DOCOMENT RESUME

ED 192 313	CS 205 B27
AUTHCR TITLE	Rowland, Willard D., Jr. The Struggle for Self-Determination: Public Broadcasting, Policy Problems and Reform.
PUE CATE NOIE	Aug 80 47p.: Paper presented at the Annual Meeting of the Association for Education in Journalism (63rd, Boston, MA, August 9-13, 1980).
EDRS PRICE DESCRIPTORS	MF01/PC02 Plus Postage. Government Role: Mass Media: *Needs Assessment: *Policy Formation: *Public Television; Radio: *Telecommunications
IDENTIFIERS	*Public Broadcasting

#### ABSTRACT

In the current communications regulatory and policymaking environment there are several factors of crucial importance to public broadcasting, including (1) the system's increased visibility: (2) the impact of inflation on governmental tudget decisions; (3) policymaker assumptions about new technologies. economic forces, and deregulation; and (4) concerns about the system's performance in such areas as financial accountability and public access and participation. These and other factors have been reflected in recent Federal Communications Commission actice and proposed rules, in the "Public Telecommunications Financing Act of 1978," and in the various proposals for the rewrite of the Communications Act. The main participants in this debate have been members of the communications reform, policymaking, and professional public broadcasting communities. The debate has revealed changes and some inconsistency in policy toward public broadcasting, which appear to be leading to a softening of federal support for the system, to its continued politicization, and to certain public service losses. These difficulties suggest the advisability of reassessments among all involved parties -- the reformers, the policymakers, and the public broadcasters. (Author/FL)



#### U S DEPARTMENT OF HEALTH. EDUCATION & WELFARE NATIONAL INSTITUTE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRO-DUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGIN-ATING IT POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRE-SENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

# THE STRUGGLE FOR SELF-DETERMINATION: PUBLIC BROADCASTING, POLICY PROBLEMS AND REFORM

Willard D. Rowland, Jr. Assistant Professor

Institute of Communications Research University of Illinois Champaign, IL 61820

> "PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Willard D. Rowland

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

ED192313

Ŧ

4

ţ

#### ACKNOWLEDGEMENT

This paper derives from work conducted while the author was on leave, serving as Director of the Long-Range Planning Project for the Public Broadcasting Service, Washington, D.C. (1978-79). Earlier drafts of the paper benefited considerably from suggestions offered by the author's Planning Project colleagues, G. Gail Crotts, Peter M. Fannon and Michael E. Hobbs. The author is grateful for those suggestions, several of which are reflected here, but he wishes to note that this paper is solely his responsibility and does not necessarily reflect the views of the System Planning Project nor of PBS.

#### INTRODUCTION

By the mid-1970s public broadcasting had reason to believe that its long-range future was reasonably secure. The unpleasant political machinations of the early part of the decade were over; the public television and radio communities had reorganized themselves; Congress and a new Administration had worked out an arrangement for longer-term financing for the system based in large part on proposals put forward by its newly reorganized representative bodies; audience attention and membership support continued significant growth; and the prospects for increasing the amount and quality of programming had never seemed brighter.

Yet within two or three years public broadcasting had begun again to find itself on the defensive in Washington, though now for a series of new and different reasons. Citizens' groups and the broadcasting reform community were pointing out a number of embarrassing problems in public broadcasting personnel and programming practices. Although it had taken the lead in American broadcasting in harnessing satellites and other new technologies, public broadcasting as a whole seemed strangely uncertain in its approach to the entire range of technological and programming challenges facing it. And attempts to secure renewed long-term financing legislation to carry over into the 1980s were leading to introduction in Congress of surprisingly harsh legislation that suggested serious policymaking questions about the value and need for public television and radio. Taken altogether there had emerged in the communications regulatory and policymaking environment a number of issues of crucial importance to public broadcasting and for most of which the system proved to be quite unprepared. The key matters included the system's increased public visibility; the impact of inflation on governmental budget decisions; policymaker assumptions about new technologies, economic forces and deregulation; and concerns about the system's performance in such areas as equal employment opportunity, financial accountability, access and public participation.



