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December 23,2002

Commissioner Kathleen Abernathy
Federal Communications Commission
455 12th St. S.W.
Washington DC 20554

00-244

Dear Commissioner Abernathy:

The enclosed comments were sent to Chairman Powell, but I am also sending a copy to you and all of the commissioners in reference to the Commissions Biennial Review of Broadcast Ownership Rules.

I look forward to speaking with you soon.

Happy Holidays!

Sincerely,

Jim Steyer

James P. Steyer

Encl.

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December 23, 2002

Chairman Michael K. Powell
Federal Communications Commission
445 12th St., SW
Washington, DC 20554

Dear Chairman Powell:

As the Founder and Chairman of a respected children's media company for the past six years, I have seen first-hand how the current state of our industry is affecting kids. In the attached Comments, which I have submitted to the Commission for your Review of Broadcast Ownership Rules, I explain how media industry consolidation has affected young people all across this nation. My observations are also based on extensive research that I conducted for my teaching at Stanford University, and for my recently published book *The Other Parent: The Inside Story of The Media's Effect on Our Children*. The most relevant chapters are attached as an exhibit.

While touring the country this year to speak to tens of thousands of parents, young people, and educators, as well as many millions more through broad media coverage, I found that there is widespread public concern over the media's effect on kids and the increasing concentration of the media industry. Thousands of parents approached me at events asking, "What *can* I do?" and "Why doesn't our government do more to represent the needs of children and families?"

I would very much like to share my experiences as a children's media industry leader, author and expert. In that vein, I am writing to request the opportunity to testify before you and your colleagues on the Commission during your upcoming hearings. Please contact me, or my assistant Katherine Ayabe, at 415-843-8300 to let me know how this *can* be arranged. I look forward to participating in the hearings.

Sincerely,

James P. Steyer
Founder and Chairman
JP Kids, Inc.
500 Treat Ave., Suite 100
San Francisco, CA 94110

CC: Commissioner Jonathan Adelstein, Commissioner Michael J. Copps

EX PARTE OR LATE FILED

Comments of

James P. Steyer

Before the

Federal Communications Commission

December 23,2002

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Before **the**

FEDERAL COMMUNICATIONS COMMISSION

Washington, DC 20554

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Federal Communications Commission
Office of Secretary

In the Matter of	)
	)
Newspaper/Broadcast Cross-Ownership Prohibition	) MM Docket No. 01-235
Local Radio Ownership	) MM Docket No. 00-244
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TO: THE COMMISSION

COMMENTS OF JAMES P. STEYER

James P. Steyer, Chairman of JP Kids, a nationally respected children's educational media company, and Stanford University professor, offers the following comments in consideration of the Commission's Biennial Review of Broadcast Ownership Rules. These comments are based on Mr. Steyer's first-hand experience as a leader in the field of children's media, as well as on the findings of his book, ***The Other Parent: The Inside Story of The Media's Effect on Our Children.*** The most relevant chapters are attached as an exhibit.

As this exhibit outlines in detail, the consolidation of ownership of media distribution outlets has diminished the quality as well as the diversity of media choices available to America's children, with a resulting negative impact on the physical and mental health of our nation's young people. Indeed, media has become "The Other Parent" for far too many young

people, who now spend more time on average with various forms of media (40 hours per week) than they do in school (30 hours) or interacting with their parents (17 hours). Media in all its forms constantly bombards millions of children with alluring content that increasingly glamorizes sex, violence, consumerism, alcohol and drug use, and other unhealthy behaviors—the consequences of which many young people are unprepared to handle. A wide variety of programming exploits children's inherent insecurity to sell them on the latest "must have" products. Such incessant commercialism and the ubiquitous messages promoting adult behaviors are in large part the result of ever-increasing media industry consolidation and its natural consequence: a bottom-line, profits-above-all-else mentality that encourages the proliferation of low quality programming that is cheap to make and easy to sell. These consequences will only be exacerbated by continued industry consolidation—a trend that can be mitigated if the Commission takes significant action during the Review process.

This Commission and Congress have previously stated that broadcasters are specifically required to provide educational and informational content for the benefit of children. Despite the Commission's best intentions, the net result of the broadcasters' actions has been a relatively paltry offering of programming suitable for the educational enrichment of kids—and a far cry from what this same commission has called for. Mr. Steyer and other leading children's and educational media producers have experienced this first hand over the past few years, as the industry has consolidated, putting distribution pipelines and creative control in ever fewer hands.

As the outlets through which programming is distributed—television stations, radio stations and cable systems—have combined with each other horizontally and vertically and have become more and more integrated with the producers of programming they carry, the variety of U.S.-produced programming sources has declined dramatically, resulting in fewer real choices

for consumers and decreased cultural diversity represented in the material that is offered to young people. While adult audiences are served by dozens and dozens of programming sources, such is not the case for America's children, whose programming needs are met by only a handful of distribution outlets. In addition, the educational and entertainment needs of preschool-aged children are very different from those of school-aged children, and those of school-aged children are very different from those of preteens. The different needs of these age groups amount to specific sub-markets, and further limit the amount of programming from different sources available to each age group. The quality of programming available to kids will be further harmed by the continued horizontal integration in the media industry, an outcome that appears likely without action from the Commission at this critical juncture.

The Commission has an unprecedented and historic opportunity to positively redirect the course of the media industry and its influence on young people by ensuring that its regulation of the industry protect against further consolidation and the resulting diminution of sources of programming for America's youngest citizens. In so doing, the Commission will ensure that future generations of Americans will have benefited from a diverse assortment of educational media programming that enhances their ability to think critically and act responsibly.

Respectfully submitted,

James P. Steyer
Founder and Chairman
JP Kids, Inc.
500 Treat Ave., Suite 100
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415-643-6300

THE OTHER PARENT

The Inside Story of the Media's Effect on Our Children

JAMES P. STEYER

ATRIA BOOKS

NEW YORK LONDON TOKYO SYDNEY SINGAPORE

Chapter 1

One

AT HOME WITH THE OTHER PARENT

It's 6:30 A.M. Saturday morning Thank God, we get to sleep in. . . . All quiet in San Francisco except for the foghorn—until the padding of tiny footsteps in the hallway, followed by the creaking of our bedroom door. It's Kirk, seven years old and full of energy. He struts into the room and does his little "Shake Your Booty" routine in front of our mirror. Where'd he learn that stuff? How could my son be imitating Mick Jagger at this age? "Dad, can I get into bed with you and Mom or go into the family room and watch TV?"

"Kirk, it's six-thirty in the morning," I plead; "we want to sleep. Okay, you can watch TV . . . but *only* PBS or Nick Jr. Nothing else. Got it?"

Kirk rushes off to the family room. Uh-oh. More footsteps. Now it's four-year-old Carly. "Kirk is watching *Dragon Tales,* and I wanna watch *Barney,"* she says, crying—well, fake crying. She wants her *Barney* video. "Work it out with your brother," I grunt. "Mom and I want some more sleep. It's *Saturday'*

More footsteps. This time it's Lily, eight years old and rubbing those big blue eyes. She wants to play *Backyard Baseball* on the computer and wants me to help install it. I want to pull the blankets over my head and hide. Why not let the TV and the computer be the baby-sitter while we grab an extra an hour or two of sleep?

Like most parents, my wife, Liz, and I find ourselves wrestling with that temptation regularly. It's so easy to let our kids tune into the media world while we steal a few precious moments for ourselves. We may be too tired, stressed, or busy to keep a close eye on what our kids are watching, but most of us assume that it's benign. After all, TV was such a big part of our own childhood experience, and we turned out okay, right?

Maybe so. But in fact our kids are living in an entirely different, much more complex media environment than we ever could have imagined at their age. The rules—and the risks—have changed radically, and many of us have been slow to grasp the difference.

In the 1950s, 1960s, and 1970s, when many of us grew up, kids lived in a much simpler and safer media environment. Back then, there were only three major networks plus PBS, a couple of key radio stations in each market, a few local movie theaters, and computers that were so big they filled a room. Media then was a lot like the "Ozzie and Harriet" type of family—safe, positive, under control—and it doesn't bear the slightest relation to the reality today. Unlike the children of the 1950s, 1960s, and 1970s, whose media choices were limited and stood out like isolated, familiar landmarks in communal life, kids today inhabit an environment saturated and shaped by a complex "mediascape" that envelops and bombards them day and night. Roaming among TVs, VCRs, the Internet, radios, CD players, movie screens, and electronic games, kids can easily spend more time in this vast mediascape than in the real world—and, not surprisingly, far more time than they spend in direct contact with their parents.

