

06-121

FILED/ACCEPTED

AUG 21 2008

2008 JUL 22 P 2:46

Federal Communications Commission
Office of the Secretary

Many Americans are concerned about the growing Media-Industrial complex, as the concentration of power gathers pace. Many politicians have allowed great Media Takeovers (July, 1995, ABC was merged with the Walt Disney Co.), and allow Cartels of Control to Emerge, and is setting a Troubling precedent. This is Worthy of scrutiny, because of the dangerous concentration of Media Power whose aim is to centralize power in the Hands of The group Few Media Monopolistic Money Moguls of High Finance.

Many Americans want to introduce a Bill in The Congress that will accomplish the following provisions;

- ① Use Anti-Trust Law to reduce holdings of Dominant Media Corporations.
- ② A Bill that would study the degree of Holdings of each Media Field and who they are.

No. of Copies rec'd
List ABCDE

0

i.e.,

- ① News
- ② Magazines
- ③ Radio
- ④ T.V.
- ⑤ Books
- ⑥ Motion Pictures
- ⑦ Cable Systems
- ⑧ Satellite Systems
- ⑨ Recordings
- ⑩ Video Cassettes
- ⑪ chains of Movie Theatres

②

③ Also, There should be severe limits on cross-ownership of Different Types of Media.

i.e., The 1948 Justice Dept. ruling, That Major studios owned both Theaters as well as production Facilities, argued This practice was Monopolistic, Began Forcing Major studios to divest Their Theater holdings.

Sadly, by the early 1990's, the govt imposed restrictions on studios owning theaters was lifted.

Just last month (Jan., 1999) Justice Dept reopened investigation on Movie studios on same issue.

But This just 1 specific Media Field out of 11. Many Americans feel Worthy of scrutiny!

Steve Perez
4768 Sterling Way
Carpinteria, California
93013

Sincerely yours,
Steve Perez

Chairman Kevin Martin
445 12th St, S.W.
Washington, D.C. 20554

July 15, 2008

2008 JUL 22 P 2:46
Dear Chairman,

I Feel it is very important to expand further on the book "Media Monopoly", and try to explain in compelling evidence of these fast-emerging trends of the last 35 years. I hope you have read Mr. Bagdikian's book by now, one cannot see compelling evidence if one has not read his book. Ask Ralph Nader.

There is a reason it is now 5th Edition because many concerned Americans are angry at major media being biased.

I want to start-off by quoting former President John F. Kennedy in a speech he made at Columbia University in February, 1962, "We seek the free flow of information.. a Nation that is afraid to let the people judge the truth and falsehood in an open media market is a Nation afraid of its people."

One should be aware of the many different Types of Media in America.

- ① News
- ② Magazines
- ③ Radio
- ④ T.V.
- ⑤ Books
- ⑥ Motion Pictures
- ⑦ Cable Systems
- ⑧ Satellite

channels ⑨ Recordings ⑩ Video Cassettes ⑪ chains ⑫ of Movie theaters.

Growing Media Empires now have more means to reach their audiences named "Unified Systems".

They are: ① Printed Press ② T.V. Transmitted from space ③ Portable devices like recordings + video cassettes.

U.S. has impressive array of mass communications. There are 1,600 daily newspapers, 11,000 Magazines, 9,000 radio + T.V. stations, 2,500 Book Publishers, 7 movie studios, if each operated by different owners there would be 25,000 individual media voices.

But there are not 25,000 owners. Today there are about 15 Media Giantism Corp. own most of revenue output (50-60%) of daily newspapers and most of sales and audience in Magazines, Broadcasting, Books and movies. This was compared to 50 back in 1983 and 80 in 1973.

It was in 1965-1998 period, that U.S. mass media, especially newspapers, came under maximum control of National and Multinational Corp.

At End of WW II, 80% of daily newspapers in U.S. were independent owned, but by 1990, 80% owned by new Media Giantism.

There are 10 dominant Media Co. that have 1/2 or more of daily newspaper business

(7 years Ago 20), 3 in Magazines (Time Warner, News-Corp, Hearst) (7 years ago 20), 4 in T.V. (7 years Ago 3), 6 in book Publishing (Paramount, Harcourt Brace Jovanovich, Time Warner, Bertelsmann, A.G., Reader's Digest, and Newhouse).

Some Media Giantism Corp. dominate in more than 1 medium. i.e., Newhouse + Thompson are dominant in Newspapers, Magazines, books; Paramount Comm. (until 89! Gulf + Western) in Books + motion pictures; Time Warner in magazines, books, movies; Rupert Murdoch's News Corp in Newspapers, Magazines, movies, satellite.

Let's discuss Another Train of Thought.

The Emerging Media Giants are increasingly buying up worldwide copyrights of earlier Information and popular culture.

Media Co's doing more than expanding their instruments (unified systems) that issue news, info., and entertainment.

They and their subsidiaries are also Gathering up World copyrights like Archives of News, magazines, books, T.V., Film Libraries, and musical compositions of past work in all these fields

i.e., After Sony Corp. bought CBS records, it also purchased a company that had exclusive rights to 35,000 songs.

Rupert Murdoch's News-Corp says that now is his basic worldwide strategy of criminal Acquisition and Takeovers. ④

CNN owner Ted Turner recently (April, 1998) criticized Murdoch's at 1998 Pro Baseball owners meeting, as "Using Hitler Like Tactics in growing Acquisition of other companys.

Conrad Black (Canada's Media Tycoon) said of Murdoch's News-Corp domain: "This is a huge and potentially dangerous concentration of Media Power".

To Growing Media Corp. "Market" is The world and They aim for Market share and product is News, info., and any other popular culture They can acquire. But once 1 or a few dominate Their field wether Detergents or News, they have wide latitude in setting prices, and finally altering the product without fear of competition.

This mindset is no different from America's 1st billionaire tycoon, John D. Rockefeller who said "Competition is a sin". We see same chilling effects.

Unfortunately, were seeing the rapid rise of new international Media Corp. that resemble Tactics, and scale of John D. Rockefeller, but on Global scale. IF we permit this trend to continue

(Justice Dept.).

