISON: I just want to speak as one
2 talent to another talent. In looking at all of you here,
3 you should really be joining us over here, because your
4 jobs are in much jeopardy as anyone elses. Just as the
5 super Murdochs put in Wal-Mart type media, they will be
6 putting in satellites. And you'll have people coming to
7 news conferences via these satellites and they won't need
8 you. It is something that we need to understand.

9 People who live in Chicago want to know what
10 is going on in Chicago when they wake up in the morning,
11 not what is happening in New York. And they don't want
12 to know the time by 40 minutes after the hour, but they
13 want to know what time it is in their home city in their
14 time zone, like they want to know what is happening when
15 they get off of work.

16 So I say to those of you who are here
17 reporting, that one it is extremely important that you
18 try to report this accurately, because it is not just for
19 the communities' sake, but it is also for your jobs, your
20 children who you want to educate, your people and your

1 neighborhoods that you want to maintain. So this is all
2 our battles.

3 REVEREND JACKSON: Thank you, Joe. I would
4 just like to say on this Murdoch business, one man owns
5 Fox Network, Madison Square Garden, 22 TV stations, New
6 York Post, TV Guide and now the Dodgers. What's the
7 point? Why allow such concentration of media and power
8 in the hands of so few people? If America were all
9 white, that would be undemocratic, the race and gender
10 issues notwithstanding. And so today we stand on those
11 principles and we urge that you be allowed to transmit
12 the content of our press conference to the mass public
13 tonight.

14 Any other questions for our press conference?

15 UNIDENTIFIED MALE: Reverend, you are a friend
16 of President Clinton and you prayed with him in
17 Washington concerning Monica Lewinsky. There are sexual
18 allegations that are swimming again. I want to know if
19 you feel you need to pray for him again, and if you feel
20 he is being honest. Was he honest with you when you were

1 in Washington before and do you feel he is being honest
2 today?

3 REVEREND JACKSON: Right now I'm praying to
4 break up this monopoly in the media, because if my
5 prayers are answered in the monopoly in the media, then
6 we can have more than one thing discussed on television.
7 Because the American people have a diversity of interest.
8 And there are those who want to watch entertainment,
9 athletics, sex, politics and the Weather Channel. So we
10 want to discuss the denial of access to media today. At
11 some other appropriate time, we'll discuss in and all
12 subjects.

13 We really do feel that the content of our
14 subject matter will be eclipsed if we discuss any other
15 subjects today.

16 AN UNIDENTIFIED WOMAN: You have been a friend
17 of the Clintons and who has talked to them about this.
18 What would you say to them? Would you share that with
19 us? Have you talked to them?

20 REVEREND JACKSON: Not today. What I want you
21 to really appreciate is that we're fighting fiercely.

1 This is the week 33 years ago that we marched for the
2 right to vote. That is a big deal for us. Jimmy Jackson
3 was killed, Goodman and Chaney had been killed. Mandela
4 had just been jailed for the right to vote. 33 years
5 later we are only on WVON 15 hours a day on radio in
6 Chicago. That's offensive to us. That is undemocratic.
7 We see across the country, whether it is women or people
8 of color or small businesses, that schemes to take away
9 ownership and access are sabotaging our democracy. We
10 must prioritize that. Your matter has been ongoing for
11 several months and longer. As for now, allow us to
12 diversify programming tonight.

13 AN UNIDENTIFIED FEMALE: Everybody is sort of
14 getting tired of this.

15 REVEREND JACKSON: You are the people who
16 should sit down and take a nap.

17 AN UNIDENTIFIED FEMALE: There is no doubt,
18 Reverend, of course that the events that you listed are
19 extremely important and extremely high priority.
20 Hopefully all Americans, not just African-Americans. But
21 it is also a high priority to know exactly what is going

1 on with the man they elected to lead this country, and we
2 would like some answers. And we are just ambassadors for
3 all the people out there saying "What is going on", and
4 we know that you have the inside track with the President
5 and you were close with him and we just want to hear from
6 you where you stand now.

7 REVEREND JACKSON: And at the appropriate time
8 you will. This is not the appropriate time. There is a
9 body of journalists and leaders in Washington that are
10 addressing that issue right now. I would only appeal to
11 you to please give our concern about democratic access to
12 media ownership, employment, the programming and some
13 access to the mass public. Please be ambassadors for
14 people who have another interest also.

15 AN UNIDENTIFIED FEMALE: Well, this will lead
16 all the networks. This is what everyone is talking
17 about. Who is to dictate what is an appropriate time to
18 talk about different things.

19 REVEREND JACKSON: I'm sorry. What will lead
20 the networks tonight?

1 AN UNIDENTIFIED FEMALE: The current questions
2 about the woman who was on 60 minutes yesterday.

3 REVEREND JACKSON: Did you all agree to that?

4 MR. CASTRO: You have 30 minutes. You
5 shouldn't disrespect the people that came from all over
6 the United States today to speak about a very important
7 subject. I'm sure there are a lot of people that you
8 could interview about this subject. And we care about
9 this, all people do. But we're here to talk about --

10 AN UNIDENTIFIED FEMALE: Then let's all work
11 together, cooperate. Let's cover that and also talk
12 about what is the burning question in many, many people's
13 minds right now.

14 UNIDENTIFIED MALE: What can the American
15 people do -- when we hear this, what can the American
16 people. Should we be writing letters somewhere or --

17 REVEREND JACKSON: First of all there are very
18 specific mergers that must be challenged. Like the
19 WorldCom/MCI merger must be challenged for a full and
20 complete hearing. Today, we had the Chairman of the FCC
21 to speak here today, Bill Kennard. Also we had

1 Commissioner Powell to speak, the son of Colin Powell,
2 about the FCC's role in challenging these mergers and
3 consolidations and its impact upon hearers, viewers,
4 workers and owners.