Today, as child development expert T. Berry Brazelton, M.D., warns, media is really "the biggest competitor for our children's hearts and minds."' According to a University of Maryland study, American kids now spend 40 percent less time with their parents than kids did in the mid-sixties. That's right, 40 ***percent*** less time—just seventeen hours a week total with their parents, down from thirty hours in 1965. At the same time, they spend far ***more than double*** that amount of time—more than forty hours per week on average—staring at the tube or the computer screen, listening to the radio or CDs, and playing video games, Now, which is the parent in this picture?

It's strange that as adults we've paid so little attention to such a powerful influence on our children's lives. So many of us read armloads of books about babies and child care. We're careful to teach our kids not to **talk** to strangers or wander the streets by themselves. Most of us make sure we know where our children are physically and with whom. And yet, day after day, year after year, we let them wander alone, virtually unsupervised, through this other universe—almost completely oblivious to what they're seeing, hearing, playing with, and learning.

Think about it. If another adult spent five or six hours a day with your kids, regularly exposing them to sex, violence, and rampantly commercial values, you would probably forbid that person to have further contact with them. Yet most of us passively allow the media to expose our kids routinely to these same behaviors—sometimes worse—and do virtually nothing about it.

THE NEW MEDIA LANDSCAPE

I have to admit that it took me a long time to understand this new media reality and its effect on kids. That's strange, because kids have been my passion since I was fifteen, when I got my first job as a counselor at the Fresh *Air* Fund camp in upstate New York. It was my mom who first inspired my love for kids. She worked as a schoolteacher in low-income schools for more than thirty years, and her "lectures" about the importance of teaching were a regular staple of our dinner table conversations for as long as I can remember. When I founded the national child advocacy organization Children Now in 1988, kids became my life calling and have ever since been at the center of my professional life.

But it was only when we had our first child, Lily, in 1993 that I really began to appreciate the impact of the media on kids' lives. I can still remember how, at as early as eight months old, my baby daughter was already actively responding to images that would

flicker across the TV screen. It was right' about then that I started noticing, during the ball games that I so love to watch, all those sexy beer commercials with scantily clad women, and cringing when ads came on for TV shows and movies about kidnappings and gruesome crimes—wondering if I should change the channel or at least mute them when our baby girl was in the room. What had seemed perfectly normal was suddenly making me feel uncomfortable.

Like most parents, I wasn't prepared for this new media reality. Growing up, my parents didn't let me watch much TV at all, because they thought reading and active play were more important. Sports on TV or radio were pretty much the only exception to the rule, and my brothers and I occasionally went to the neighbors' to watch the *Three Stooges*. I can still remember being upset in fourth grade because most of my classmates could discuss *Batman* in intimate detail, and we weren't even allowed to watch it. Those were the days when the Smothers Brothers were considered *risqué*, and when parents decried the influence of the Beatles. When *All in the Family* first appeared, it was considered edgy television because it dealt with issues like racism and discrimination against women. All in all, it was a very different era.

Back then, media was also still governed by at least some semblance of public-interest policy. The broadcast networks saw their news divisions as the standard bearers of a great tradition and often operated them at breakeven or a loss. There was, for a brief time, the "family hour"—a voluntary code among programmers that they would *air* only family-friendly shows until 9:00 P.M. because so many children might be watching. We all knew that many TV shows could be as worthless as junk food, but for the most part we assumed they weren't a bad influence. Many of us who grew up in those days assume that the media continues to operate under those same rules today.

But while we weren't paying attention, everything changed. The implicit bond of trust between families and the media was broken. Spurred by cable competition and the relentless deregulation of the media industry during the 1980s, TV broadcasters, led by the new Fox network, abruptly abandoned the family hour and dropped the unwritten code that kept most sexual and violent content off the

screen. Instead of maintaining a safe harbor for kids and families, the networks flooded channel after channel with increasingly explicit sex, commercialism, and violence. So much for voluntary codes of social responsibility.

At the same time, the reach of the mass media exploded, and it will be expanding even more in coming years. Cable channels have proliferated since the 1980s, and as industry pundits like to say, we've gone from the age of broadcasting to narrow casting. Instead of three major networks plus PBS, there are now hundreds of channels, and that number will soon multiply further with the advent of digital TV. With personal computers in more than half of all American homes, the Internet and electronic games are also competing, along with heavily marketed music, for kids' attention. As every parent knows all too well, kids are now surrounded by the clamor of media messages day and night. For millions of American kids, the media is, in fact, "the other parent"—a force that is shaping their reality, setting their expectations, guiding their behavior, defining their self-unage, and dictating their interests, choices, and values.

Confronting this media reality as parents, my wife and I realized that we had to take a much more active parenting role when it came to the media and our kids. Liz and I aren't zealots by any means, and neither one of us can relate to finger-wagging moralists or fundamentalist ideologues on the topic of the media and morals. In fact, I don't even *think* it's practical to go as far as the American Academy of Pediatrics, which recently recommended that kids under age two never watch TV. I'm hardly a paragon of virtue—every once in a while, I can't resist showing my kids the food-fight scene from *Animal House*—but my wife and I have set pretty strict media limits for our own kids.

Still, whatever rules we have at home sometimes feel like the equivalent of sticking a finger in the media dike. At the age of five, for example—thanks to one of her friends across the street—Lily was introduced to Spice Girls videos. I'll never forget watching with no small degree of horror as our tiny firstborn child provocatively danced and lip-synched to her favorite Spice Girls tune, "If You Wanna Be My Lover"—abruptly teaching me the role-modeling

influence that media has on even the youngest kids. I also noticed that most of the second, third, and fifth graders I taught at E. Morns Cox Elementary School in East Oakland, where I volunteered for ten years, don't have a clue about the names of their senators or the vice president of our country. But they know all about Bart Simpson, Kenan and Kel, the latest hip-hop artists, and the names of virtually every character on prime-time TV.

INSIDE THE MEDIA

When I started Children Now, I was convinced that if we were to reshape public policies on crucial children's issues such as education, Head Start, and child health care, we first needed to change the attitudes of the public and opinion leaders on these subjects. So from the beginning of our work as a major lobby group for children's rights, we approached media leaders for help in spreading the message.

By the time Lily was born, Children Now had begun researching and publicizing the effect of the various media, including news, entertainment, and advertising, on the daily lives, values, and behavior of children. We had commissioned national surveys asking kids to describe their experiences with mass media, and we were astonished to find that this was the first time that polls of this type had ever been conducted. Despite the incredible barrage ***of*** media that bombards kids, nobody had ever bothered to ask ***children themselves*** what they thought about its impact.

During the course of those studies, I spoke directly with hundreds of youngsters. Each had opinions on the media, and they all cared deeply that their views were being heard. The first thing most kids made clear was how thoroughly tuned into the media they and their friends were. They talked about how much it affected their peers and how it often left them feeling scared, angry, or depressed. I remember one ten-year-old telling me, for example, that he was "more scared watching the local news on TV than horror movies, because the news is for real."

Kids also said that the media didn't accurately reflect their reality—that media companies didn't understand what it was like to be a kid. "They think we're pretty dumb, so they just feed us a lot of sex and violence whenever possible"—that was the type of comment that I often heard. They felt alienated yet at the same time heavily influenced by what they listened to or saw. And few kids I talked to thought that media was doing much of anything positive for kids—such as modeling responsible behavior or educating them about issues that were important in their lives.

As we started lobbying in Washington, D.C., on issues like the Children's Television Act and a new ratings system for TV programming, it was amazing to see how few voices there were on the kids' side of the debate. I was also continuously frustrated to see how little serious attention was paid to the influence of media on kids by leaders from Washington to Hollywood and Madison Avenue. With rare and notable exceptions, few people seemed to be doing much of anything to make it better. So, in 1996, with my own kids squarely in mind, I decided to move on from Children Now and trade in my advocate's spurs for those of a media company leader. I was tired of trying to convince media leaders to do a better job for kids, so I had the notion that I would just do the job myself. As my mom always said, "Put your money where your mouth is." So armed with a little moxie and a terrific group of investors, I set out to build a new kids' educational media company—JP Kids—that would create high-quality content for kids on TV, the Internet, publishing, and related platforms. I had no idea what I was in for. And that's when my real education in the world of kids' media began.