⑤

Media Field has become an Arena open only to the Giants. shame on us.

Let's Discuss Another Train of Thought. Most of These same Giant Media Corp. aim for maximum Synergism. This is a popular word in Corporate world.

In mass Media, it describes how 1 medium (T.V.) can be used to promote the same idea, product, celebrity, or politician in Another medium (magazines), both owned by same Corporation. This should be conflict of interests by interlocking Board of Directors -

Synergy calls for Material from 1 kind of a Firm's owned Media, such as magazines, to be reused in Altered Form in its other owned media, Like books and T.V. series.

By possessing both the media product, like motion picture, and retail outlet thru which it reaches public (chain of movie theatres) whatever The Firm produces has a "Captive Audience".

We'll use Rupert Murdoch's News-Corp as an example of synergism

In this chilling scenario, to reduce range of Diversity and independent range of Thought we see aim of Giant Media's Acquisitions or Takeovers.

In Their fondest scenario a Magazine (Murdoch ^⑥ now 2nd Largest magazine publisher in U.S. (T.V. guide) owned by The Company (News-Corp) selects or commissions an article that is suitable for Later Transformation into T.V. series (Murdoch now controls Fox Broadcasting network); Then it becomes a screenplay for a movie studio owned by The company (Murdoch owns 20th Century Fox studios), with the movie sound track sung by a vocalist made popular by Feature Articles in Company owned magazines and by constant playing of the sound track by Co. owned radio stations, after which the songs become popular on a record label owned by the same company and so on.... with reruns on Company cable systems (Murdoch has Largest satellite system in Europe), and Rentals of it's Video cassette all over the World (Murdoch part owner of CBS ^{FOX} video, and World's Largest Distributor of Video cassettes).

Rupert Murdoch's gravitational field is expanding and anyone within that range can be captured by his media cartel of joint control and Few Americans realize how the Priests of Media Power are continuing centralized Media Power in hands of Few.

⑦
Murdoch News Corp. and other growing Media Corp. can grant name recognition and celebrity status to the artists, writers, singers, actors, politicians, whose work they approve of and have under contract or to politicians and politics they favor in New World Order.

Murdoch has not hesitated to use his Media empire to support politicians he likes.

Recently British prime minister Tony Blair got elected (1997) because suddenly he came out of nowhere and received favorable media treatment because he conforms to Global Elite Politics Agenda (New World Order) of Rupert Murdoch and the others.

Let's discuss another Train of Thought.

The greater the dominance of a few Media firms the more Uniformity (means everything similar) in what each of them produces.

The 4 major T.V. networks (ABC, CBS, NBC, CNN) in U.S. are example of Corp. that produce extraordinary similar news, info, entertainment.

There is added loss in diversity for this Media desire for Synergism.

I'll quote 2 famous celebrities who are proof of this Train of Thought. In 1982, i.e., 2 highly popular T.V. personalities,

Walter Cronkite and Ed Asner (Lou Grant show) ⑧
had their programs cancelled after each had made
Liberal public speeches that criticized an Aspect of
U.S Foreign Policy (or New World Order).

Cronkite said, "He did not think the reason
given by the Networks was accurate".

In Both cases, the network cancelled the shows
allegedly for low ratings, but it did not cancel other
shows with Low ratings.

These growing Media Corp Giants can, if They
wish, use This collective joint Control of Their news-
papers, Broadcast stations, magazines, books, movies, to
promote Their own Corp. values to Exclusion of others
(Cronkite, Ed Asner Proof)

We can't discuss every Giant Media Corp. but
Let's discuss or review Rupert Murdoch's NewsCorp.
as it has the Greatest geographical reach....

Rupert Murdoch owns newspapers, magazines, and
T.V. networks that are estimated to have a poten-
tial audience of 3 billion people.

Murdoch owns:

- ① Controls more Newspaper circulation around World,
2/3 in Australia, 1/2 in New Zealand, 1/3 in Britain (92' Figures)
- ② He owns 7% of Reuters News Service, Financial
Times, Economist, Viking + Penguin books.

- ③ ~~2nd~~ Largest Magazine Publisher (T.V. guide) in U.S. ⑨
- ④ has Largest satellite T.V. system in Europe (Next will buy into U.S.)
- ⑤ Controls Fox broadcasting Network, and 20th Century Fox movie studios.
- ⑥ Part owner of CBS Fox Video.
- ⑦ World's Largest Distributor of Cassettes.
- ⑧ Made a bid for parts of The Vast Berlusconi Empire in Italy.
- ⑨ In 1998 bought L.A. Dodgers for \$311 Million; Also in 1998 has made a bid to buy Europe's most profitable soccer franchise team, Manchester, for \$1 billion.

The deterioration in Quality, after takeovers by Murdoch in Newspapers, Magazines, T.V., books, and movies, descending, almost without exception, to ever more glorifying violence and sex, is now legendary.

IF small Media Firms should grow large enough to be threat (Remember John D. Rockefeller's Famous Quote, "Competition is a sin") it is easy and common practice of Media Giants to use their economic power to buy-up the new voices or under-cut them economically. This is Troubling precedent and worthy of scrutiny!

Almost Every Giant Firm Los~~s~~ to capture ⑩
added Technique of Market Control, because they re-
alize that power is jointly protected.

Anyone within Murdoch's News Corp. range can
be turned into a structured Vehicle for News Corp.

They then can twist reality into whatever form
they choose, because the modern media owners (15) are
gathering pace as a joint entity group instead of a
mass of individuals (remember 25,000 individual media
owners), and we see emerge like chilling predators
these new Priests of Power.

Wealth and Power are most easily defended
when they are possessed jointly and new owners
are stepping (stealth) into creating this structure of
centralized power in fewer and fewer hands.

Thus this pattern is repeated with degree
with other large media corp., as clones of their
own attitudes of corporate values (look at CBS, NBC,
ABC, and CNN as producing extraordinary similar news,
infor., and entertainment). This is worthy of scrutiny.

