MEDIA

Photo by Jane Melnick

Rapid consolidation in media ownership

By Suzanne de Lesseps
Editorial Research Reports

"The press in our free country is reliable and useful not because of its good character but because of its great diversity," author E.B. White wrote last year in a letter to the Xerox Corp., protesting the company's sponsorship of an article in *Esquire* magazine. "As long as there are many owners, each pursuing his own brand of truth, we the people have the opportunity to arrive at the truth and to dwell in the light. The multiplicity of ownership is crucial."

White's words carry force as an ideology, and most journalists would hold them to be true. But they run head-on into a hard reality: it takes big money to own and operate a newspaper or broadcasting station. The image of family-owned, independently run newspapers spread out across the country is fading fast.

According to newspaper analyst John Morton, about 60 percent of the nation's 1,756 daily newspapers are under multiple (or "chain") ownership, up from 50 percent in 1971. Of the 1,500 cities with daily newspapers, fewer than 50 have competing dailies, in contrast to 700 in 1920. Even in 23 cities where newspapers are separately owned, the local papers have joint operating agreements on printing and advertising.

The growing concentraion of media ownership has gained attention in recent months with the purchase of several American publications by Australian publisher Rupert Murdoch. Since November Murdoch has acquired the daily *New York Post*, the weekly *Village Voice*, and *New York* and *New West* magazines, bringing the number of his publications in the U.S. to seven.

Two mergers of sizable chains also occurred at the end of last year. In November the Newhouse Newspapers outbid the Los Angeles-based Times-Mirror Co. to acquire Booth Newspapers, which include eight dailies in Michigan, the *Parade* Sunday magazine supplement and various printing plants.

Then in December the Gannett Co. announced an agreement in principle to merge with Speidel Newspapers. The additional dailies would push Gannett's total number of dailies above 70 and make the company by far the nation's largest newspaper group in terms of dailies owned.

Joint newspaper/broadcast ownerships in the same community is another problem. In 1975 the Federal Communications Commission ordered the breakup of such combinations in 16 cities but left untouched 79 other existing newspaper/broadcast combinations in 74 cities. For them the rule would be invoked only if there was a future change of ownership.

This may no longer be so, however, if a recent ruling by the U.S. Court of Appeals for the District of Comumbia is sustained on appeal. On March 1, the appellate court ordered the commission to adopt new rules calling for the breakup of all joint newspaper/broadcasting operations unless they were clearly "in the public interest."

Television is currently the object of two separate government inquiries—one by the Justice Department and the other by the FCC. The first, now almost five years old, is an antitrust suit charging the networks with illegally monopolizing prime-time television programing. Although NBC reached a proposed settlement with the government last fall, the other two big commercials networks, ABC and CBS, remain defendants in the suit.

The second investigation is an FCC inquiry into network restrictive and anti-competitive policies. The probe was prompted by a petition from the Westinghouse Broadcasting Co.

Some of the issues involved in the FCC investigation are expected to overlap with those in a review of the 1934 Communications Act that Congress plans to start this year. The act was written before the arrival of television and computerized communications, and many feel it is past time to rewrite it. ■

Television Station Group Ownership in the U.S. in January, 1975

CBS (owned & operated)	1	15,077,600 (homes)	5
NBC (owned & operated)	2	14,493,800	5
ABC (owned & operated)	3	14,452,900	5
Metromedia	4	11,655,000	6 (Incl. 1 UHF)
RKO-General	5	8,723,200	4
Westinghouse	6	8,550,600	5
WGN-Continental	7	7,349,200	4
Kaiser	8	6,217,600	7 (Incl. 2 UHF)
Capital Cities	9	5,098,700	6 (Incl. 1 UHF)
Storer	10	5,016,600	7 (Incl. 2 UHF)

Source: Herbert H. Howard, "The Contemporary Status of Television Group Ownership," *Journalism Quarterly*, Autumn, 1976, p. 404.

The name of the game has always been profit

There is no consideration, social or other, that is permitted to take precedence over cash flow.

By Herbert I. Schiller

At the end of November the Anti-Trust Division of the Department of Justice supported a petition of the Westinghouse Broadcasting Company (Group W) to the Federal Communications Commission for an inquiry into television network practices.

An inquiry would be useful in documenting what we already know: that three super communications corporations—CBS, NBC (itself part of RCA) and ABC—profit mightily from and exercise a powerful influence over television in America.

Where did TV networks come from? Did they evolve out of the competitive process, where demonstrated superior performance is supposed to achieve its own rewards? Did NBC, CBS and ABC do things better? Were their broadcasting efforts outstanding? Was their programing exceptional?