In 2002, six years after launching JP Kids, we are still solidly in business, one of the few remaining independent kids' educational media companies dedicated to high-quality content in the United States, Our biggest hit series has been the very popular show ***The Famous Jett Jackson,*** which runs daily on the Disney Channel, and we've got a couple of new series that will hopefully be airing soon on **PBS** and other networks. We've also got a promising new publishing division as well as new educational media initiatives, but I'm not

writing this book to promote JP Kids or Children Now. They'll succeed or fail on their own merits. Rather, this is an insider's view of the world of kids and media, from someone who's seen it up close from many different angles. As a parent, as a national child advocate, as someone who teaches constitutional law and civil liberties courses at Stanford University, and as the head of one of the few independent children's media companies in the United States, I've had a unique vantage point. And from where I stand, the world of media and children is not a very pretty picture. In fact, I'm convinced that the huge influence of the "other parent" should be a matter of urgent national concern for parents, policy makers, and responsible media executives alike.

TELLING THE TRUTH

When I first decided to write this book, my wife and some of my friends told me I was crazy. After all, it wouldn't do a lot for my relationships with some of the top executives at the big media companies that JP Kids does business with on a regular basis. And it probably wouldn't make some of my friends in the political and advocacy worlds happy either. Moreover, it would inevitably expose me as an imperfect parent who makes just as many mistakes as others do.

The stakes were made even clearer to me by author and media observer Ken Auletta. We were together at a kids and media conference in New York, and he asked me, "Jim, are you going to be honest? Are you going to tell the truth?" At first, I didn't understand exactly what he meant. Now I do.

If you want to tell the truth about today's media world, then you have to tell some pretty tough stories. And you have to name some names. . . including those of some people you like on a personal level and certainly some with whom you do business. As I said earlier, despite all the airbrushing that the media industry and some of its political allies manage so adeptly, it's not a pretty picture. There are a lot of very harmful things that are being done to kids and our

society in the name of shareholder value, for profit alone. And there's not nearly enough being done to take the extraordinary potential of media and turn it into a positive force in our kids' lives and our global culture. That makes answering Auletta's question a lot easier. I'll do my best to tell the truth as I have experienced it, and let those proverbial chips fall where they may.

MONEY RULES

I may have been naive, but I originally assumed that the companies that produce and distribute kids' programming, as well as other media that kids so readily consume, have an overriding interest in children and a genuine concern for their best interests. How wrong and unaware I was. While I've met many people in the kids' media industry, both creative types and executives, who do fit this profile and care deeply about children, it's at best a minority viewpoint. What I learned the hard way is a very sobering lesson: market forces and the short-term profit goals of a few giant media corporations—not quality issues or kids' needs—dominate the media world, including nearly all the "edutainment" content produced for kids. Put simply, money rules all, not the best interest of kids or our broader society.

This lesson has been drilled home to me time and time again over the past five years by top media decision makers. During our first year at JP Kids, the head of kids' programming at the WB network, a woman who was a longtime and highly respected kids' programmer, warned me never to use the word "educational" within earshot of the individual who was head of the network at the time, unless I wanted to get our project killed immediately. Months later, I sat in the office of a top CBS executive and listened to her embarrassed explanation of why she was canceling a series order for a high-quality kids' show that she had previously raved about. "From a creative and educational standpoint, it was everything we were looking for. It's our favorite show," she told me. "But you know the reality of kids' television—it's all about the deal and the bottom line.

Somebody else just offered us an extremely profitable package deal that costs us virtually nothing, so we're going to cancel the order, even though we really love the show." In other words, no big profit potential, no sale.

Recently, the mercenary nature of kids' TV was described to me very bluntly by a colleague, the American-based head of a leading Canadian production company known for its successful deals in the U.S. marketplace. In May 2001, we were negotiating with this Canadian company to coproduce a couple of series. As this top executive explained to me:

> It's easy to buy your way onto Fox Kids. Just show Haim [Saban, the then-head of Fox Kids and Fox Family] the merchandising money, and he'll make the deal. . . . It's a lot harder to buy your way onto Nickelodeon than Fox, but now that Viacom is cutting budgets so much, it may be doable. It's all about the deal we offer them. . . . Buying your way onto PBS is pretty simple. If you can deliver one to two million dollars in sponsorships, you can usually get a weekly series. For three to five million dollars you can get a daily strip—five days a week, the Holy Grail. At PBS, they're a lot more open to, *ahem,* more "entrepreneurial" and profitable strategies now that Bush is in office.

Welcome to the world of kids' TV circa 2002. That conversation reflects the basic reality that underlies not just kids' television but nearly every aspect of the media today. From TV, music, and movies to video games, the Internet, and publishing, an unprecedented and unfettered drive for short-term profits and rising stock prices now rules America's media companies and virtually all the content they create and distribute. Let me be very clear. This unchecked commercialism and obsession with the bottom line has a very direct and disturbing effect on the images and messages that influence our kids. Today, media companies, most of which are large, vertically. integrated conglomerates, encourage coarseness and routinely "push the envelope" with sex, violence, and provocative language, *not* because it makes the creative product better, but solely because it makes that "product" stand out from the clutter of competition.

At a time when mergers and acquisitions and a disturbing, relentless trend of consolidation dominate the media industry, are we really surprised that concerns about quality and the needs of children have been shunted aside? Are we truly surprised at the lowest-common-denominator nature of so much content? As we'll explore in depth in subsequent chapters, the past decade's wave of media mergers has produced a complex web of business relationships that now defines America's mass media and popular culture. These relationships offer a huge opportunity for cross-promotion and the selling of products among different companies owned by the same powerful parent corporations. Today, America's media landscape, not to mention the content that our kids consume for five or six hours every day, is dominated by a handful of massive conglomerates—only six or seven of them at most. These giant conglomerates own four of the five companies that sell 90 percent of the music in the United States. These same companies also own all the major film studios, all the major TV networks, and most of the broadcast TV stations in the largest ten markets. They own all or part of virtually every commercial cable channel. As outspoken media entrepreneur Ted Turner said recently,

> Pretty soon there won't be but two cable companies left, and there'll be only four or five programming companies left. I think it's sad we're losing so much diversity of thought and opinions to big companies like News Corporation who only care about their own power. They don't care about the good of society.'

These are all-purpose media corporations. And, quite simply, they look at kids as targets in this vast commercial empire they are conquering in the name of profit—or, as they like to say, "shareholder value."

MORE MEDIA, LESS CHOICE

To the casual observer of today's media landscape, it might seem that there's been a serious increase in consumer choice, especially for kids. But look more closely. As one noted author and media critic explains:

> It's the nature of the choice, and how the choices are laid out there, that is really the most striking feature. . . . The issue isn't really the amount of choice; it's the amount of commercialism that permeates all the choices. So while it seems like you have a massive range of choices, they're really underneath it girded by the same commercial logic. . . . Everything is dedicated to the idea of selling something.[3]

Harsh words perhaps, but accurate. In the struggle to attract the largest audiences and ensure the greatest profit margins, these huge media giants are often locked in a crass race toward the bottom, employing sensationalism, not for artistic reasons but as a means of exploitation—to grab, and keep, audiences' attention. This represents a fundamental shift over the past two decades. "It used to be that you stripped yourself of censorship to be honest," noted writer Larry Gelbart, whose credits include *M*A*S*H*, *Tootsie*, and *A Funny Thing Happened on the Way to the Forum*. Now, he told *The New York Times*, "it's not done in the service of honesty, but in the service of competition, of the marketplace."[4] Herb Scannell, the widely admired president of Nickelodeon and one of the most thoughtful and committed media leaders I know, recently observed, "There's a whole business aura to post-eighties culture that's completely different. Everybody has stock now, and I think business has impacted media in a way that says, 'What's my return?' sooner rather than later."[5]

As I travel to various places around the country, I hear three primary concerns over and over again: there's too much sex, too much violence, and too much commercialism in media. I'll address each of these issues in later chapters, but it's important to understand right up front that the roots of each of these problems are most definitely colored green. As Reed Hundt, former chairman of the Federal Communications Commission (FCC), said plainly, "Market values aren't necessarily family values."

LOSS OF INNOCENCE

For me, as a parent of three young children and as a longtime teacher, the loss of innocence at too early an age is perhaps the highest price that American kids pay in this new media environment. Ever since the Hays Office began monitoring Hollywood morals in the 1920s, Americans have worried about the media's impact on "family values." But before our mass-media culture became so explicit and so pervasive, before large media companies began to realize huge profits by pushing sex and sensationalism, things were different. Parents were much better able to control what their children learned about and when. I'm hardly a prude, having grown up in the "free love" era of the late 1960s and 1970s, but I am deeply troubled by this aspect of today's media culture. Our kids are bombarded with language, messages, and images that far exceed the most outrageous forms of pop culture we experienced. And instead of making a social or political statement, they aim to shock and arillate for commercial reasons.