Finally, I want to conclude by saying
we must make that Big Mental Leap in under-
standing this continuing chilling effects scenario
that reminds informed Americans of George Orwell's

Truthful book entitled, 1984 (written in 1949), on Big Brother, intruder into privacy and one Media Giant state in society. (we now have World Bank, World Trade Organization). (11)

This Trend is quickening that started in 1965 and has gathered pace and has potential for creating Fire-storm for Global Manipulation on whatever issue they choose.

Read those George Orwell words on Newspeak and the language of the Future because those who control the present can ~~we~~ rewrite the past as if it never happened or Alter the past history. Why is it those Giant Media Companies are buying up Worldwide copyrights of Earlier Information and popular culture. Read Orwell's articles and the new Language of Newspeak.

We all know the Internet was born in 1993 and now 6 years old but what I'm concerned about is the ability to Address Major Problems Like Ozone layer, Nuclear Weapons + storage, growing violence b/w World's rich and poor, water contamination and soil, oceans warming, ice-caps melting, UFO's, World drugs, weapons proliferation, and see on T.V more consistent alternative information and not the mainstream Media's consistent "managed news", that is, they tell us what they want and we never hear the whole story because

It is being censored or blackout. This is criminal (12) and unacceptable. Yet we seem to allow Murdoch's empire grow in his criminal Acquisitions and Bully Takeovers as Ted Turner described as using "Hitler Like Tactics."

Many Americans are wondering if The same Fox guarding the Hen house Too. Is Dept. of Justice being used to guard the interests of new international Elite as they gather steam to influence current events.

Americans want more serious scrutiny of This increased degree of concentration in Media Field, as undue and dangerous precedent.

We must not let them overwhelm us and Remember President John F. Kennedy's Quote, "We must seek Free Flow of information in an open media Market, and let we the people judge those Truths and Falsehoods in a democracy..

Steve Perez
4768 Sterling Way
Carpinteria, California
93013

Sincerely yours,
Steve Perez

Dear Sir,

I would recommend reading the following books on Media Monopolies issues that detail history since 1965 of Mergers and Acquisitions in Media Industry.

- ① The Media Monopoly, 1997, Beacon Press, by Ben H. Bagdikian. (510) 848-2226
- ② Rich Media, Poor Democracy, 1999, University of Illinois, by Robert W. McChesney.
- ③ The Entertainment Economy, 1999, Time Books - Random House, by Michael J. Wolf.

These books are excellent source on History of Media Mergers, especially during The 1990's.

Steve Perez
4768 Sterling Way
Carpenteria, Calif. 93013

Sincerely Yours,
Steve Perez

When mergers become danger to democracy

5-6-2000 Ventura Star Press

BLACKOUT: Battle between Time Warner and ABC-Disney is a bad omen for the future

‘When elephants fight,’ goes the African proverb, “it is the grass that suffers.” When the cable operator Time Warner blacked out the programs provided by filmmaker and broadcaster ABC-Disney, millions of viewers were denied what they had come to expect on their screens.

Loss of the entertainment was merely an annoyance, but the shutdown of any major news outlet is a kick in the head to the public interest. Time should no more have the power to force ABC News off the screen than ABC should have the power to block delivery of Time magazine.

Newspaper wars are nothing new; the egos of James Gordon Bennett and William Randolph Hearst in past centuries are legendary. But now the news has become a casualty of warring entertainment and information empires, and the conflict has escalated from one locality to the globe.

For a decade, ambitious titans assured us that media mergers were the wave of the future. We were told that only by concentrating communications in multinational behemoths could U.S. companies compete with monopolies in Europe and Asia. Size guaranteed efficiency and the consumer could look forward to lower cost and better service.

Baloney. Mere size is no synergy. With all-consuming conglomeration comes huge investment



William Safire

risk and, as we saw this week, unbridled arrogance. To those lusting after world communications domination, the game is not to win customers but to destroy competitors, leaving the losers to think about the ravages of giantism: cogito; ergo zero sum.

We are too quick to take for granted federal approval this fall of the amalgamation of Time Warner with America Online.

That would carry into the future the mistake we make today of marrying the creation of content to the transmission of signal.

Wednesday, a nail-nibbling Federal Communications Commission solemnly declared that it would rap knuckles at Time Warner because present rules say that “no deletion of a local commercial television station shall occur during a sweeps period,” when ratings are used to set advertising rates. Thanks a bunch, FCC; that ruling means that such “deletion” is OK at all other times. On the same day, the same FCC approved the purchase of broadcaster CBS by Viacom. Industry insiders expect the same financial exploitation of a device called “retransmission consent” being used by ABC-Disney. That would provoke the same superdog-eat-superdog response against “CBS News With Dan Rather” by cable powers that shut out “ABC News With Peter Jennings” to millions of people for a day and a half.

What’s to stop this trampling of the grasses of the masses by the elephantine corporate

combatants?

Not Congress; ignoring Sen. John McCain’s warnings, it has been rolling over regularly, giving the broadcasting and cable lobbies all they demand (except when they disagree) lest local stations support opponents of elected officials.

Not the regulatory agencies. In approving mergers beyond the communications world, the Federal Trade Commission seems to have bought the bill of goods being sold by gurus of globalization that enormity will be the norm.

Conservatives do not suggest that government regulation of more monopolies and semi-monopolies is the answer; bureaucrats in Washington have a poor record of running large enterprises.

Advocates of megamergers have been saying that only giants can compete with giants. But to let the behemoths fight it out until one becomes a monopoly is just another road to regulation.

The answer is vigorous antitrust prevention and enforcement. Do trustbusters at Justice have their hands too full with Microsoft to look hard at the plans of AT&T and MediaOne or MCI-Worldcom-Sprint? Then the times require that we hire more trustbusters.

We should say no to more megamergers before they take place — and before having to begin painful corporate divorce proceedings.

This week’s blackout is no jousting between Time Warner’s Porky Pig and Disney’s Mickey Mouse for the entertainment dollar. Concentration of power over what we see in the news — and even if we see a competitor’s news — is a danger to democracy.

— William Safire writes for *The New York Times*.

Rich media, poor democracy

5-7-2000

We Americans must be aware of the media merger trends of the last 35 years since 1965.

