

**STATEMENT OF COMMISSIONER JONATHAN S. ADELSTEIN
FCC HEARING ON LOCALISM
WASHINGTON, DC**

OCTOBER 31, 2007

This is the final hearing of the Localism Task Force. I am very pleased that, at the urging of key members of Congress, this otherwise dormant proceeding was revived and today we are again listening to the public's views. The important questions looming over this proceeding are: will we do anything productive with what we have learned? Will it lead to real changes in how we hold media outlets accountable to serve their local communities? Or, was this entire proceeding just a chore to get done or check-off, so media giants can have their way with even greater media consolidation?

The lack of adequate advance public notice of today's hearing raises real concerns about how serious we are about getting public input. Despite unanimous approval weeks ago to hold this hearing today, it was not announced to the public until the latest possible moment allowed by law – late, under the dark of night, just five business days ago. This is not the way a government agency should conduct the people's business.

Despite this unnecessary hurdle, I am pleased we have assembled on such short notice such an impressive array of expert witnesses. I thank Chairman Martin for his cooperation in working with us to make this possible, and I thank all of our witnesses for making time in your busy schedules so quickly.

I am disappointed, though, that I have not been permitted to meet with the Co-Chairs of the Localism Task Force as I requested last week. It is simply unacceptable that Commission staff is not permitted to meet with a Commissioner. I would remind all of my colleagues that the staff works for the Commission, not just the Chairman. Any instructions to deny us meetings or information is anathema to the spirit of the Commission and federal law.

The Government Accountability Office has already accused this agency of being too insular in its practices. Have we gotten to so insular that even a sitting Commissioner cannot meet with staff upon request?

As we conclude the final public localism hearing, it is fair to ask what we have accomplished. There are two basic issues at hand: What steps can we take to enhance the responsiveness of our media to local communities? And, does media consolidation enhance or detract from serving local communities?

When the Localism Task Force was launched, we were promised "rigorous studies" and clear policy and legislative recommendations. We have seen neither any studies nor any recommendations thus far. After the expenditure of over \$350,000 of taxpayer dollars and many staff resources, the Task Force owes us solid studies and solid recommendations on which to

base immediate action by the Commission. The only study that has been publicly released was one that was leaked to Senator Barbara Boxer.

Certainly, before we address the media ownership rules, we need to implement concrete steps to enhance localism. A number of members of Congress have appropriately asked that we do so, and we should heed their good advice. This does not mean we should trot out some half-measures and say, “we’re done!” It means we need to put new rules in place that improve the accountability of analog and digital media outlets to the communities to which they are licensed. We should not simply provide a set of “best practices” for broadcasters. We should not simply revise an out-of-date manual and instruct the public that it is their responsibility “to get the most service from their local station.” Nor should we simply get a report sugar-coating the issues from the Localism Task Force – a task force that has been functionally abolished. We all know the issues. We expect real and concrete recommendations to form the basis for a substantive Commission response to the many concerns raised by an array of concerned citizens.

We also need to complete action on improving the number of women and people of color who own broadcast media outlets. I have proposed the immediate creation of an independent panel to deliver us a quick action agenda upon which we can act before proceeding to the media ownership rules. The Reverend Jesse Jackson is here today and has offered to serve on such a panel.

We just came from a meeting he hosted at Rainbow Push in Chicago, a city in which people of color compose two-thirds of the population, yet they own just five percent of the broadcast stations. Today’s media landscape does not reflect the diversity of America. We must carefully weigh whether media ownership that does not reflect the communities to whom they are licensed are truly delivering the local service that reflects the diversity of issues facing that community – including those of concern to women and people of color. As far as I know, none of our studies address that fundamental localism question. We cannot proceed in good conscience until it is answered.

It is also clear from our hearings that local issues that the electorate needs to know about are not being covered in a way that prepares voters to make educated decisions. The problem we hear is that “breaking news” is being replaced with “breaking gossip.” In community after community, we hear from citizens that serious coverage of local and state government has diminished. There is a virtual blackout of coverage of state and local elections. And while news operations say they have to slash resources, some are offering up to one million dollars for an interview with Paris Hilton. Real investigative journalism and thoughtful reporting have given way to an “if it bleeds, it leads” mentality.

There are many localism options on the table. They include clarifying our public interest obligations, strengthening our license renewal process, requiring ascertainment, enhancing public disclosure of broadcasters’ issues and program listings, placing localism requirements on multi-cast stations, and improving access to low-power and non-commercial station licenses. We need to approve real, meaningful rules – not just another notice of inquiry or proposed rules – before we move forward with media ownership.

With regard to the effect of media consolidation on localism, the public has spoken. The public comments we received at hearings across the country were overwhelmingly negative on how consolidation has detracted from the responsiveness of media outlets to local concerns. We also heard eloquent arguments about some potential benefits of consolidation – but these were all from invited witnesses who actually worked for or owned media outlets, not from the public at large.

While I appreciate the arguments on both sides, the law requires us to serve the public interest, not the interests of the media giants we oversee. And the public is not interested in further consolidation.

This was confirmed again yesterday in a poll commissioned by the Media and Democracy Coalition. Overwhelming majorities of both Republicans and Democrats consider media consolidation a problem, in nearly equal proportions. This confirms once again, as reflected in the bipartisan concern on Capitol Hill, that this is not a partisan issue. Americans distrust big media whether including those on the right, the left, and virtually everybody in between. Distrust of big media, like distrust of big government, is rooted in the American spirit.

It is no surprise that by a margin of 57 percent to 30 percent, the public favors making it illegal to own a dominant newspaper and a TV station in the same city. Again, the margins are about the same for liberals, moderates and conservatives. The poll also found the public prefers local news sources – the very ones threatened by consolidation. It also found the public is concerned that consolidation will produce even more bias into a media world they already see as biased.

I admit it is unusual to cite polling data in a Commission proceeding. In this case, however, the law is very simple and clear: we are to promote the public interest. What the public thinks is therefore of great consequence to fulfilling our statutory obligation. It would be the height of arrogance for those of us here inside the Beltway to assert that somehow we know better what is good for the public than they know for themselves. If we ignore what we've heard across the nation, and what we are about to hear today, all of our hearings would have been a sham to provide cover for a predetermined outcome.

We must listen to the public. It is not just a moral obligation. It is the law.

So the Commission welcomes all of you here today. I hope we will all not just listen with an open mind, but will factor what you say into our actions. Listening to you, while commendable, is the easy part. It is actually acting on what you are telling us that seems to be the most difficult part.