Traditionally, childhood was guarded by what Neil Postman, chairman of New York University's Department of Culture and Communication and a respected media observer, calls a "sequence of revealed secrets." Kids were routinely protected from information that they were not yet ready to understand. That innocence is priceless. It's an essential element of childhood and growing up. But today, such gatekeeping is virtually impossible. In the course of a single year, the average American child is exposed to about ten thousand episodes of sexual intercourse or references to sex on television alone. We're not even talking about their repeated exposure to sex in movies, ads, magazines, music, radio shows, and easily

accessed Web sites. In a recent two-week survey of TV shows by the Henry J. Kaiser Family Foundation, ***more than two-thirds*** of the shows that aired in what used to be the "family hour"—from 7:00 to 9:00 P.M.—contained sexual content inappropriate for kids. And this was only broadcast television, not the more extreme content routinely available on cable.

This constant and overwhelming exposure to sexual messages is coming at a time when splintered families, the decline in organized religion, and struggling public schools have left many kids without other clear messages when it comes to sexual behavior and values. Should parents be the first line of defense? Absolutely. But the media has some serious responsibility too, especially when they are using publicly owned airwaves to make billions of dollars.

If we don't start taking responsibility—as parents first, but also hy demanding it from the huge media interests as well as the government officials who are supposed to regulate them on behalf of the public interest—then we put our children at continued risk. We will raise generations of kids desensitized to violence, overexposed to reckless sex, and commercially exploited from their earliest years. And our culture will pay an ever-increasing price.

RAISED ON VIOLENCE

Part of that price is a tolerance and a taste for violence. More than a thousand scientific studies have shown that over time, exposure to violence in the media results in desensitization, fear, and increased aggression. The American Psychological Association has stated it plainly: "The accumulated research clearly demonstrates a correlation between viewing violence and aggressive behavior." The surgeon general, the National Institute of Mental Health, and the American Academy of Pediatrics agree. Media industry flacks who question the evidence about media and violence are the equivalent of cigarette company executives who testify to Congress that there's no proven link between cigarettes and cancer.

Today, repeated exposure to media violence can start at frighteningly young ages. The average preschooler watches well over twenty hours of television and videos a week, and more than 90 percent of programs during children's prime viewing hours feature violence. By the time they enter middle school, American kids have seen eight thousand killings and a hundred thousand more acts of violence on TV. Again, we're talking about only broadcast television here—not violent video games, movies, music, or the hugely popular, head-banging World Wrestling Federation (WWF) excesses on cable.

For some of the most vulnerable youngsters in our society, violent media can provide a script for fantasies of mayhem. Are they the sole cause of adolescent violence? Certainly not. But they are definitely a factor. Repeated playing of violent computer games such as *Doom* can function as horribly realistic rehearsals. And unfortunately, weapons can be the far-too-easily-obtained props that kids use to put their rage-and-media-fueled fantasies into action. Other kids—those who don't shoot up their schools—an become more and more numbed to violence and tolerant of it as an alternative in life. This far more pervasive effect—what former New York senator Daniel Moynihan refers to as "defining deviancy down"—has disturbing, long-term implications for many kids and for the health and safety of American society.

CAPTIVES OF THE FREE MARKET

Commercial exploitation is another price that American kids pay from the time they are in diapers. I can't tell you how many meetings I've been in over the past few years, both with media executives and advertisers, in which kids were referred to almost exclusively in terms of their monetary value as consumers. It's nauseating but entirely routine in the media world. As we'll see in chapter **5**, consumerism among kids is at an all-time high (you might say "low" if you question the values that this represents). With hundreds of companies, armed with sophisticated studies and the latest focus-group research, targeting kids from the cradle through high school,

is it any surprise that so many parents, including myself, are frequently taken aback by the consumeristic impulses of children? I sometimes wonder, for kids left alone in the afternoon, is it worse to watch the daytime talk-show parade of "little girls obsessed with their looks," "one-night stands," "teens who lie about abuse," and "sexy lingerie for criticized wives," or the endless stream of commercials that punctuate them? Both are driven by the same imperative—the media's single-minded focus on the bottom line. But that impulse has its worst expression when it specifically targets kids, seeking to manipulate them in the interests of corporate profits.

ABANDONED BY OUR PUBLIC REPRESENTATIVES

So who is looking out for the interests of the public and our kids? *You* might be asking yourself by now, hey, where's the government, and what's a more important national priority than nurturing the healthy growth of future generations? The American people, after all, own the airwaves and much of the other resources on which these large media empires have been built. Shouldn't there be special rules that protect kids and require these huge media conglomerates to operate in the public interest when it comes to our youngest citizens? It is more than naive to pretend that the market alone will protect them. After all, there's a reason we require kids to go to school until they're sixteen. There's a reason we have child labor laws. There's a reason we don't let people under sixteen drive cars. There's a reason we have strict underage drinking laws—because kids are not equipped with the same capacity for judgment and discrimination as adults. They need guidance, education, and special rules to keep them from being damaged or exploited. We recognize this in virtually every sphere of American life. Yet in the media world, we have stripped away the very rules created both to protect kids and to enhance their lives, leaving them almost entirely to the profit-driven manipulations of a largely unregulated free market.

It wasn't always like this, as we'll explore in depth in later chapters. During the 1950s, 1960s, and 1970s, profit motives were balanced by a belief in social responsibility as well as, in many instances, public interest obligations enforced by government. As far back as 1934, Congress awarded broadcasters the free use of the public airwaves *on the condition* that they in turn serve "the public interest, convenience, and necessity." Courts, the Congress, and federal regulators such as the FCC have consistently upheld the public-interest standard, and for decades broadcasters and other media leaders respected it.

Today, however, the public-interest standard has been rendered virtually meaningless. With the exception of some much-watered-down kids' TV regulations, broadcasters and the huge media conglomerates that own them rarely provide any fare that remotely reminds us of their public-interest obligations. Other branches of the media act as if they've never even heard of the concept. So when—and why—did the media lose sight of its public-interest responsibilities?

The trend began in the 1980s, when free-market conservatism and the culture of "greed is good" captured the country. The deregulation craze shook industry after industry, as regulatory agencies were stripped—or stripped themselves—of their authority. The media industry quickly went the way of the airlines and financial services. Regulations protecting the public interest, not to mention children and families, were scorned, and the results were devastating. President Ronald Reagan's FCC chairman, Mark Fowler, waved the deregulation flag and announced that the TV is merely a "toaster with pictures." Under Fowler, the FCC stopped requiring stations to air educational and informational shows for kids, and it stopped limiting advertising on children's shows.

Fowler also handed the keys of the television industry to financial speculators, eliminating the rule that required media owners to hold on to a station for at least three years before selling it. As a result, a rash of speculative buying, selling, and mergers swept the industry. New corporate owners—with no media experience and eyes focused exclusively on the bottom line—took over venerable television networks such as NBC and CBS. Today, Westinghouse (which

merged with CBS, which then merged again with Viacom) and General Electric—the guys who really do make toasters—are in charge of television. At the same time, cable TV—which, being nonhroadcast, was never subject to "public trust" restrictions—increased competition for audiences, began "pushing the envelope" with raunchy shows to grab attention, and intensified the focus on the industry's profit margins.

The bottom-line trend that began in the 1980s accelerated in the 1990s. The 1996 Telecommunications Act, which deregulated even more aspects of media ownership, triggered cutthroat competition and massive consolidation, particularly in the television arena. In addition, as recently retired FCC chairman William Kennard describes it, the 1996 Telecom Act "defanged" the FCC, making it virtually impossible for public interest and citizens groups to challenge broadcasters' licenses. As a result, the twenty-first-century world of media, more than ever before, is now focused on market share, mergers, and vertical integration. The huge companies that make various media products today also control the financing and distribution of those products. The media is guided by the forces of free-market capitalism, and media companies are even more tightly ruled by simplistic numerical yardsticks such as quarterly profit-and-loss statements.

In an interview for this book, Steve Case, the chairman and visionary leader of corporate giant AOL Time Warner, openly acknowledged this reality, admitting that even in his view, the media industry had "become too Wall Street-centric, too focused on what the analysts are saying, and much too focused on what the stock price is tomorrow."[6] Today, shareholder returns matter far more than quality or the public interest. The resulting cost-cutting and ever-increasing competition mean that only the strongest and biggest media companies survive. This is social Darwinism in its purist form.