President John Kennedy said in 1962, “We seek the free flow of information . . . a nation that is afraid to let the people judge the truth in an open media market is a nation afraid of its people.”

At the end of World War II, 80 percent of daily newspapers were independent. By 1990, 80 percent were owned by Media-Industrial Complex Corp.

This concentration of power gathers pace as media cartels of control expand their lust for cross-ownership in many different types of media arenas like: news, magazines, radio, TV, books, motion pictures, cable systems, satellite channels, recordings, video cassettes, and chains of movie theaters.

Today, just 12 giant media corporations own most of the revenue output (50 percent) in

media fields, whereas back in 1963 it was 50.

These same media giants — Murdoch’s News-Corp., Time-Warner, Disney, Viacom — are increasingly buying up worldwide copyrights of earlier information and popular culture.

We must never forget author George Orwell’s warnings in his book, “1984,” on language of the future newspeak, because those who control the present can re-write the past as if it never happened, or alter the past.

These are the new priests of power as their collective organism is evolving and these new owners are a joint group instead of a mass of individuals.

Winston Churchill told a Harvard audience in 1943, “that to control what men think offered better prizes than taking away other people’s lands.”

Steve Perez
Carpinteria

S.B. News Press

PERSPECTIVE ON THE MEDIA

Too Few Control Too Much Information



Merger mania puts a few moguls in a position of deciding what we know about our culture and our politicians.

By **NORMAN HOROWITZ**

The expansion of News Corp. and Fox, the mergers of Disney and ABC and of Time Warner and Turner Broadcasting and the pending merger of CBS with Viacom are not in the best interests of the citizens of the United States.

If it is not allowed for an entity to own a newspaper and a radio station in the same market, why should these giant media companies be allowed to speak with as many voices as they do in so many situations in the United States?

It doesn't make sense. And the fact is,

the greater the power of these organizations, the greater their predisposition to abuse.

Ask yourself this: Is it a good idea for Rupert Murdoch to control the Fox Network, 15 TV stations, Fox News, Fox Sports, Fox Family Channel, 20th Century Fox, Fox Animation, Fox Searchlight, the New York Post, the Times of London, HarperCollins, the Weekly Standard, Mushroom Records and much more?

Is it a good idea for Time Warner Chairman Gerald Levin to control the WB Network, HBO, TNT, TBS, CNN, CNNfn, CNNsi, Cinemax, Warner Bros., New Line Cinema, Hanna-Barbera, Castle Rock, Time, People, Sports Illustrated, Fortune, 28 other magazines, Warner Books, Little Brown, Warner Bros. Records, Atlantic, Elektra, Sire, Rhino, Time Warner Cable and much more?

Is it a good idea for Disney's Michael

Eisner to control ABC-TV and ABC Radio, 10 TV and 30 radio stations, ESPN, Disney Channel, A&E, E!, Lifetime, Miramax, Walt Disney Pictures, Touchstone Pictures, Hollywood Pictures, Hyperion Press, ESPN Magazine, Walt Disney Records, Lyric Street Records, the Go Network of Internet sites and much more?

Is it a good idea for CBS' Summer Redstone to control Infinity Broadcasting (163 stations), 34 TV stations, UPN, MTV, TNN, Nickelodeon, Showtime, Paramount Pictures, Paramount TV, Spelling Television, Simon & Schuster, Blockbuster videos, SportsLine and much more?

Prior to the mergers and consolidations, there were significant numbers of theatrical and television production and distribution companies financed in a variety of ways. They are virtually all gone today.

The stand-alone companies of significance are Seagram/Universal, MGM,

MONDAY, JANUARY 3, 2000

tion for the Rest of Us

Sony/Columbia Pictures, Pearson (a British-based media company) and Carsey-Warner. Even the powerful Motion Picture Assn. of America has gone silent in its criticism of network power in the media; its most powerful members now control network outlets. Another voice silenced.

Sure, a few people—primarily, CBS' Bill Paley, NBC's David Sarnoff and ABC's Leonard Goldenson—controlled a lot during the 20th century. If they supported the Korean War, this was reflected in their broadcasts. If they opposed the war in Vietnam, their coverage reflected that opposition. And their comedy and drama programs, which survive today in reruns, still provide people outside the United States with a picture of what our society is.

Yet the media moguls of the mid-20th century have been supplanted by the media tyrants of the 21st century, who control the vast majority of what we see in all

forms of television, what we learn about our world, what news we hear, what documentaries are made and, most important, have power over our electoral process by exposing or not exposing candidates to the electorate in a manner never envisioned by the Federal Communications Commission, the Justice Department or any of the agencies that ostensibly attempt to regulate information monopolies.

Forget campaign finance reform. The truth is, there is no more pervasive influence in our future elections than the likes of Redstone/Viacom/CBS, Levin/Time-Warner/Turner, Eisner/Disney/ABC, Murdoch/News Corp./Fox—not to mention other major media conglomerates.

Our nation could speak with many voices, but regrettably, it doesn't. Scary, isn't it?

Norman Horowitz, a former studio and network executive, is a media consultant.

Intergalactic Media Co.

The planned \$166 billion merger of Time Warner into AOL may be good for the companies' shareholders; it certainly is good for Wall Street speculators. It's another question as to whether this vivid evidence of the relentless consolidation of the media industry is a good thing for America.

Certainly the symbolism of an Internet company such as AOL swallowing up a traditional media company such as Time Warner is instructive of the amazing impact of the Internet revolution in the past decade.

The transaction is sure to have major repercussions for both the Internet and traditional media industries. Many big traditional media

companies are trying to harness the power of the Internet, and Internet companies are seeking to put entertainment and other content on their Web sites to attract more customers.

The big question is whether it is such a good idea to have so few companies controlling so much media, old and new — from newspapers to Internet providers.

The deal gives already gigantic Time Warner, the leading provider of media content, such as movies, music and magazines, a huge and powerful platform for reaching people online; and Internet superstar AOL gets from Time Warner's cable systems a good network for distributing AOL's online services.