The reality is less complimentary to the myths of American private enterprise. The present-day TV networks are the direct descendants of the radio monopoly networks—which were themselves off-spring of the telephone and electrical equipment trusts.

Fifty years ago, in 1926, RCA—the post-World War I creation of AT&T, General Electric and Westinghouse—formed the National Broadcasting Co. NBC set up two transcontinental radio networks (one of which eventually became ABC after an anti-trust divestiture suit). The Columbia Broadcasting System (CBS) started a year later in 1927.

►World War II.

These three communications corporations grew fat during World War II. They dominated the broadcasting scene when television was introduced on a mass commercial basis in the late 1940s. When the smoke cleared, after the initial chaos accompanying the appearance of a major new industry, to no one's surprise, CBS, NBC and ABC (a postwar merger of broadcast and motion picture interests) sat astride the new booming sector of the economy. Once again, the power of accumulated capital prevailed. The independent was out in the cold.

For the last quarter of a century, no competitor has been able to break into the neat national money-making arrangement these three companies have created for themselves.

Sometimes, it is mistakenly believed that broadcasting is primarily concerned with news, entertainment and culture. Actually, these activities are strictly incidental and always secondary to the main objective. From the beginning of radio broadcasting, in the early 1920s, the exclusive concern of the businessmen who owned the facilities and ran the show has always been money.

Initially, the programs that were aired were broadcast to get people to buy radio sets. As soon as most households had receivers, the station-owners began to sell air-time to advertisers.

This has remained the paramount interest of the broadcast moguls—large and small. Thus, the programs the networks make available to the local stations are conceived, produced and transmitted with one, and only one objective—to attract as large an audience as possible. The larger the audience, the higher the charge that may be put on the time sold to the advertiser.

The networks determine the character and quality of the country's television diet, largely through their control of national programing. They decide what kind of material is to be produced. Then, they transmit it nationally to their 650 or so affiliated stations (about three-quarters of all stations on the air).

The networks exercise such dominant control because it costs a lot of money to produce an episode of *Kojack*, or *Cannon* or *Hawaii 5-0*. Local stations, network affiliates, are more than content to get paid for showing material produced centrally at lesser cost to themselves.

CBS, NBC and ABC also each own the maximum number of UHF (ultra high frequency) TV stations permitted a single owner (five). As might be expected, all these stations are located in the biggest, richest urban areas. The industry terms these places "markets." For example, the 15 stations owned and operated by CBS, NBC and ABC regularly account for somewhere between 20-25 percent of the profits of the *entire* industry—which comprises more than 750 stations. Thus the properties of the networks are the television equivalents of GM in cars, Proctor and Gamble in soap and Lockheed in aircraft.

Network profitability and programing control notwithstanding, it would be misleading and inaccurate to attribute to the Big Three total responsibility for the catastrophe that is American television.

Television is what it is because it is owned and operated, bought and sold as a profit-making private business, no different from soap or automobiles. Depending on the size of the market, anyone with a few million dollars change can buy a TV station. Individually-owned or part of a group, commercial television stations are money-making enterprises first and foremost. There is no consideration, social or other, that is permitted to take precedence over cash flow. Greed and conservatism are the common denominators whether the owners are large or small, group or individual.

►No grass roots.

It is ludicrous therefore to speak of "grass roots" commercial television as an alternative to network domination—one of the favorite Nixon/Agnew ploys. The locals are no less money-mad than the networks. Besides, there are relatively few stations that actually qualify as genuinely independent and local.

In the quarter of a century since TV took over the American living room, multiple station owners (group owners) now hold "the licenses of nearly three-fourths of all TV stations in the country's largest markets," reported a recent study. And more than 80 percent of the nation's TV households are located in these communities.

The concentration of ownership rises with the importance of the market. In the top ten markets in the country—ranked according to the size of the potential audience—e.g., New York City is the top market, Chicago the second, Los Angeles is third, and so on—85 percent of all the TV stations are group-owned. In the top 100 markets the figure is 71 percent. It's a tough assignment to discover an independent broadcaster. The accompanying box shows the ten largest TV ownership groups in the country in 1975.

The commercial television industry never ceases to inform and congratulate its audience—us—on how fortunate we are to have "free" television available, almost 24 hours a day. Not only does it cost nothing, so their argument goes, but it is free also in that it is servile to no external controller.

Neither claim is valid. The audience pays heavily, though indirectly, for its "free" television. And the economic constraints imposed by running television as a business may be no less onerous, though less visible, than the direct intrusions of a tyrannical state.