It does not have to be this way. We may have made many mistakes and missed many important opportunities to rein in big media and make it accountable to kids and the broader public interest. But

we are at a watershed moment in our media-driven society, and we have a chance to reverse many of these trends and make the media much more of a positive force in our society. I didn't write this book (and nearly drive my wife and kids crazy in the process) just in order to *describe* the problem. I'm not merely going to explore the problems of vertical integration by huge conglomerates and how that leads to a proliferation of sex, violence, and commercialism in the various media. Instead, Part 11 of this book is about solutions and achieving change. We are going to look at the positive steps that parents, the media industry itself, government, and citizen activists can take to make the media environment healthier for kids. And I am going to outline a specific action agenda for each sector to pursue in addressing this most crucial issue.

Parents Taking Control

It's tempting to believe that we can trust the media with our kids, that we don't need to pay close attention to what movies or TV shows our kids are watching, what computer games they're playing, where they're surfing on the Internet, or what lyrics are coming through their Walkman headphones. It's much easier to believe—as our parents could—that we can trust the media. After all, we're only adding more work and more worry to our lives if we admit that we now need to be as wary of the media as we are of strangers accosting our children on the street. As a result, many parents are in a state of "media denial:' while others feel overwhelmed and helpless.

But the fact is, we need to take as much responsibility for our children's media consumption as we do for their performance in school and their physical well-being. If we're worried about what our kids eat, then we should certainly be worried about what our kids are watching. Taking responsibility takes effort, no question, but it's achievable. I've devoted an eniire chapter to the role of parents, and I've laid out practical, concrete strategies they can use to assert control over the "other parent" in their children's lives, starting today.

Calling the Media Industry to Account

I am sick and tired of hearing industry leaders and spokespeople try to evade their responsibility and point the finger at everyone else—parents, "censors," or other media companies who they claim are worse offenders than they are. It is long since past the time when the media industry itself, and particularly the top executives of these huge media conglomerates, took sustained and serious responsibility for the products and content that they are marketing to kids, for shaping our culture and values. They must be held accountable. Period.

Many of the people I know in the upper echelons of the media industry are intelligent, capable, and upstanding people. But they are leaders of companies that appear to have only one purpose: the relentless pursuit of short-term profit and "shareholder value." I believe, however, that the media industry, by its very nature and role in our society and global culture, must act differently than other industries—not least because they have the free use of our public airwaves, our digital spectrum, and virtually unfettered access to our children's hearts and minds. These are priceless assets, and the right to use them should necessarily carry serious and long-lasting obligations to further the public good.

But rather than talking about our moral and social responsibility to kids, media leaders use the First Amendment argument to stop healthy debate. By framing every criticism as a threat of censorship, they derail any discussion and action on the real, underlying issue—the need to protect kids and enhance their learning in the new media environment. Now, without question, the First Amendment is one of the most hallowed jewels of our Constitution. It stands for our nation's commitment to individual freedom of expression and to a free press so essential to a participatory democracy. But as someone who has taught First Amendment law and politics at Stanford University for more than a decade, I can tell you that the industry's application of the First Amendment to kids' media is largely a self-serving sham.

In chapter 9, we'll look at a range of proactive investments and measures—including serious funding for quality children's media as well as media literacy programs—that should be part and parcel of the huge conglomerates' operating mandates. And we'll explore how the media and advertising industries can play a critical role in realizing the enormous educational potential of the Internet and other digital technologies.

The Role of Government

As we'll see time and again throughout this book, a free, unregulated marketplace will never care about kids. In that Darwinian setting, only the fittest survive and only profits matter. Kids need special rules, special protections, and strong, mediating forces that will place their interests above the ruthless imperatives of short-term profit margins. The last time I checked, that was supposed to be the role of government in our democratic system. But in fact, our government has been doing very little lately to regulate the media on behalf of the best interests of America's kids and families. It's time for that to change. It's time for our elected officials to stand up to the deep pockets of the media companies and help create a healthier media environment for kids.

We'll explore further our government's far too cozy relationship with the media industry and look at the constitutional history of First Amendment law to show just how far Congress and the FCC can and should go to regulate media on behalf of kids. We'll also examine some instances in recent history when Congress, the president, and the FCC have used their constitutional powers to promote the interests of children despite industry objections. And we'll look at why, as Senator Joseph Lieberman has warned, the current FCC is failing to use its basic enforcement powers in the best interests of America's kids and families? But perhaps most important, in Chapter Ten this book will set out an agenda for what government should do to help over the next decade. Given that the media is the

"other parent" in kids' lives, government has a major role to play in curbing its excesses and promoting its use in the public interest.

Citizens Standing Up for Kids

In an interview for this book, former President Bill Clinton was surprisingly optimistic about the concept of forging a broad coalition to support media reforms that favor children and fades. He saw possibilities for this in both Congress and among citizen advocacy groups, noting correctly that the vast majority of Americans—both conservative and liberal, Republican and Democrat—feel a deep, heartfelt concern over the current state of our media environment. Drawing on his eight years in the White House, he compared this opportunity for cooperation to the broad base of support for economic aid to Mexico and other developing countries, which came from an unusual coalition of liberals and conservatives. It even brought Pat Robertson to the White House for his one and only visit during the Clinton presidency. I *think* the former president is onto something, and it's a sense I've had ever since I began researching this book and giving frequent talks about this subject. I find that people of all political persuasions agree with the need and many of the strategies for media reform. People from all backgrounds and political parties share concerns about the ways in which media is shaping our kids' values and behaviors. It's not unusual for people to come up to me after a talk and say, "I'm actually very conservative, but I agree with you about these issues." In fact, I found myself agreeing with a conservative like William Bennett, with whom I'd never agreed on *anything,* when he conducted his shaming campaign against Time Warner and their profit-driven distribution of misogynistic rap music.

I do think there's interesting potential here for an unusual cross section of American citizens—and, hopefully, government leaders—to come together around these issues. In chapter 11, as in the other solutions-focused chapters of this book, I've suggested a specific, concrete agenda for citizen activists to pursue as we seek to rein in and make more positive the enormous power of the media in children's lives.

At the end of the day, this is an issue that is simply too important to ignore. We are truly at a crossroads as we enter the twenty-first century. In the shadow of the events of September 11,2001, we are learning the power of collective action and common ground. The need is there. The media's messages are ever more pervasive in our society and ever more powerful forces in shaping our children's values, behavior, and, very possibly, their future. The "other parent" is real, and it is everywhere. The challenge of restraining it is enormous. But so are the rewards for meeting that challenge—and the consequences for failure will be equally profound.

What we need is a new model, a new contract between parents, the media industry, and our government. We do not face a Hobson's choice between free speech and a free market on the one hand and government censorship or bureaucracy on the other. Rather, the true choice is a balanced one of how best to serve the needs of American society and most of all our kids—how to direct the extraordinary powers of traditional and new digital media to be a positive force in our children's lives That's no small challenge, but we ignore it at our peril. The wise former FCC chairman Newton Minow said recently, "If we turn away from that choice, the consequences of our inaction will be even greater educational neglect, more craven and deceptive consumerism, and inappropriate levels of sex and violence—a wasteland vaster than anyone can imagine or would care to. Let us do for our children today what we should have done long ago."[8] It's time to get started.

Chapter 2

Two

IT'S ALL ABOUT MONEY

If there is one single theme that has dominated my learning curve about kids and media, particularly since I started to build our own kids' and educational media company five years ago, it's that *money rules all.* I simply cannot overstate how central money and the insatiable pursuit of profit is to the workings of children's media. Everything else pales by comparison. When I started JP Kids after seven years of building Children Now, I assumed that the world of kids' media would be balanced between a traditional business approach and a genuine commitment to kids and education. After all, why work in this field if you don't care about kids? But I quickly learned that there *is* no balance. Money comes first, and there is no close second.

I'm sure many readers, particularly parents, instinctively know that money and commercial imperatives are a huge driving force in kids' media, simply because it's apparent in so much of the content and marketing that our kids are subjected to. But until you see it up close and live with this obsessive "profits above all else" mentality on a daily basis, it's hard to conceive of the scale of its importance. If we want to deal constructively with the impact of the media on our children's lives, then we must restore some balance to the equa-

tion. Today, the system is completely out of whack. And kids are the biggest losers of all.

In the opening chapter, I related how the head of a large Canadian production company explained that you can in effect "buy" your way onto Fox Kids or PBS children's programming simply by guaranteeing a certain amount of money to the network. Maybe that doesn't surprise you, and it certainly is common knowledge to insiders in the media industry, but it sure isn't the way things ought to work. Bill Baker, a longtime, respected media executive who is now the president and CEO of WNET (Channel 13), the PBS flagship station in New York, almost jumped out of his chair when I interviewed him. "I've just got to tell you this story," he said. "It sums up everything I know about kids' TV." It was about his friend Pat, who had spent nearly thirty years in the television business and ran a station in Los Angeles. As Bill explained, Pat was a hard-nosed business guy, and he had pretty much seen everything there was to see in the television world. . . until one year when he went to the annual convention of NATPE, the National Association of Television Program Executives.