The growing concentration of

ownership in the media business raises troubling questions. We see the increasing ability of a small group of people in a very few companies to deliberately or inadvertently restrict, or distort, the flow of information across the nation over a wide range of media. We don't know the full extent of the threat yet, if there is one, to freedom of speech and diversity of expression. But as has been discovered with some of Rupert Murdoch's activities, the potential is there. In any event, there will be intensifying cross-marketing within the product lines of these behemoths. And cultural homogenization?

For now, let us hope that federal regulators look very closely at this deal.

Media monopolies

I am a U.S. citizen now living and working in Spain. As such, I would like to commend Alcestis "Cooky" Oberg for her most excellent column in USA TODAY ("Citizens, revolt! Take back American culture," The Forum, April 10).

Cooky is one of the few lonely voices in the press today who actually has the courage to speak up against the giant media monopolies that are intent on taking away our personal freedoms.

Our country is now faced with a small handful of media conglomerates that are seemingly doing everything possible to eliminate our freedom of choice in music, video, and literature. How can the Clinton administration possibly justify calling Microsoft a monopoly, while at the same time supporting legislation that is clearly designed to protect the interests of a small handful of media giants?

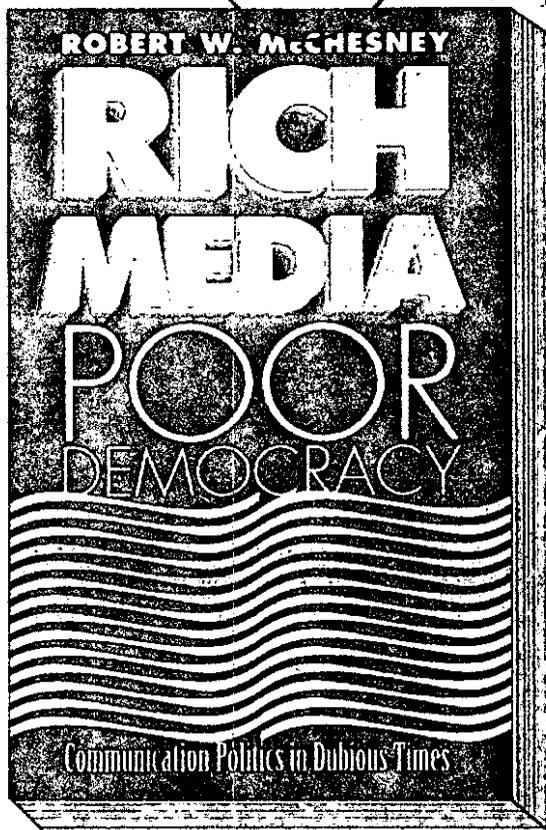
The apparent acquiescence of Washington to the impending AOL/Time Warner merger is shameful, and should be a major concern to all Americans.

I thank Cooky — and USA TODAY — for speaking out against these giant monopolies which are clearly acting against our constitutional rights. Keep up the good work.

Eric Frykenberg
El Puerto de Santa Maria, Spain

**"IF THOMAS PAINE WERE AROUND,
HE WOULD HAVE WRITTEN THIS BOOK."**

32.95



If Paul Revere were here,
he would spread the word.
Thank God we have in Robert
McChesney their equal."

— BILL MOYERS

"It's a rare book that combines
such a wealth of data with such
fearlessly sweeping analytical
thinking."

422 — BARBARA EHRENREICH

"Here it is—the comprehensive story
of how giant corporations are taking
control of the mass media."

— RALPH NADER

"Sophisticated and provocative."
— U.S. SENATOR PAUL WELLSTONE

217-244-
4689-

25.95 Kim
3.50 Grossman

Borders
B + Noble

29.45

36.45

For a sample of this provocative new study, visit our homepage.

UNIVERSITY OF

ILLINOIS

PRESS

www.press.illinois.edu

(800) 545-4703

P.O. box 4856

Hamden Station, Baltimore, MD 21211

Today's business is pleasure

NEW YORK — Media consultant Michael Wolf doesn't frame things exactly this way. But he's offering a modern-day twist on Calvin Coolidge's claim, in 1925, that "the business of America is business."

The senior partner at Booz-Allen & Hamilton contends the business of American business is entertainment.

"We have become a nation of fun-focused consumers," says Wolf, 38. "Our lives are more stressful. The 9-to-5 job is over. There are restructurings. There's a lot more pressure on people at work. People feel like, 'I've got to have my entertainment.'"

That disturbing fact of modern life is having a profound effect on all kinds of businesses and consumers. Wolf argues in his intriguing new book, *The Entertainment Economy: How Mega-Media Forces Are Transforming Our Lives*.

He has produced a rarity — a tome for business people that's accessible, engaging and important enough to appeal to everyone. The argument is persuasive, and social critics will even find it provocative.

Wolf's bleak view of what's happening on Main Street is good news for the kinds of media companies that solicit his advice, a list that includes Viacom, Seagram and Bertelsmann. It explains why people keep devoting more time and money to movies, television shows, music and, increasingly, the Internet.

But Wolf contends that our growing

obsession with what's trendy and fun is starting to revolutionize nonentertainment businesses. Executives from all walks of commercial life are trying to get an edge on competitors by making their products cool.

In the front lines of the trend are companies that have long depended on marketing and image-making, such as the Gap, Ford Motor, Volkswagen and Anheuser-Busch.

But more conservative companies are starting to join in. Look, for example, at a recent ad campaign by Citibank. The financial giant didn't claim that it offers the best interest rates, security or service. In-

stead, it hired Elton John to appear in its ads. For some reason, the staid institution felt it necessary to ask in its ads, "Who says a bank can't rock 'n' roll?"

Yet the changes Wolf sees in the economy aren't limited to sales pitches. What he calls the entertainment factor also dictates what products companies sell. "The pharmaceutical business is totally hit driven," he says. "The apparel business is totally hit driven. It's the reality of today."

Consider the enormous popularity of sport-utility vehicles. "Most people do not take their SUVs off-road," Wolf says. Still, "most Range Rover showrooms have a driving course in the back so you can test it on hills and stuff. They're not moving the metal any longer. They're giving you a whole new way of thinking about your lifestyle."