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SPORTS

Watch for the kicker in athletic scholarships

In many instances the image of the athletic scholarship as a vehicle of upward mobility is a cruel deception.

By Mark Naison

In almost every inner-city basketball league, one of the first things an outsider notices is the amazing variety of college tee-shirts worn by the players. At schoolyards in Harlem, community centers in Philadelphia, church gyms in Washington, you see athletes in their late twenties wearing logos from places like Arizona State, Texas El Paso, Nevada Las Vegas, University of Wyoming and you say to yourself, "hey, isn't it great that people from neighborhoods like this get a chance to receive a free education and spend four years in places free of crime and drugs and poverty."

But if you stay around and talk to folks, the picture assumes a very different shape. John-John, the big center and shot-blocker with the Arizona uniform, makes a living loading trucks. Skate, the point guard with the amazing moves, drives a cab and runs numbers on the side. Snuff, the graceful forward who can still dominate play at any given moment, seems to lose concentration periodically because he's a junkie.

When you probe further, you discover that all these people have one thing in common: they attended college on an athletic scholarship, but *never received a degree*. In their senior year in high school, they were courted by recruiters who promised them a glittering future if they competed for their schools, but after four years of college ball they were back on the street.

►A cruel deception.

If you think these stories are unusual, consider the following facts: of the five starters on the Texas Western basketball team that won the NCAA championship in 1966, not one received a college degree. Of the 25 scholarship athletes who played freshman football at Syracuse in 1959, only three graduated with their class. Of the 12 players on the roster of the NBA Kansas City Kings in 1972, all of whom attended college, only two had actually received degrees.

In many instances, the image of the athletic scholarship as a vehicle of upward mobility for disadvantaged youths is a cruel deception. The time-demands placed on scholarship athletes in the money-making sports—basketball and football—are so severe that it's very difficult to function as a serious student. If the athlete has severe educational problems to begin with, then it's virtually impossible.

At Fordham, the school where I teach (which does not run a big-time program), basketball players practice four hours a day and miss ten days of class each semester because of "away games." Players in my classes who are good students barely keep up; those with academic problems are forced to drop out.

Some schools get around this by cultivating teams of professors who automatically pass any athlete (See Gary Shaw's *Meat on the Hoof* for more on this); others hire people to tutor or write their papers. But much of the time the athletes are left on their own. After all, it is the athlete's performance on the court, not in the class room, that is the institution's major concern.

►Athlete is a commodity.

To the athletic department and the college administration, the scholarship athlete is a commodity who can be used to "market" the institution to prospective student, alumni, and (if it's a state school) members of the state legislature. The revenues brought in from tuition, contributions, gate receipts and television rights more than justify the initial investment of room, board, spending money, and an occasional Cadillac or Corvette. But once the athlete can no longer play, either because he's injured or his eligibility ends, he ceases to be useful to the institution and is treated accordingly.

As might be expected, students from working class backgrounds are most often victims of this system. Unless they have a high school coach who is determined to protect their interest, or have access to someone in their neighborhood who knows how recruiting works, they are easily taken in by fast-talking coaches who promise them fame, money and an exciting social life, while glibly avoiding questions about their academic responsibilities.

What then, can people do to prevent the massive exploitation of athletes by the colleges? In the long run, the best solution is probably the abolition of athletic scholarships and the conversion of big-time college sports programs into openly professional operations that pay decent salaries to those who participate.

The services now offered to college athletes—a "free education" plus under-the-table benefits—in no way represents fair compensation for the time the athlete puts in or the economic gains registered by the institution as a result of his (or her) labor. If schools are going to provide sports entertainment to their student bodies and the general public, let them deal with their athletes as skilled employees who can bargain collectively over wages and working conditions, rather than maintaining the fiction that they are full time students "just like everyone else."

