



Economists Inc.’s “Critique” of the Recent Study on Media Ownership: A Response By the Project for Excellence in Journalism

On March 13, a consulting firm hired by the NBC, CBS, Telemundo and Fox TV networks to help them lobby for deregulation of media ownership rules released a “critique” trying to discredit a recent Project for Excellence in Journalism study on local TV news and ownership.

The Project wants to offer a prompt response to correct numerous assertions and misimpressions in that critique.

The Project, to begin, stands behind the integrity of its report “Does Ownership Matter in Local Television News: A Five-Year Study of Ownership and Quality,” and believes that its extensive evaluation of quality in local television news is both relevant and of value to the ongoing public discourse regarding FCC regulation of station ownership.

The network funded “critique,” produced by a consulting firm Economists Inc., condemns the study for being something it makes no attempt to be. To that end, it sets up a series of false thresholds that it says the study then fails to meet.

“The PEJ study offers no formal or informal theory of why or how ownership should affect news quality,” Economists Inc. writes. “... Thus, the results reported do not stand as a test of the hypothesis that ownership “causes” any particular change in news quality.”

Economists Inc. misses the point. This is one of the prime strengths, not weaknesses, of the PEJ report. Unlike the networks that hired Economists Inc., PEJ has no theory of cause and effect that it is trying to “prove” with its research and no financial stake in the outcome. It is not lobbying the government. It has no vision of what FCC regulations should look like.

To the contrary, the point of PEJ’s five-year research project, designed and executed in conjunction with Princeton Survey Research Associates, was to identify patterns and trends in news quality. Rather than trying to establish the causality of any theory, the Project has presented findings of what local television news looks like in diverse markets across the country – covering almost a quarter of all stations nationwide.

In its ownership study, PEJ found that the arguments offered on both sides of the FCC debate are in some cases supported and in other cases not supported by the trends in quality. On its first page, the PEJ ownership study points out that, “Taken together, the findings suggest the question of media ownership is more complex than some advocates on both sides of the deregulatory debate imagine.” PEJ believes more study is needed

The closest the PEJ study comes to what the FCC might or might not do is this rather general observation: “The data strongly suggest regulatory changes that encourage heavy concentration of ownership in local television by a few large corporations will erode the quality of news Americans receive.”

A central criticism in Economists Inc.’s critique is that the PEJ study data is “meaningless” because it did not attempt to test its findings against standard measures of

statistical significance. In fact, the data collected by PSRA and reported in the PEJ study do not need to be subjected to tests of statistical significance because they are a census, not a sample, of measurements within the selected markets and time periods. All stations in selected markets were analyzed and all local news broadcasts in the selected time periods were analyzed. The number of newscasts reported in the topline then is a census of newscasts and there is no sampling error associated with measurements of these newscasts. The critics' application of tests of statistical significance to these data, to take account of sampling error, is inappropriate.

The study is a descriptive report about these stations and not an inferential report about the quality of local TV news broadcasts throughout the entire U.S. These descriptive data are useful because the stations described and analyzed serve a large segment of the public (more than 60% of all television households) and their markets are geographically and socially diverse. Thus, the data are informative even though they cannot be generalized beyond the stations included in the analysis.

The time periods were selected purposively, not randomly, and cannot be construed to be a sample of either weeks within a year, or times of day within a day. The only aspect of sampling incorporated into the study's methodology is the fact that markets were sampled. However, in this instance, sampling was used only to ensure that the markets would be geographically and socially diverse. Other than sampling markets randomly and selecting time periods purposively, all units in the population were measured and analyzed.

Economists Inc. further criticizes the PEJ study as being based on "subjective grading" that was untested. This is mistaken.

The critics fault the study for using "subjective measures," but most social science research is based on the concepts that are subjective. All data, whether "objective" or "subjective," are subject to measurement error. What is important is that PEJ and PSRA have clearly defined how they operationalized the important concepts under study, have made the details of this operationalization available to anyone who wishes to evaluate it, and have calculated appropriate measures to show that the operationalization procedures could be carried out with an extremely high degree of reliability by independent coders.

Four key steps were taken in developing the criteria and grading system to make that process as transparent and objective as possible.

First, a team of TV news professionals identified the criteria in 1997 used to judge broadcasts. Second, an academic research team then developed metrics to measure those criteria and establish grading criteria. The metrics, as stated in the report, were made up of widely accepted journalistic norms. Third, PSRA coded and calculated the grades for daily broadcasts via a detailed, standardized, coding procedure. Fourth, the reliability of PSRA's procedures was routinely tested over the five years of study via intercoder studies, as was also stated in the report. Over the five years of study, daily broadcast station scores, which were then compiled to reach quality grades, were found to be reliable within +/- 0.67 points per day.

Finally, Economists Inc. is wrong in asserting no efforts were made to examine the validity of these criteria or the grading system developed to reflect them. As reported in Year II of the five-year study, PSRA conducted four separate focus groups in two cities, Tucson and Atlanta, for the Project in order to qualitatively assess the project's norms. The focus groups demonstrated that respondents not only recognized the

differences between high and low scoring newscasts in the study, but they preferred the high scoring ones to the low scoring ones and articulated as their reasons the same criteria the news professionals had identified. Subsequently, a national survey of local television news directors conducted by the Project's academic partners at Wellesley College and included in the 1999 report confirmed the same criteria as the design team for quality news broadcasts. The notion that the grading system should be considered invalid because it is too arbitrary and because it went untested is uninformed.

Later in its report, Economists Inc. argues that, "The PEJ study finds an inverse relationship between its own standards for journalistic performance and viewer preferences." Again Economists Inc. is mistaken. For five years the PEJ study has found that what it defines as higher quality journalism enjoys better consumer demand than lower quality journalism. This is a main finding of the research, detailed in each year of the Local TV Study, and particularly in the 2002 report issued in November.

Economists Inc. also contends the PEJ research "does not account for other factors affecting news quality." No again. Over the course of the five years, the data compiled has been subject to multivariate regression analysis to control for various factors such as lead-in audience, market size, and day part.

Economists Inc.'s other complaints are similarly misguided, such as the idea that the report contains contradictory findings about such things as news timeslot. Economists Inc. sees contradictions as evidence of flaws in a hypothesis and therefore as problematic. Without an agenda to prove, the Project sees such contradictions as part of an accurate picture.

Finally, it is important to note that PEJ and PSRA have fully met their obligation to report the details of the methodology of this study. Explanations of the study's design and analysis have been made publicly available, so any researcher who wanted to replicate the study would be free to do so. The data themselves will also be made publicly available so future researchers can conduct their own analyses. In fact, the documentation for a public-use data file is currently being compiled by PSRA, but is not yet completed. However, PEJ has a legitimate interest in keeping these data for its sole use until it has completed its own analyses and reports on the data. PEJ and PSRA have been totally forthcoming on all explanations of the methodology and, in so doing, are fully in compliance with the codes of ethics of the appropriate social science professional associations.

The underlying issue embedded in the networks' "critique" is this: whose voices should be heard--and on what issues--in the debate over ownership of the public airwaves?

The PEJ report has become a lightning rod because it filled a void—it explored the issue of news quality, using the best nationwide data available to do so.

The networks' "critique" asserts that quality is "not connected in any obvious way with ... the Commission's policy goals in this proceeding."

Taking the issue of quality off the table is the critique's final recommendation and perhaps its real purpose.