The pressure for businesses to think

more like show businesses will grow as the Internet becomes a bigger force in our lives. To attract people's attention, they'll all have to program Web sites with exciting and ever-changing content.

Executives entering this E-world should prepare themselves for a shock. Every mogul knows that most movies, TV shows and CDs fail — and there's no formula to predict what will work.

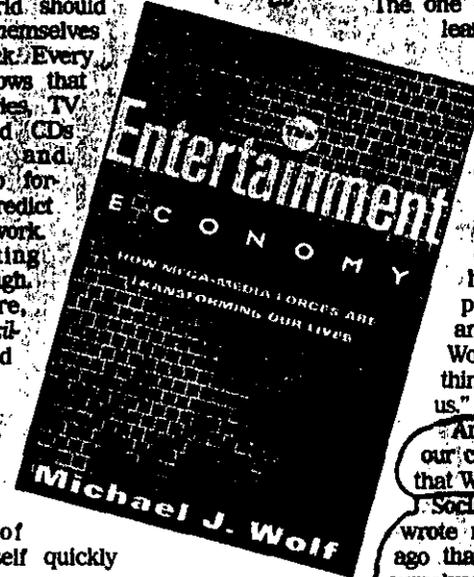
Marketing isn't enough. If it were, then *Godzilla* would have stomped through box offices in 1998 — instead of finding itself quickly extinct.

Contrast that with *Titanic*, which succeeded by attracting what Wolf calls alpha consumers. Teen girls loved it — and their passionate enthusiasm became infectious among others who wanted to see what the excitement was about.

So marketing doesn't count? Not according to Walt Disney. Disney is the only company that has been able to create an animated hit, and there are business reasons for it, Wolf says. Through properties such as ABC, its ca-



Media
By David Lieberman



...the one encouraging note, at least for those who sell and compete around the globe, is that foreign consumers also just after entertainment. And the USA has a corner on internationally accepted pop culture. "We have systematically produced amazing amounts of creativity," Wolf says. "It's one of the things that differentiates us."

And what happens to our culture in the E-world that Wolf describes?

Social critic Neil Postman wrote more than a decade ago that we were "amusing ourselves to death" as the values of television and show business cheapened politics, education, religion and journalism. If he's right, then the E-economy will just accelerate those trends.

That's fodder for another book. But anyone who wants to explore this new territory will have to understand the shifts in the media business that Wolf identifies so effectively and describes so entertainingly.

E-mail dlieberman@usatoday.com

Media cartels threaten free thought

Americans must be aware of the media merger trends of the last 35 years since 1965. Former President John F. Kennedy said in 1962, "We seek the free flow of information ... a nation that is afraid to let the people judge the truth in an open media market is a nation afraid of its people."

At the end of World War II, 80 percent of daily newspapers were independent. By 1990, 80 percent were owned by Media-Industrial Complex Corp. This concentration of power gathers pace as media cartels of control expand their lust for cross-ownership in many different types of media arenas such as news, magazines, radio, TV, books, motion pictures, cable systems, satellite channels, recordings, video cassettes and movie theater chains.

Today, just 12 giant media corporations own most of the revenue output in media fields, whereas back in 1983 there were 50. These same media giants, i.e. Murdoch's News Corp., Time Warner, Disney, Viacom, are increasingly buying up worldwide copyrights of earlier information and popular culture.

We must not forget George Orwell's warnings in his book "1984" on language of future newspeak, because those who control the present can rewrite the past as if it never happened, or alter it. These are the new priests of power as their collective organism is evolving and these new owners are a joint group instead of a mass of individuals.

Winston Churchill told a Harvard group in 1943, "that to control what men think offered better prizes than taking away other people's lands."

2-18-2001

Steve Perez
Carpinteria

THE FORUM

Forget ethics; bring on the entertainment

Tues, 3/23/99
U.S.A.

By Philip Meyer

Neil Postman was right. We are amusing ourselves to death.

The latest evidence to support the professor's dour prophecy comes from the great state of Minnesota. Gov. Jesse Ventura has called Walker Lundy, editor of the state's second-largest newspaper, "deplorable."

Readers of the St. Paul Pioneer Press have claimed in with epithets of adulation, "tolerant, caring, journalist" and "cannot my subscription."

Postman's thesis seemed bizarre when Annals of Our Lives to Death was published in 1985. He warned that the death of our culture would come not from brutal, force-wielding tyranny, but from our quiet acquiescence in the substitution of entertainment for rational public discourse.

The theory explains a wide variety of phenomena: the corruption of education, politicians as actors, cheating in sports and public outrage when media try to take matters seriously.

Now we have Minnesota.

Lundy's offense was to publish a report on systematic academic cheating in the University of Minnesota's basketball program and to do it on the eve of the NCAA tournament. The university promptly suspended four players. Without their presence, the seventh-seeded Gophers lost to lower-ranked Gonzaga in the first round. Gonzaga made it to the West Regional Final before finally losing to Connecticut on Saturday. All because of journalistic enterprise.

"I couldn't have waited until after," demanded Ventura. He said Lundy meant to take the pleasure of these young people who have worked so hard to get to this tournament and somehow try to spoil it for them."

Handfuls of letters and phone calls to the newspaper echoed his view. Few thought about the moral implications for the university if it had played and eliminated other teams through what based on rule breaking.

Before higher education got mired up with entertainment, sports was an educational enterprise. Rule-based athletic competition taught the values of honesty, loyalty, perseverance, discipline, cooperation and fairness. But as the Knight Foundation Commission on Intercollegiate Athletics published out six years ago, universities have built their sports programs into independent profit centers whose journalists are to the entertainment marketplace. It is a market that Ventura, the former professional wrestler, understands.

When the Knight Commission was gathering its data, Jack Langford, director of athletics at the U.S. Naval Academy, put his finger on the law. "This is not an athletic problem," he testified. "This is a mission problem where the institution has not accepted the athletics program as part and parcel of the educational objectives of the university."

The de-hazed, win-at-any-cost Minnesota fans don't care about the educational objectives. They want their amusement.

Even Lundy, himself a basketball fan, confesses that he did not realize that the university could move quickly enough to suspend the players in the hours remaining before the tournament.