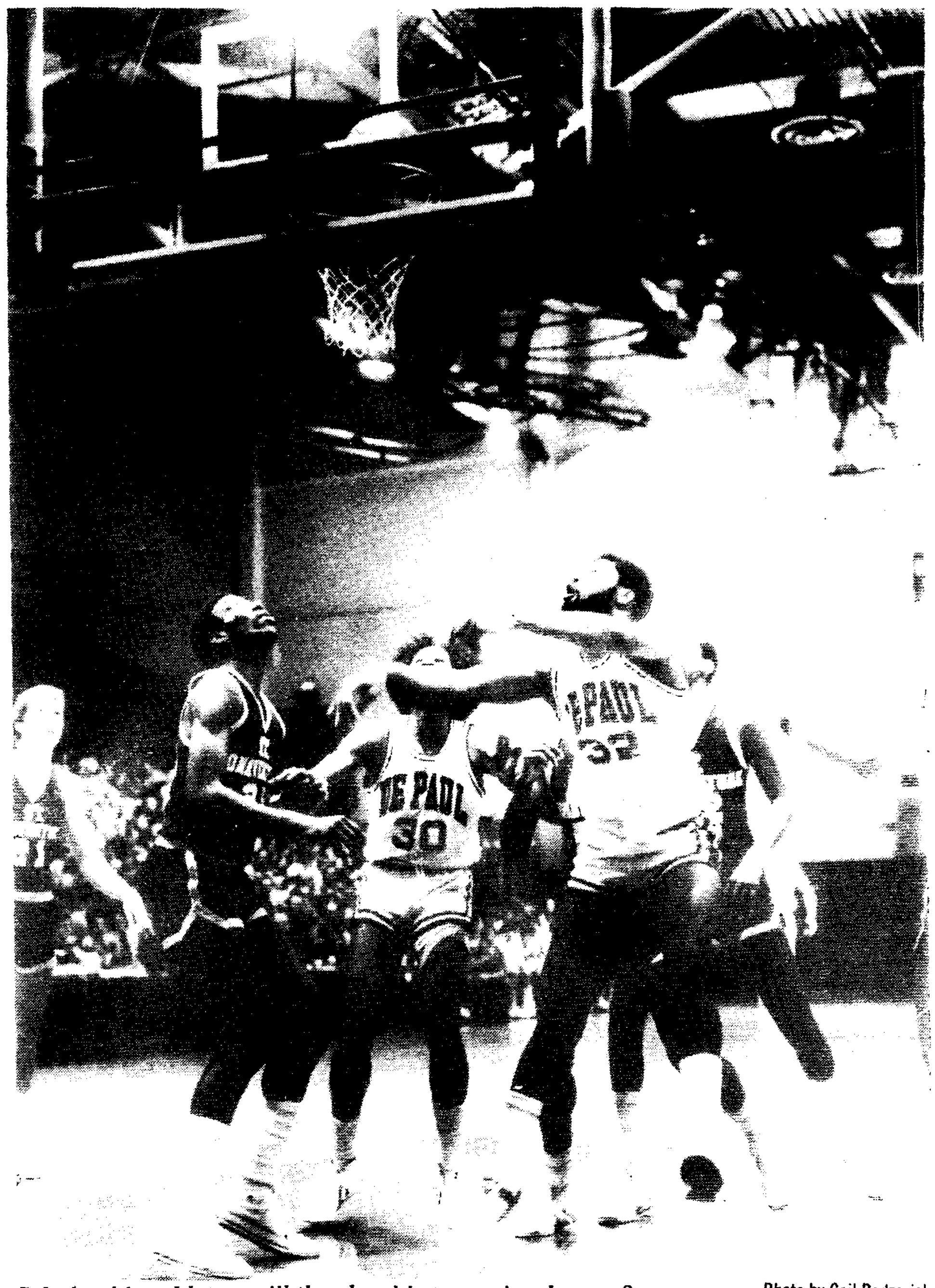
►Advice on scholarships.

However, since universities are likely to resist such changes, at least for a while, we should be able to advise young athletes how to protect themselves from the most destructive recruiting practices. The following are a list of questions that should be asked of any institution that is offering someone an athletic scholarship. If you know a young person being beseiged by recruiters, make sure he or she gets the following information from each school:

1. *What percentage of the scholarship athletes in my sport graduate in four years? What percentage graduate at all?*
2. *How many hours per week will I be expected to practice before, after and during the season that my sport is played? How many classes will I be required to miss each semester as a result of travel time?*
3. *What happens to my scholarship if I incur a serious injury? Will I be required to play when injured?*
4. *What is the profile of academic majors among scholarship athletes in my sport? Will I be pushed into "mickey mouse" courses?*
5. *What is the career profile of scholarship athletes in my sport over the last five years? What counseling services do you provide for them* after their eligibility is *used up?*

A college recruiter should be able to provide answers to *all* of these questions. If he cannot, the chances are his institution shows little concern for the academic accomplishments of its athletes, and the student should look elsewhere for the opportunity to exchange his or her skill for education.

Mark Naison is helping to coordinate, with Jack Russell sports coverage for **In These Times**. They invite suggestions and contributions, which should be sent to them c/o **In These Times**.



Scholarship athletes: will they be able to receive degrees? Photo by Gail Radzevich