This convention, which I've had to attend almost every year as the head of JP Kids, is held annually in venues like Las Vegas and New Orleans. Its purpose is to exhibit new programming by all the major television and entertainment companies for individual television stations (as opposed to networks) to buy and air. This is called syndication. As at any sales convention, there are lots of scantily clad women running around trying to get you to come to their booths to see the products that their company is pitching, and there's lots of free food and drink. It's quite a spectacle. NATPE is also a place where you can meet Jerry Springer, Montel Williams, Judge Judy, and Rikki Lake, up close and personal, or get one of the "*Baywatch* babes" to pose with you for a picture and sign your program.

So Pat was at the NATPE convention when he ran into a friend in the children's syndication business. "You *won't* believe this one," the friend said. "I have a kids' show that I've sold to two hundred television stations already. Guess how many stations wanted to see the program?" Pat, a grizzled industry veteran, cynically guessed twenty

or thirty—but the answer, his astonished friend told him, was *zero.* Not one of the representatives of the two hundred television stations had bothered to watch the show. The only questions they had asked were "What's the deal?" and "How much money can we make?" Not a single question about the content of the program, whether it was any good, whether it was educational, whether it met FCC guidelines, or what the themes and characters were. The only issue that counted was the money issue. The producers would actually be paying the stations a fee to air the program, since the production companies, in turn, would make their money on the tie-in toy merchandising. As Bill Baker told me, shaking his head as he recounted the story, "This is what's happened to the entire business. How much money we make, the bottom line, is the *only* measure of our business today. And frankly, that's probably going to happen with these Internet businesses too, which will also influence kids greatly. In my opinion, to aim only for the bottom line is to aim too low."[9]

Unfortunately, this story is merely one of hundreds I could recount that drive home the same point. Since average American kids spend more than five hours per day consuming media, its content has an enormous influence on their values, behavior, and self-image. And if money is the only consideration shaping that media, you can imagine the results. Actually, you don't have to imagine them, because they're right there in front of you every day—on your movie screens, coming from your stereos, on your computer monitors, in your video arcades, and on your television sets. Media is everywhere in kids' lives, and money drives all of it. As we examine the "other parent's'' influence in shaping children's reality, never forget that greed lies at its heart. But things weren't always this way.

THE STRUCTURE OF MEDIA TODAY

The United States is in the midst of an extraordinary transformation of its entire media universe. We are in an era of enormous concentration and consolidation, in which a mere handful of media

mega-conglomerates now dominate the global media landscape. This concentration of media and communication in the hands of a few has occurred at a dizzying pace. Indeed, in the six years since I started JP Kids, there has been an incredible spate of mergers and acquisitions in virtually every sector of the media world, from television, movies, and radio stations to publishing houses and the music industry. The stories are all the same. A handful of corporations now exert a cartel-like stranglehold on virtually all aspects of the twenty-first-century mediascape.

Back in 1983, the noted media scholar Ben Bagdikian wrote a book called *The Media Monopoly,*[10] which chronicled how approximately fifty media conglomerates had come to dominate the entire U.S. media world, including radio, television (both broadcast and cable), film, newspapers, magazines, and music. Now, two decades later, a media world run by as many as fifty conglomerates seems almost hard to imagine. As Bagdikian explains in his most recent update of *The Media Monopoly:*

> When the first edition of this book was published in 1983, fifty corporations dominated most of every mass medium, and the biggest media merger in history was a $340 million deal. At that time, the strategy of most of the fifty biggest firms was to gain market domination in one medium—to have the largest market share solely in newspapers, for example, or in magazines, or books, or movies, but not in all of them. By the time the second edition was published in 1987, the fifty companies had shrunk to twenty-nine. By the third edition in 1990, the twenty-nine had shrunk to twenty-three, by the fourth edition to fourteen. By the fifth edition in 1997, the biggest firms numbered ten and involved the $19 billion Disney-ABC deal, at the time the biggest media merger ever. But the biggest of 1983, worth $340 million, would give way seventeen years later to AOL Time Warner's $350 billion merged corporation, more than 1,000 times larger.
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Other sources like *Forbes* have put a lower value on the AOL–Time Warner merger, more in the $150 billion range, but that hardly matters. The point is that today there are only *five or six* huge megacorporations that dominate the entire global media business. They include AOL Time Warner, Disney (which bought ABC), Viacom (which bought CBS and is the parent corporation of my publisher), News Corporation (which bought Fox, among others), Vivendi Universal, and General Electric–NBC. There are a few other large players in the media and telecommunications field, such as AT&T/TCI, Microsoft, Bertelsmann, Liberty Media Corporation, USA Networks, and Sony, which also figure in the landscape, but it is an unbelievably concentrated picture, no matter how you look at it.

Let's take the Walt Disney Company, for example. It is not just your little family entertainment company led by Uncle Walt. It's the third largest global media conglomerate, with fiscal year 2000 earnings of more than $25 billion. Theme parks and resorts produce 27 percent of its revenues, studio entertainment accounts for 24 percent, and media networks make up 17 percent. In addition to its rights to theme parks, Disney owns one broadcast network (ABC) and all or part of at least nine cable channels (ESPN, Disney Channel, the new ABC Family channel, A&E, Lifetime, E!, Toon Disney, etc.). It also owns six different production and distribution companies (Walt Disney Pictures, Touchstone, Miramax, Walt Disney Television Animation, etc.) as well as a music group with at least five labels. It owns publishing assets (including Hyperion, Disney Publishing, and *Discover* magazine) and a couple of sports teams. It owns ten different television stations, the ABC, ESPN, and Disney radio networks, and a variety of newspapers. It also controls a growing Internet empire that includes ABC.com, ESPN.com, Disney.com, and Family.com, among others. In short, Disney is everywhere.

AOL Time Warner is an even bigger leviathan. Approved by the FCC in January 2001, the merger between AOL and Time Warner is the largest media merger in history. The new company promises to offer a powerhouse of integrated communication, media, and entertainment across all platforms—computer, phone, television, and handheld wireless devices. AOL, the world's largest Internet service provider, delivers twice as much mail as the US. Postal Service, links over half of all on-line American homes to the Internet, and owns Netscape, CompuServe, MapQuest, and Spinner.com. AOL Time Warner has huge music assets including such famed labels as Atlantic, Elektra, Rhino, Warner Bros. Records, Columbia House, and Time Life Music. In the TV world they own distribution through all of the Time Warner cable systems (the nation's second biggest cable company) as well as the WB Television Network, HBO, Cinemax, CNN (and all its spinoffs), TBS, TNT, Cartoon Network, Court TV, and a part interest in Comedy Central (co-owned with Viacom). In the movie arena, they own Warner Bros. Pictures, Castle Rock Entertainment, and New Line Cinema. In TV programming and production, they own Warner Bros. Television, Warner Bros. Animation, Hanna-Barbera Productions, HBO Productions, among others. In publishing, they own such magazines as *Time, Fortune, People, Sports Illustrated, Money, Entertainment Weekly, Parenting,* the publisher DC Comics, and many others. And, oh, yes, like other media conglomerates, they own sports teams, including the Atlanta Braves, Atlanta Hawks, Atlanta Thrashers, and, for good measure, World Championship Wrestling."

Viacom, the corporate owner of my publisher, is another mega-media giant. Its vast holdings have increased dramatically during this period of massive media consolidations. Like Disney and AOL Time Warner, it is vertically integrated, meaning that it owns both multiple means of distribution as well as many forms of content production. For example, Viacom now owns both the CBS and UPN television networks (broadcast television distribution) as well as global cable distribution outlets such as MTV, VH-1, and Nickelodeon. Viacom also owns Paramount Studios, Nickelodeon's animation studio, and a number of other production assets. And Viacom owns a huge number of radio stations, major publishing enterprises such as Simon & Schuster, and the Blockbuster video chain.

I could go on and list the assets of News Corporation or Vivendi

Universal, but I think you get the picture. To put it plainly, control of the mass media, across all platforms, is increasingly concentrated in fewer and fewer very powerful hands. I'm no left-wing radical, but we all need to be concerned in this society if most of the main media sources fall increasingly under the control of a small number of giant corporations and extremely wealthy people, especially when they may be inclined to use this media power for their own economic or political purposes.

It's critical to understand that mergers in the media business matter a whole lot more than other types of consolidation. Having five or six widget manufacturers may be all you need in the widget industry to safeguard product and price competition—the main concerns of traditional antitrust laws and economic theory. But consolidating the power to create and distribute news, entertainment, and ideas in the hands of a few giant conglomerates with a vast array of other commercial interests raises very significant issues for our society.

