I am writing to express my strong disapproval of any relaxation or elimination of the public interest limits on media ownership. Localism and diversity are the cornerstones of a democratic system of communications media, and we cannot afford to compromise them in any way.

I cannot see how the public interest would be served if ownerships limits were further liberalized. More than forty years ago the U.S. Congress authorized newspapers in the same market to enter into joint operating agreements to help failing newspapers to recover their solvency and continue publication, in the interest of maintaining continued diversity of print news media in their communities. There is no such imperative here. There is no evidence that numerous commercial radio stations are in danger of failure unless ownership of them is further consolidated.

There is no credible argument to be made that the public interest requires that station ownership become further consolidated in order to permit the stations' owners to enjoy even greater economies of scale. Arguably it is less expensive to have one central department selling advertising for a 1200-station network than 100 departments selling ads for 100 separate 12-station networks, but so what? Such consolidation would come at great social cost and provide no social benefits. If never-ending consolidation is so good, then why not permit one or two big corporations to own everything?

There are social costs, and both relate to a lack of diversity. First, consolidation represents a loss of diversity of opinion and information. In a way this is a hollow loss, because the Commission and the Congress have already done their best to relieve licensees of any obligation whatsoever to act as conduits of information of use to the public. The only information which most commercial stations provide is in the form of advertisements, whose sole purpose is to provide revenue for the stations' owners, and publicity for the owners' other ventures. The choices of both which advertisements to carry and their content are determined purely by commercial considerations and lack any altruistic, public-interest dimension whatsoever. Stations generally do not have news departments. Stations rarely editorialize. There is no longer any obligation for them to provide divergent opinions, so their value as public forums for the discussion of all sides of socially important issues is virtually nil, yet they are granted First Amendment protection -- Freedom of the Press -- when virtually all of their speech is commercial.

Second, consolidation results in a loss of diversity of options for advertisers, and this places a burden on businesses, large and small, which need to advertise the goods and services which they sell. Classical economics tells us that oligopoly results in higher prices. By controlling so many radio outlets and, possibly, the only newspaper in a market, broadcasters restrict their potential advertisers' options. The advertiser is no longer free to select its own mix of radio stations which appear to it to provide the best exposure to the persons and other businesses it hopes to reach with its advertising. Rather, through bundling, the manipulation of advertising rates and restricting access to their airwaves unless it is on their own terms, the station owners can require advertisers to buy advertising

on all of their stations in a market if the advertisers want to appear on any of them, whether or not the advertiser believes that all of the stations on which it is forced to but time address the audiences the advertiser wishes to reach. If you permit common ownership of daily newspapers and broadcast stations in the same market, the problem will only get worse. This truly represents robbing Peter (the advertisers) to pay Paul (the broadcast media owners). The advertisers, having been thus held up by the broadcasters, must then pass on the higher costs to their customers.

It seems to me that the only benefit from allowing further concentration of the ownership of commercial radio stations flows to the owners of those stations, by allowing them to extract ever-greater revenues from their advertisers. As I was taught in business school, the obligation of the managers of a business enterprise is to maximize the wealth of the business's owners. Further loosening limitations on the ownership of commercial radio stations and on cross-ownership of print and broadcast media in the same market will effectively increase the broadcasters' profitability at the expense of other businesses which need to advertise and of the public at large.

The New York Times has just reported that large broadcaster which have been on station-buying binges since 1996 are now selling off blocks of stations. The proposal to loosen ownership restrictions will free them to take the cash they raise from selling their more poorly-performing stations to purchase more broadcast and print outlets in other markets, thereby to extract monopoly profits from advertisers in those markets, all the while churning out trash for the program content that fills the spaces between the blocks of commercials. It is no wonder that radio listenership is flat.