But even so, he would follow the first law of journalism, which is to get the facts out as quickly as you can. Gene Miller of *The Miami Herald* has articulated it best: "Publish, publish, always publish."

The dining was driven by ethical-ment of the critical mass of evidence needed to back up the story. After more than 20 interviews with a former university employee who admitted writing term papers and book reports for basketball players, the editors still needed physical evidence.

They finally got it in the form of computer disks containing more than 100 theses and reports, plus some paper copies.

with instructors, grades and comments. Then they waited for comment from the ghostwriter's former supervisor, who had been out of the country.

The last step was to seek comments from the players and university officials. When all of that was done, it was March 9, two days before the tournament. Sportswriter George

Dohrmann's stories (Web site www.pioneerpress.net.com/vo/fin/) were on the front page the next day.

Journalists generally agree with Immanuel Kant, the 18th century German philosopher, that following a rule is more important than worrying about its consequences. This is the basis of the Miller rule.

But a consequence-based decision would likely have led to the same outcome. Delaying the story would amount to participating in the university's corruption. Experienced editors know that protecting individuals or institutions from the consequences of their wrongful actions only leads to worse consequences later on.

Some Minnesotans agree. Lundy reports that after the first few days of outrage, the reaction has settled down to where about a third of his incoming calls, letters and e-mail messages are supportive.

But the substitution of entertainment for educational values continues to afflict us.

As the Naval Academy's Langford puts it, we need to be more interested in "character development, not developing characters."

Speaking of which, how is Gov. Ventura doing? According to Rob Dawes, director of polling and news research for the Star Tribune newspaper in Minneapolis, Ventura's approval ratings are the highest given any Minnesota governor for his first few months in office since the Minnesota Poll began in 1947.

Do Minnesotans really love their governor just because he is entertaining? Lundy is more generous. He thinks voters find Ventura's decisions refreshing.

"I don't think he says anything that he doesn't believe," says Lundy. "Newspapers are expected to be entertaining, too. The Pioneer Press is being punished for getting serious. Cultural death by entertainment is too much fun to make us want to stop, and, sadly, it never inspires a stirring call to arms by a postmodern Thomas Paine or Patrick Henry.

"Who," asked Neil Postman in 1985, "is to take arms against a sea of sinnersmen?"

Philip Meyer holds the Knight Chair in Journalism at the University of North Carolina. Chapel Hill. He is also a consultant for USA TODAY and member of the newspaper's board of contributors. *



Gov. Jesse Ventura: Takes on media.

THE FORUM

Is the devil at work in media alliances?

By Philip Meyer

...the world is the world. It is not the world of the past, but the world of the future. It is not the world of the present, but the world of the future. It is not the world of the past, but the world of the future. It is not the world of the present, but the world of the future.

The devil's work is done in the world of the future. It is not the world of the past, but the world of the future. It is not the world of the present, but the world of the future. It is not the world of the past, but the world of the future. It is not the world of the present, but the world of the future.

Look in the other direction and you see the high cost of competition driving media companies to seek economies of scale by forming mergers, partnerships and content-sharing arrangements. The alliance of NBC and The Washington Post is just the latest example of this new media centralization.

And yet an optimist can see some good in both. The anarchy of the Internet gives every viewpoint a chance to contend in the marketplace. Consolidation has some virtues that is not quite so obvious.

MSNBC is a three-year-old online network. Its Web site will join with Newsweek, which is owned by the Washington Post Co. The newspaper's Web site will share content with the new operation. NBC reports may show up in the newspaper, though not right away.

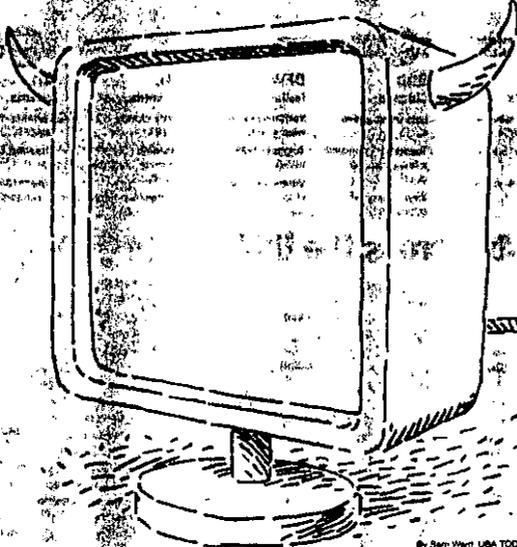
What this centralization potentially can do is provide broad access to information in the same way that political parties provide programs for the campaign and local government is a complicated and slow process that we need political parties to monitor, the responsibility. If things go badly, we can throw the rascals out, and party identification is a shorthand way of knowing who the rascals are.

In the same way, if the Washington Post-NBC combination can put a brand name on news reporting that is associated with truth and objectivity, we'll all benefit. If the brand is managed in a way that symbolizes sensationalism and sleazy entertainment, we'll know that, too.

The University of Pennsylvania's W. Russell Neuman outlined the situation leading to this move when he published *The Future of the Mass Audience* in 1991.

Before the information age, the news business was almost a natural monopoly, like a public utility. A newspaper printing press was so expensive that it wasn't economical to have more than one per market. Broadcasting was limited to a few over-the-air channels.

With technology removing those constraints, Neuman correctly predicted, media companies would look for another bottleneck further up the stream in the publishing process. That bottleneck would be content. The noisy buzz of the information age puts a premium on the ability to create content that will get the audi-



By Sam Wain USA TODAY

All of this combining could lead, as skeptics contend, to a stifling of competition and concentration of the control of information in a few hands. But maybe there is a middle ground.

media workers. A few superstars get most of the money because they have the audience's attention. By combining forces, NBC and the Post can share the clout of the superstars. But they also can go a step further.

One way to stand out is to exhibit bizarre behavior. Sex and violence are exploited in both news and entertainment as cheap ways to get attention. But, in the long run, building trust might be a better way.

Content alliances are forming in a great variety of ways, ranging from limited partnerships to company mergers. Before the Post-NBC move, *The New York Times* and Fox News joined forces to be content providers for a joint financial information service, *TheStreet.com*. And Viacom bought CBS.