The hallowed American concept of a "marketplace of ideas" depends on a range of voices and owners. The fewer the sources of entertainment or information, the less we have a true, unfettered marketplace. Similarly, our entire concept of freedom of expression relies on a diversity of voices and ideas—and when ownership and control of distribution is concentrated in the hands of just a few, you start to wonder about the meaning of the term "diversity," We often hear that we all enjoy many more "choices" today as viewers and listeners and readers. But that's not necessarily the case. Beneath the surface of that apparent range of choices, there are only a handful of owners with the same commercial imperative at work. As Aurora Wallace, who teaches in New York University's Department of Culture and Communication, said recently, AOL Time Warner's incessant mandate for selling and cross-promoting "empties content of anything but a consumption message. If every part of the company has to serve every other part of the company, there's no incentive to talk about anything else. . . . It's not evil. It's logical, according to corporate logic. The problem is that we expect the media to do other things. To inform us. To provide social glue. If that glue is only about consumption, we are missing something. It creates a grand illusion of choice.""

I see this lack of choice every day, up close and personal, in the world of kids' and family media. Lawrence Grossman, former president of NBC News and the Public Broadcasting System, concludes, "While tbe number of TV channels and media outlets is burgeoning . . . a few conglomerates, which have no direct responsibility to the American pubhc, wield extraordinary power over the ideas and information the public will receive."

Leaders of the media industry widely recognize and applaud this enormous concentration of power and resources. Ted Turner, the fabled entrepreneur who finally sold his own large company to Time Warner (before the merger with AOL), frankly acknowledged, "We do have just a few people controlling all the cable companies in this country."" Peter Chernin, president of News Corporation and lieutenant to Australian-born media baron Rupert Murdoch, proudly observed that "if you look at the entire chain of entities—studios, networks, stations, cable channels, cable operations, international distribution—you want to be as strong in as many of those as you can. That way, regardless of where the profits move to, you're in a position to gain."[14]

But those of us who are not among the handful of media moguls see a different side. As Pulitzer Prize–winning journalist and author David Halberstam commented:

> The object of these mergers is never to improve the service. The person [the conglomerates are] interested in is not the person who buys the newspaper, not the person who gets the broadcast in his home. The person they're interested in is the person who buys the stock. . . . [Conglomeration means] less and less real commitment to the reader of news. Disney is not a company that's interested in excellence in journalism, They just squeeze, squeeze, squeeze. It's been a disaster. The stock price becomes the only part of the report card that matters. . . . You can serve only one god.

MERGERS, MONEY, AND KIDS—A BAD MIX

You might be asking yourself how this all applies to the world of kids and family media, but the connection is simple. In the kids' television world, for example, you can readily see the effects of what media analysts call "vertical integration," in which the same huge companies that make content or programming also control the distribution channels. The Walt Disney Company, as I mentioned earlier, owns a variety of television and film production companies, including Walt Disney Television Animation, Touchstone Pictures, ABC Entertainment Television Group, among others. These programming entities in turn supply Disney's broadcast network (ABC) and its many cable channels (Lifetime, Disney Channel, ABC Family, Toon Disney, Playhouse Disney, ESPN, The History Channel, E! Entertainment, etc.) with Disney "product." Suffice it to say that there's a built-in economic bias—some might call it a corporate imperative—for those who control the distribution channels to put their own "products" on them, rather than someone else's. This is especially true in the kids' arena, where the really big bucks are made in licensed characters and merchandising.

As you might imagine, a media giant like Disney is most interested in selling retail products based on its own "branded properties," often at its very own Disney stores. As a result. there is a huge focus on that "synergy" at the expense of other creative and educational goals. Just look at the numbers. In 1997 alone, $25 billion of Disney merchandise was sold, more than twice the total global sales of Toys 'R Us. Disney's own licensing revenue that year was $10 billion, and Time Warner's (premerger, of course) was over $6 billion.[15] No wonder that we see such products as a Mickey for Kids perfume and the zillions of other licensed products that our children beg for at the local toy store. It's just one big marketing machine targeted at kids. If you don't believe me, put a children's video from Disney into your VCR and count the number of previews and branded, licensed products pitched on the screen before you get to

the beginning of the "Feature Presentation." You'll be amazed. Then you might be angry.

Another troubling outgrowth of this vast merger and consolidation trend, one that has enormous consequences for kids, is the lack of accountability created by huge corporate structures. As media conglomerates grew bigger and bigger in the past fifteen years, so did the predominance of "shareholder" values and quarterly profit margins. At the same time, accountability has dramatically declined in these very same corporate structures. Remember, we are taking about companies with tens if not hundreds of thousands of employees. It's no longer clear where the buck stops in many of these institutions, though it is very clear that "bucks" are the be-all and end-all of their corporate strategies. As we'll see over and over again in subsequent chapters, large corporate behemoths have a way of dampening accountability and of placing the pressure for profits above all other values. There's always somebody else to point the finger at or some corporate P.R. hack to try to rationalize nakedly offensive but profitable programming as an expression of "artistic freedom." In short, nobody is held accountable for anything but profits, and the results are right there for you to see on your screen. Bluntly put, the bottom line is also the lowest common denominator.

One recent experience I had in the children's television world speaks volumes. In December 2001, we met with several senior executives of the Fox Broadcasting Company (FBC) to discuss their decision to stop programming the Fox Kids program block from 8:00 to 11:00 A.M. on Saturday mornings and instead to lease it out to the highest bidder. The reason for Fox's decision? To cut costs and increase bottom-line profits. During the meeting, I asked the executives about the government-mandated FCC rule that requires all broadcast stations to air a minimum of three hours of "educational and informational" programming per week. "Oh, that's not a problem," they laughed. "We'll urge the local stations to put on some cheap or free educational stuff from 7:00 to 8:00 A.M. on both Saturday and Sunday mornings, and then we can use those sports promo shows that Major League Baseball and the NFL gives

Fox for free. Those can count as educational shows, too." These latter programs, *In the Zone* and *Under the Helmet,* are hardly what Congress had in mind when it passed the Children's Television Act, but the Fox Broadcasting execs didn't seem to care. The shows were free, and better yet, a promotion for their lucrative sports franchises. This kind of cynical attitude toward children and public interest responsibility is what results from a "profits alone matter" mentality.

Having run JP Kids and Children Now for more than a decade, I've gotten to know most, if not all, of the key figures in kids' media and television. None of them was willing to go on record about the pressures they feel to produce profits above all else. That doesn't mean they haven't talked to me about the subject at length. It's just that they don't want to be quoted by name. As one leading industry executive said to me recently after extracting a promise that I wouldn't use his name, "Today, in our huge company, all that matters is making my twenty percent growth targets. It's not about the shows anymore. It's not about quality content. It's not about kids. It's all about growth, cutting costs, and making the quarterly numbers."

In the six years since I Founded our kids' media company, I've seen corporate profit pressures loom ever larger in the children's television industry. As I said earlier, it's all about "the deal." When an independent company goes to pitch a series for television or a series of books to a publisher or even a new Internet strategy, the conversation initially focuses on the creative content. Is it Fresh or edgy? Is it right for their target audience? But time and again, it all comes down to money and deal terms. If you're willing to finance the television series yourself, For example, or come in with half the production budget from some other source (like an international partner or a toy company), then all ears perk up. If not, your chances of getting something on the air are slim.

Today, as the media industry is fighting a deep slump in advertising revenues and ever-greater pressure from Wall Street for continued growth and profits, the top-level executives I deal with think

about little else at the end of the day but their financial performance. Want to know why somebody green-lit *Jackass* on MTV or *Temptation Island* on Fox or the latest violent action cartoon on Fox Kids? Just try to imagine the pressure for ratings and profits that the executives who chose them feel. I guarantee you that's the real story behind the decision, no matter what P.R. excuses they may offer. And if the "product" makes good money or gets good ratings, then that company will be willing to weather whatever criticism may come with it. As Rupert Murdoch—whose Fox and News Corporation empire has done so much to lower the quality and taste standards of media around the world—remarked about his journalism business, "All newspapers are run to make profits. I don't run anything for respectability." You could substitute the words "television networks," "movie studios," or "record companies" for "newspapers" in his declaration, and the quote would still be entirely accurate.

