

**STATEMENT OF JONATHAN S. ADELSTEIN
MEDIA OWNERSHIP HEARING
Chicago, Illinois**

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I would like to thank the Reverend Jesse Jackson and Operation Push for hosting us here today, and for his leadership on media issues. It is great to be in Chicago to discuss media ownership and diversity. Chicagoland is one of the most racially ethnically diverse communities in America.

But ownership of media outlets looks nothing like the people they are licensed to serve. It is outrageous that Chicago, with all its diversity, has the lowest proportion of minority radio ownership of the nation's 22 largest markets. Roughly two-thirds of the people in the city are black and Hispanic,¹ and over half are women. But they collectively own just six percent of TV and radio stations in the Chicago market.

With this much diversity among the people of Chicago and so little diversity in the ownership of its media, it is only fitting that we hold on of the FCC's media ownership hearings here. This hearing rightly focuses on *media diversity* and *ownership diversity*.

The founding charter of the FCC requires us to promote the public interest. It requires us to take affirmative steps to *prevent* discrimination on the basis of race, gender, religion, and nationality. It also requires us to take affirmative steps to *promote* diversity of ownership because, in America, *ownership is the key to having your voice heard*.

It is not enough to simply *work* the land. In America today, it is more important to *own* the land.

African-American Chicagoans understand the distinction all too well. Many of their families migrated from the South to Chicago during the early decades of the twentieth century to escape sharecropping, poor economic conditions, and lynch mobs. They migrated here seeking better living conditions, and economic and political rights. The *Chicago Defender* -- the pioneer of the Black press -- was remarkably successful in encouraging the "Great Migration." Many of the black migrants who came to Chicago between 1910 and 1930 started businesses and became entrepreneurs. And since then, Hispanic Americans, and so many other ethnic groups, have come to Chicago to pursue the American dream.

¹ The racial makeup of the city is 36.39% White, 31.32% Black or African-American, 26.02% Hispanic or Latino, 4.33% Asian and Pacific Islander, 1.64% from two or more races, 0.15% Native-American, and 0.15% from other races.

But, as we all know, when it comes to ownership of the public airwaves, that dream has not been realized. Ownership of broadcast radio and TV stations by females and minority groups has been a dream deferred, a dream neglected by the FCC – the very agency that is required to protect your rights.

When it comes to ensuring that the composition of the people who use the public's airwaves to serve the American people also look like the American people, the FCC's legacy does not make us proud.

As one recognized expert of the FCC's history of managing the public's airwaves and minority concerns has said, "for three generations, the FCC has waged a deliberate campaign calculated specifically to ensure that people of color would be barred from membership in the nation's most exclusive private club – the radiofrequency spectrum [which is also known as the public airwaves]....and unfortunately, the FCC continues with its anti-diversity campaign today."

In a rare moment of candor before I joined, the FCC itself acknowledged that, as a result of our system of awarding broadcast licenses in the 1940s and 1950s, no persons of color won a competitive hearing until 1975. It concluded that "special incentives for minority businesses are needed in order to compensate for a very long history of official actions which deprived minorities of meaningful access to the [public spectrum]."

We said this in 1995. Today, women and people of color continue to be deprived meaningful access and the FCC has not promoted policies to compensate or to promote diversity – an interest that the Supreme Court has recognized to be a compelling state interest.

Rather than taking regulatory steps to promote diversity of ownership, we have taken steps to specifically undermine it. In 2003, over my strong objection and that of my colleague, Commissioner Copps, the Commission changed the ownership rules to permit big media companies to get even bigger. Opportunities to promote small, female, and minority-owned businesses were cast aside, as the Commission repealed the only remaining policy specifically aimed at fostering diversity. As Senator Barack Obama said, "We promoted the concept of consolidation over diversity."

The result of this consolidation is not only a lack of ownership diversity, it is also a lack of programming diversity. And again, people of color are the biggest losers. We see the constant stereotyping of African-American and Latino men and women by multinational corporations that have no real connection to the needs of the community. Because the FCC has refused to define broadcasters' public interest obligations, investors on Wall Street and advertisers on Madison Avenue dictate the images your children see and those images define our children's dreams for the future. So, pimps and thugs become common fare. This is why I am pleased that Congressman Bobby Rush will hold a hearing on Capital Hill about stereotypes in the media, and that is why I am pleased that Chairman Martin has invited organizers from the "Enough is Enough" campaign to address the public about these concerns.

Luckily, the federal appellate court reversed the FCC's 2003 order. In a stinging indictment, the Court said: "repealing its only regulatory provision that promoted minority ownership is [] inconsistent with the Commission's obligation to make broadcast spectrum available to all people 'without discrimination on the basis of race.'"

The FCC's decision marked a sad day in a sad history of neglect of minority ownership by the FCC.

We now need a comprehensive response to the lack of diversity in programming and ownership. We need to develop policies that engage the minority as *owners* of the media, **not** just as consumers or sharecroppers. We need to turn our legacy around. There is no better place to start than right now, right here in Chicago, right here at Rainbow Push at Dr. King's Workshop.

So today, as one who believes that we should no longer shirk our responsibility to the American people, I am calling on Chairman Martin and my colleagues to join me in creating a bipartisan, independent panel to review the more than 40 policy recommendations that were proposed by the FCC's Diversity Committee and the Minority Media and Telecommunications Council.

We need to put the past behind us and establish a panel of outside experts to conduct a thorough review of these regulatory proposals, the dozens of diversity enhancement recommendations that have been collecting dust at the FCC since as far back as 1992. I believe 15 years is long enough – justice deferred is justice denied.

I hope that the Chairman and my colleagues will join me in creating this independent panel, representing the interest of all stakeholders – broadcasters, including minority and female broadcasters, investors, advertisers, and public interest groups. A comprehensive answer to the dearth of female and minority ownership cannot wait any longer. We need answers to these fundamental issues of justice, fairness and diversity before we act on any rules to further consolidate the media.

It would be wrong to make any decisions about media ownership until we implement policies recommended by the independent panel to improve the sorry state of female and minority ownership. And it would be wrong to make any changes to our media ownership rules that will undercut the ability of women and people of color to own the airwaves and have their unique voices heard.

There is no need to delay. We can accomplish this quickly if we start now. We need to live up to our charter, once and for all.