Bringing this much power to the Internet could shore up its credibility. Last week, Gallup's annual honesty-and-ethics poll found that journalists

rank 10th out of 45 occupations in the public's evaluation, but those who publish only on the Internet are way down in 40th place.

Even entertainment industry executives were better than that, with a ranking of 34.

All of this combining could lead, as skeptics contend, to a stifling of competition and concentration of the control of information in a few hands. But maybe there is a middle ground between information monopoly, on the one hand, and information anarchy, on the other.

In his collection of essays, *Mere Christianity*, C.S. Lewis reminds us why the devil sends us evil in opposing pairs. It's so we'll feel forced to choose which of the two we hate and fear the most. Then, while concentrating on that one, we'll be slowly drawn into the other.

Stay focused on the goal, he advised. As our media systems reinvent themselves, we should stay focused on the goal of accountability. Whether a content provider is big or small won't be nearly as important as whether credibility can be identified and rewarded in the marketplace. If the new partnerships reduce the number of players, they will at least be easier to follow and evaluate.

Philip Meyer holds the Knight Chair in Journalism at the University of North Carolina, Chapel Hill. He is also a consultant for USA TODAY and member of the newspaper's board of contributors.

ence's attention. We can't focus on everything at once. So we tend to return to sources that we like or trust. Get a good haircut, and you'll return to the same bar-

ber or stylist, without taking the time to check out alternatives. So it is with information sources.

The importance of content explains the great income gap among

Wednesday, MARCH 4, 1978

National Perspective

Murdoch China Dealings Spell Trouble

JIM MANN

INTERNATIONAL OUTLOOK

WASHINGTON—If Rupert Murdoch runs the Los Angeles Dodgers or the Fox Network with the same excessive solicitude for the Chinese leadership that he displays in his book-publishing ventures, here is what we can expect this season:

The shortstop job would go to one of Chinese President Jiang Zemin's sons. The Dodgers would release Ramon Martinez, Wilton Guerrero and Raul Mondesi because they come from a country (the Dominican Republic) that has diplomatic relations with Taiwan instead of China.

And Fox's "Melrose Place" would be scrapped, too, because its values, presumably at least, are not those of China's rulers.

Absurd? Of course. Yet this is how Murdoch seems to run the book publisher HarperCollins—and, for that matter, some of the other media ventures of his company, News Corp.

Last week, it was disclosed that HarperCollins was dropping plans to publish a book by Chris Patten, the last British governor of Hong Kong, on grounds that Patten is too critical of China.

As governor in the five years before Britain returned Hong Kong to China last July, Patten pressed hard for democratic reforms. In the process, he infuriated Beijing leaders, who claimed that Britain was belatedly seeking political changes it had not bothered to introduce during the century and a half in which it ran the colony.

"Rupert Murdoch did not agree with many of Patten's positions in Hong Kong," News Corp. explained in a statement.

The HarperCollins editor assigned to Patten's book quit in protest, and said he had been asked to lie about the reasons for the cancellation. Patten's manuscript will be published instead by Times Books.

This is not the first time Murdoch has run his publishing and broadcasting ventures in ways designed to please Beijing. Four years ago, News Corp. dropped the BBC news service from Star TV, the Hong Kong satellite service, after Chinese complaints about programming. Moreover, while Deng Xiaoping was in his final years as China's top leader, HarperCollins published a glowing biography of him written by his daughter, Deng Rong.

Murdoch's international operations are so large that what he does is, by itself, worthy of scrutiny. But the issues raised by the treatment of Patten also extend well beyond



Photos by Associated Press

The company owned by Rupert Murdoch, left, will not be publishing a book by the last British governor of Hong Kong, Chris Patten, right, who has been critical of China.

Murdoch or HarperCollins. They are, in fact, of extraordinary importance to Los Angeles as the center of the world's entertainment industry.

Over the last couple of years, there have been warnings from Beijing that the release of movies critical of the Chinese regime could damage the efforts of companies like the Walt Disney Corp. to expand into China. If Hollywood were to follow Murdoch's example, some kinds of movies simply wouldn't be made.

The underlying question here is to what extent business decisions should be linked to political or ideological issues in the transactions between China and the rest of the world. At the moment, China seems to be trying to have it both ways—and Western business executives, remarkably, seem to be going along.

Whenever there is a debate about China's access to the American market, such as the annual controversy over China's trade privileges in this country, Beijing and its supporters in the U.S. business community argue that trade ought to be kept entirely separate from political issues or conditions. Don't link commerce with issues like human rights or democracy, they say.

At the same time, however, China tries to impose political conditions on access to its own market. It warns that those who publish books or make movies critical of the Chinese regime will hurt their chances of doing business in China.

"The Chinese, when it is to their advantage to do so, tell people not to mingle business and politics," observes Robert Kapp, president of the U.S.-China Business Council.

And yet, Kapp notes, Chinese officials also

use business contracts for political aims—such as, for example, the occasion when Premier Li Peng made it clear that China was buying European Airbuses instead of Boeings because of its unhappiness with the Clinton administration's sponsorship of a United Nations resolution condemning China's human rights policies.

The great irony of the Patten-Murdoch affair is that it is so unnecessary. Patten was last seen in public during his tearful farewell at the Hong Kong boat pier July 1.

Visit Hong Kong today, and you will find that the days when Britain ruled the place seem almost as remote and forgotten as the Middle Ages. The British presence is hard to find. Patten, who retired to France to write his book, is hardly in a position to threaten the existing order in Hong Kong.

Still, Murdoch apparently concluded it would be prudent for the future of his business ventures in China to refuse to publish Patten's book.

What can be done to stop this sort of political pressure? One approach would be for American film and publishing executives to agree among themselves that, unlike Murdoch, they will not adjust their books and movies to please political leaders, in China or in any other country.

Kapp says there is no evidence American companies "just roll over on the ground and put their feet up in the air" when subjected to political pressure from China. Perhaps not. But the handling of Patten's book is, to say the least, a troubling precedent.

Jim Mann's column appears in this space every Wednesday.