

Comcastrophe: Comcast NBCU Merger

Approved:

Posted: January 18, 2011 12:06 PM

Yesterday, the Federal Communications Commission [blessed the merger](#) of Comcast, the nation's largest cable and residential Internet provider, with NBC-Universal. The Justice Department [immediately followed suit](#), removing the last obstacle to the unprecedented consolidation of media and Internet power in the hands of one company. (FCC press release [here](#))

You should be afraid *and* [mad as hell](#).

The new Comcast will control an obscene number of media outlets, including the NBC broadcast network, numerous cable channels, two dozen local NBC and Telemundo stations, movie studios, online video portals, and the physical network that distributes that media content to millions of Americans through Internet and cable connections.

Comcast CEO Brian Roberts [called it](#) "a proud and exciting day for Comcast," and showered Obama's FCC and DoJ with praise.

Culmination of the deal, combined with the FCC's recent, loophole-ridden "Net Neutrality" rules, sets the table for Comcast to turn the Internet into cable television, where it has the ability to speed up its content, slow down or block its competitors such as Netflix, and hike the rates for its programming and services. We'll all end up paying more -- whether you're a Comcast subscriber or not.

More Broken Promises

The merger further squeezes what's left of independent, diverse voices from the television dial, laying waste to President Barack Obama's promise to reign in runaway media consolidation. As a candidate in June 2008, he said:

"I strongly favor diversity of ownership of outlets and protection against the excessive concentration of power in the hands of any one corporation, interest or small group. I strongly believe that all citizens should be able to receive information from the broadest range of sources."

Where's that Barack Obama today? He's on the editorial page of the Wall Street Journal announcing an executive order that will "make sure we avoid excessive, inconsistent and redundant regulation," focusing on rules that "stifle job creation and make our economy less competitive." Given the president's long list of massive compromises to corporate lobbyists during his first two years, today's gesture to Wall Street is galling.

This is the same Obama who promised to "take a backseat to no one" on Net Neutrality before applauding the FCC's AT&T-approved Internet rule. It's the same Obama who promised to provide the public option on health care and to end the massive bonuses to Wall Street titans...the list of broken promises is far longer than space allows.

And it's the same Obama who, in the same 2008 interview about media consolidation, said,

"There is a clear need in this country for the reinvigoration of antitrust enforcement. ... to step up review of merger activity and take effective action to stop or restructure those mergers that are likely to harm consumer welfare."

So much for that one, too.

President Obama is being squeezed by a corrupt Washington that is run by industry lobbyists, fake grassroots groups, massive political spending and PR machines that make the most basic public interest protections impossible to advance. But rather than tell that story, dig in, and fight like a true leader would, Obama has chosen to hire corporate-friendly advisors, compromise on the most crucial substance, and attempt to eke out weak, symbolic, half-victories gift-wrapped in flowery oratory and spin. It's a losing strategy that has become brutally transparent.

Opening Pandora's Box

Why should you care about a business deal between a couple of companies?

This merger will touch all corners of the media market, and you won't be immune. Comcast will jack up the prices that other cable and online distributors pay for NBC content, and those prices will be passed to you. That means higher cable and Internet bills, even if you don't subscribe to Comcast.

Comcast and the FCC Chairman argue that there are "conditions" applied to the merger that protect the public, (details about the conditions are not out yet) but they fail to mention that the key provisions are either voluntary (no, that's not a typo), or expire after a few years. Then, all bets are off, as the merger squeezes out what's left of independent, diverse voices from television dials, and forever changes the Internet as we know it.

As television, radio, phone and other services become Internet-based, cable internet service is becoming the only connection that's fast enough to handle streaming video and cutting-edge applications. That means you're stuck with whatever Comcast and their cable buddies dish out. And thanks to Obama FCC Chairman Julius Genachowski, it's gonna be some nasty gruel.

While pushing through this deal, the FCC chair completely ignored the lack of competition in the Internet service provider market. As former Obama White House technology adviser [Susan Crawford writes](#), "In 2011, as the telcos continue to sink, we're going to need to confront this natural monopoly problem head-on. How do we ensure a nationwide, affordable, better-than-all-the-competition high-speed Internet service...?"

And it will only be a matter of time before more companies follow Comcast's lead and start pursuing new mergers. The FCC's blessing of Comcast and NBC will embolden companies like AT&T or Verizon, to try to gobble up content providers such as Disney and CBS, creating a new era of media consolidation where even fewer companies control the content you watch and all the ways you want to watch it.

If I sound a little bitter, it's because the Comcast-NBC merger is truly a disaster for anyone who hopes the American public might someday emerge from the propaganda morass that is embodied by cable television, and now threatens to consume the internet.

Our democracy is certain to fail if we cannot figure out a way to foster media that is less sensational and superficial, and more thoughtful and informative. That's a goal that is antithetical to the programming you can expect from a merged Comcast/NBC, where profit pressures and blind corporate ideology will ensure substandard fare.

In the credit-where-it's due category, Democratic FCC Commissioner and public interest stalwart Michael Copps [voted against the merger](#) in a demonstration of principle that is all too rare in Washington. My hat is off to you, Commissioner.

But you, Mr. Obama. You said you "strongly believe that all citizens should be able to receive information from the broadest range of sources," yet your agencies are approving this deal while you watch quietly, and use the merger to demonstrate your corporate street cred.

Does the strength of your beliefs mean nothing? If so, keep doing what you're doing, and watch your administration fall ever farther out of favor with real people across the country, both left and right.

Today, you can chalk up another victory for the K Street lobbyists whose approval you seek, and another crushing defeat for the American people whose interests you are supposed to protect.