The implications of this "money rules all" mentality have been equally disastrous in the music industry. As a *New York Times* critic wrote a couple of years back, popular music and its related *institutions*, like MTV and commercial radio stations, "have become increasingly reliant on market research, primarily because ratings and circulation are so important to their advertisers. As a result, the mall rules and music is in a lull."[16] It's ironic that this blatant trend toward the complete commercialization of the music industry may ultimately hurt its popularity with the audience, but that's what media concentration and a short-term profit mindset will bring you—that and prefabricated groups like the Spice Girls, whose tunes my daughter Lily used to like. My wife and I discovered that the Spice Girls were above all a merchandising machine aimed at young girls. There were Spice Girl bomber jackets, books, potato chips, calendars, and key chains. Polaroid even created the Spice Cam as part of its line of cameras, and promoted it to *nine-to-twelve-year-old* girls through an advertising campaign. And our parents thought the Monkees were bad!

Music marketing to teens is more sophisticated and equally, if not

more, aggressive. As media critics like Mark Crispin Miller of New York University have noted, there is very little separation between marketing and content aimed at teens. They're all part of the same commercial package. If you think about rock videos, for example, they are basically highly sophisticated and seductive advertisements for songs, clothes, and other "must have" products. Watching an ad is no longer the price you have to pay for watching the show. The ad is the show. There's virtually no separation." And again, kids, or in this case teens, are the target.

Movies and television, too, are suffering from commercial, copycat attempts to lure viewers with sex and violence. Large conglomerates often discourage risk and creativity, while pushing sameness in pursuit of the bottom line. Peter Bart, the always outspoken editor-in-chief of *Variety*, recently described the movie industry in the context of its new corporate ownership:

> A movie studio is part of this huge corporate cocoon, and therefore, theoretically, a studio should be willing to take bigger risks because one bad movie or even one bad summer in all likelihood won't erode the value of the [parent company's] shares. But the way it works out, the studios are if anything more risk averse. They are desperate to hedge their bets. It's the nature of bureaucratic self-protection. Every unit of a multinational corporation has to meet its numbers. That is reflected in the kind of pictures that get made.[18]

MEGA MEDIA AND DEMOCRACY

This is a book about kids and media, not an examination of the impact of media consolidation on our democratic processes. But it's important to see the connection between this dizzying spate of mergers in the media world and the threat it poses to so many of the most important values in our society. For me that connection starts with kids—the most precious resource that we have. But it

also has serious implications for the functioning of our democracy.

In an open and free society such as ours, we rely on the media a great deal for public discourse and for the expression of democratic values. The First Amendment depends on a genuinely free and diverse "marketplace of ideas," in which a wide range of individuals and organizations have the opportunity to express information and views for the rest of us to ponder. As President John E Kennedy pointed out to a convention of TV broadcasters, "The flow of ideas, the capacity to make informed choices, the ability to criticize, all of the assumptions on which political democracy rests, depend largely on communications. And you are the guardians of the most powerful and effective means of communication ever designed.""

But in recent years, as huge corporations have come to own virtually all of the means of communication, critics have raised disturbing questions about the implications of ownership and the impact of mega media on our democracy. As journalist and press critic A.J. Liebling once said, "Freedom of the press is guaranteed only to those who *own* one."

The most serious concerns about mergers and consolidations can be separated into several categories:

- First, there is the question of unfair economic competition and the distortion of marketplace principles brought on by oligopoly. We are supposed to be able to rely on antitrust rules to counteract that, but they have rarely been enforced lately in the media arena.
- Second is the question of unfair competition and the restraint of information and ideas through practices like cross-marketing and elimination of competing news sources. In a related vein, critics have focused on the general deterioration and increasingly corporate slant of the news and public affairs materials communicated by big media companies.

- Finally, as we'll explore in great detail in regard to kids, is the issue of the lowered and coarsened quality of entertainment programming and the consequences for our society.[20]

As the always colorful media baron Ted Turner said about his competitor Rupert Murdoch, the owner of News Corporation:

> I worry about how much control this man is getting. Like the former Führer, Murdoch controls the media for his own personal benefit—for money and power. . . . He thinks that his media should be used by him to further his own political goals. He's also a scumbag because he "goes down market" so much in his papers.[21] ["To go down market" means to use scandal, sex, and splashy crime to appeal to the lowest level of human interests.]

What critics like Turner are concerned about, besides sheer smarminess, is the control that the new media conglomerates have over the free flow of ideas. Constitutional scholar Burt Nenborne put it bluntly when he stated:

> I'm not satisfied with a two-tier First Amendment that says that a relatively small slice of the world gets to decide what gets said and all the rest of us sit like groundlings in the audience and grunt about whether we l i e it or not. Because that's what we are going to do unless we can find a way to increase the ability of people without large amounts of money to either get access to the media, to get access to the political process, to in some way break through the huge screen that money creates these days so that they can get their voices heard as well.[22]

A couple of recent cases reveal the dangers of a world in which a very few companies control the most popular media outlets in our society—especially when there is an important public policy issue that could affect their corporate profits. One classic example

involves what has been called "the giveaway of the digital spectrum." Although we'll explore this outrage at length in Chapter Seven, a brief summary will illustrate my point. As part of the 1996 Telecommunications Act, our government representatives in Congress gave the broadcast industry a portion of the publicly owned airwaves—valued at about $70 billion—for free. Rather than auction off this public real estate—increasingly valuable, thanks to digital technology—and allow the government to use that money for the social good, our elected officials caved in to long, hard, and successful lobbying by the broadcast industry and arranged this free giveaway. In return, broadcasters merely promised to use this windfall of new frequencies to broadcast high-definition programs.

As unconscionable as that was, the story gets worse. During the time that this rip-off occurred, roughly a nine-month period, the three major network news shows—NBC, ABC, and CBS—aired a sum total of nineteen minutes of coverage on the entire Telecommunications Act and ***not one single minute***—not a word—about the public's $70 billion charitable gift to the broadcast industry. As I mentioned, we'll explore in a later chapter how and why this happened and why kids got robbed in the process But the point here is that the democratic process failed. The broadcasters, who are our primary source for the nation's news, effectively embargoed the story—denying the public its right to know about this outrageous giveaway. This is a clear example of how the needs of huge media conglomerates can run squarely against basic constitutional freedoms and the American public's right to debate key issues of national policy concern. What's changed in journalism as a result of consolidation is not that there's been a shift to false reporting. The change is toward *not* reporting at all—a "broadcast blackout," in the words of former Republican Senator Bob Dole.

In a recent interview, Dan Rather, the CBS news anchor, spoke harshly about the negative changes in national television coverage. He blamed warped values for the decline in international news coverage—"the Hollywoodization and 'frivolization' of the news"—and pointed the finger squarely at the major networks, including his

own. "Entertainment values began to overwhelm news values," he observed. Later, Rather attributed these change to the massive consolidation of the media business. "The larger the entities that own and control the news operations, the more distant they become. . . . At one time, news was an integral part of the corporation," he noted, recalling the days when CBS was run by William Paley, before it became a division a Viacom. "The person who ran the corporation was intimate with the people in news and had a dialogue with them that provided a little check and balance to the drive for profits and ratings."[23]

In another well-known example, Disney-owned ABC News canceled a 1998 story by its leading investigative reporter exposing a variety of labor and safety practices at Disney World in Florida. As the ***New York Times*** subsequently reported," ABC News denied that it killed this investigative report because of the identity of the subject, but who's kidding whom? Indeed, in a recent interview on National Public Radio, Michael Eisner, chairman and CEO of Disney, asserted bluntly, "I would prefer *ABC* not cover Disney. . . . I thii it's inappropriate for Disney to be covered by Disney." A few days after Eisner made these remarks, ABC canceled a report covering Disney's employment of pedophiles at its theme parks.

Reflecting on these troubling issues raised by mass media consolidation, ***The New York Times*** commentator R. W. Apple stated

> It's my conviction that the Founding Fathers . . . had a reason for giving journalists special privileges in the Constitution. The reason was that we were supposed to find out what's going on, here and abroad, and report it, so that the public could understand and make an informed judgment [on public issues]. It was not put in the Constitution so that publishers could make billions of dollars or so that journalists could make millions of dollars. It was put in the Constitution so we could do serious journalistic work.[25]

THE BOTTOM LINE ON THE BOTTOM LINE

For the past ten years I've seen the impact of this consolidation trend and its relentless short-term profit mentality on the world of kids and media. If you're like me and the vast majority of parents and citizens in *this* nation, you're troubled by what you see and hear from our heavily concentrated media industry, particularly as it shapes the lives of America's youngest and most impressionable audiences. If you share these concerns, then understand that the root cause of them is the drive to make money and profits for a few. In the next three chapters, we'll take a look at the price our kids are paying for those profits—very hour and every day of every week.