5 We're also going to take this particular set
6 of meetings to several of the cities around the country.
7 We have with us sitting congresspeople. Our host,
8 Congressman Bobby Rush, whose district we are operating
9 in today, Congressmen Rush and Engel and Conyers will
10 help us have hearings in the Congress.

11 We would hope that this matter, which has far
12 reaching ramifications, would become a part of the great
13 American dialogue. Friends, thank you very much.

14 UNIDENTIFIED FEMALE: Reverend, can you
15 address what I said about us working together, if we do
16 cover this story and make it as important as you all have
17 pled with us to do, would you give us a comment about
18 something just as important to many Americans. It really
19 truly is.

20 REVEREND JACKSON: I will, but not today.
21 There is another subject -- we're also next week taking a

1 ten day trip with President Clinton Sunday. We're going
2 to Africa. The first time an American President has gone
3 to Africa, and hopefully that you will be our partners in
4 transmitting good information about that mission.

5 That is to say, most Americans do not know
6 that we import more oil from Africa than the Middle East.
7 We export more product to Africa than we do the
8 performance of the republics by 20 percent. 100,000
9 U.S. jobs are connected to that.

10 We hope that the significance of that mission
11 will be able to help America grow as Africa develops. I
12 am sure we will be talking about that, too.

13 UNIDENTIFIED FEMALE: Wouldn't it be better to
14 get this sex scandal over with now so it doesn't possibly
15 infringe upon your trip? I mean you said it is a
16 historic trip that is coming up. Maybe it is better to
17 talk about it now and get it over with. How would you
18 hope to focus on that mission?

19 REVEREND JACKSON: Any other questions
20 relevant to this subject matter. I really want to be

1 respectful, but we have two different agendas, and your
2 agenda is a bit different from ours.

3 I think on matters of prayer and private
4 counsel is sacred. It is responsible to keep it in its
5 proper context. And any prayers that I might have with
6 the President or any person, I respect the sacredness of
7 that too much to make it a part of this kind of frenzy.

8 I think these matters must be handled in a
9 courtroom and not in a news room. And I'm patient enough
10 to wait for the democratic process to work. In the
11 meantime, I want to focus on this matter which has such
12 meaning to all of us. Thank you so much.

13 UNIDENTIFIED FEMALE: Thank you.

14 (APPLAUSE)

15 REVEREND JACKSON: Friends, it is time for us
16 to continue with our session. As soon as the alligators
17 leave, let's resume with our meeting.

18 Let us have the discipline to get focused back
19 on our agenda today and now. One of the media persons
20 said to Reverend Barrow, in earnest, "You know why we
21 came here. We're not interested in what you're talking

1 about." And that is the way monopolies behave. We have
2 our own agenda. They have one. But they have the power
3 to determine whether we're relevant or not. If you are
4 not discussing their agenda, you are not relevant. And
5 so that is precisely why we have to have the meetings.
6 They make our case rather dramatically, don't they? They
7 make our case. They make our case.

8 (APPLAUSE)

9 REVEREND JACKSON: And I think Joe Madison's
10 case was that they will be out of a job in about two
11 years because they operate by satellite. It is the whole
12 Tom Jones phenomenon. You have everybody talking the
13 same talk, they just knock out 91 others. That is the
14 whole point. Please let's take our seats, please.

15 [A discussion of RAINBOW/PUSH business
16 followed.]

17 CONGRESSMAN RUSH: Okay. We're going to
18 proceed according to the format that we established
19 earlier. We're asking each participant to limit their
20 remarks to two minutes and then we'll have general
21 questions from the floor.

1 We'll start to my left.

2 FRANK O. MITCHELL: My name is Frank Mitchell
3 of TMB Communications of Orlando. I want to say to
4 RAINBOW/PUSH, Reverend Jackson and staff, thanks for
5 having this conference and for including us in it.

6 First of all, TMB joins the coalition of labor
7 the public interest organizations and telecommunications
8 company that's opposed to this proposed merger between
9 MCI and WorldCom. We filed petitions to deny the merger
10 accordingly in January.

11 Our company was an authorized agent of MCI for
12 the sale of their services. We put in our own capital.
13 And in partnership with MCI, we believed that they would
14 operate with the integrity that they project in their
15 advertising. I think that believing that we could trust
16 the brand, we therefore encouraged workers. We built a
17 staff of African-American and other minority workers and
18 we encouraged our customers to use the MCI services.

19 As it turned out in the five year relationship
20 that we had with them, their promises did not ring true.

1 MCI subjected our sales and our company to a paradigm of
2 treacherous business practices.

3 For example, they intentionally mishandled our
4 customer support. Didn't give our customers the services
5 that they were supposed to get, while they provided their
6 own customers with adequate service. They used that
7 opportunity to drive our customers away and take them and
8 resign them on the program.

9 We found occasions where they switched the
10 winning side of their computers and switched the account
11 numbers of our customers, reassigned those account
12 numbers and diverted the revenues to themselves. This
13 not only destroyed our business, but it compromised our
14 reputation with our customers. And of course, as you can
15 imagine, a number of our customers as a result of this
16 have ended up paying higher prices.

17 We documented these examples in over several
18 hundred pages of analysis, 100 pages of which we
19 presented to MCI. And their response to -- local
20 monopolistic response has to stonewall, to retaliate
21 against us, to withhold dollars that are due to us and