-4

Many of these factors were reflected in a series of FCC not proposed rulemakings, in the Public Telecommunications Financin <u>of</u> 1978, and in the attempts in 1978 and 1979 to "rewrite" the C ations Act of 1934. Additional public broadcasting issues raised in 136). <sup>1</sup> and legislative proceedings included such matters as the nature a: fundraising practices; the appropriateness of the multiple ownersh: uopoly) exemption; the oversight responsibilities of the Corporation for Publ Broadcasting; replacement of CPB; federal support for "public ' lecomm .ications entities;" termination of federal support for facilities, operations and interconnection; new license terms and conditions for public stations; and the introduction of commercial advertising.

All of these factors suggested a number of problems to be faced not only by those in public broadcasting, but also by those in the communications reform and policymaking communities. For instance, there seemed to have been major changes and some inconsistency in public policy toward the system, the potential for continued politicization of the system appeared to persist, and support for federal funding of public broadcasting may have been softening. Further, the heavy reliance on commercial marketplace forces and the role therein of new technologies appeared to be overly optimistic about public service results. As well, the movement for change in broadcasting seemed to have been unintentionally reliving the experience of an earlier generation of reformers who had sought similarly substantial changes in American corporate organization and practice. Meanwhile, for its part public broadcasting had been recognizing and responding too slowly to these and other policy developments.

This paper reviews the significance of the various general factors that have existed in the policymaking environment for public broadcasting during recent years,



-2-

outlining in more detail the regulatory and legislative agenda facing the system and the problems posed for the principal institutional actors in the policymaking effort. It concludes by suggesting certain needs and accomodations that may be in order if a genuine public service capacity is to be retained in the new telecommunications order.

Ċ,



#### THE MAJOR FACTORS

#### Political Visibility

As they have increased in ubiquity and apparent influence all forms of mass communication have become increasingly visible in the public policy arena. 's the most recent, the most widespread, the wealthiest and seemingly the most powerful forms of communication, the electronic media have been particularly susceptible to government oversight. Also, of course, broadcasting has been dependent upon a special chartering relationship with government during its first generation of technical scarcity and limited capacity.

For a period of time noncommercial, educational broadcasting found itself subject to only a minimal amount of public attention, due to its generally insignificant levels of support, its widespread unavailability and the relatively narrow, uncontroversial definitions of its role. During the past decade, however, public broadcasting has come increasingly under official scrutiny.

The reasons are several. Since the <u>Public Broadcasting Act of 1967</u>, and particularly since the subsequent <u>Financing Acts</u> of 1975 and 1978, the amount of public funding has increased markedly (see Table 1).<sup>1</sup> By 1978 the total funding for the system had gone over a half-billion dollars annually. To be sure, this amount was still a small fraction (5%) of the revenues of American commercial broadcasting, and its per capita rate was still well below that of public broadcasting

ť



-4-

<sup>&</sup>lt;sup>1</sup>Each of the these bills (34, 35, 36) were only authorization measures, and as Table 1 reveals the actual appropriations eventually provided under each have typically fallen well short of the authorizations. The appropriation amounts have also fallen below recommendations of the two Carnegie Commissions (6, 7) and requests by the public broadcasting community (9). Nonetheless, as also indicated by Table 1, federal funding has increased substantially over the past decade, and it has stimulated even more substantial non-federal funding growth.

funding in other industrialized democracies. As well, federal support still represents only 25-30% of all funding in the system. Nonetheless that amount has been sufficient to raise questions, principally at the federal level, about public broadcasting's "accountability" and the value of the public's return on its investment. As public broadcasting has attracted larger and ever more loyal audiences it has become a new force in political and social debate. It has also become a potential source of competition to established private, commercial forms of telecommunication. Further, as attempts to effect reform in the commercial media have proven to have had only limited success, there has been an increasing tendency to invest in the noncommercial, public media a larger share of the burden of hope for the ameliorative role of modern communications technology.

### TABLE 1, ABOUT HERE

That is, there always has been an expectation that public broadcasting should be able to attend to the needs of dispossesed interests and to provide a wider range of services--to be the "alternative." Now, however, those expectations have magnified. In the eyes of many it is no longer sufficient for public broadcasting to offer just a few di lorent programming opportunities. Instead as a public medium, regardless of funding, it is seen as being responsible for providing an increasing range of public services.

Simultaneously with these new public expectations there have been important changes among those in the key congressional communications policymaking positions. Most of the familiar and friendly chairmen and chief staff members in the Senate and House commerce and communications committees, who were all important figures in the passage of the watershed pieces of public broadcasting legislation in 1962, 1967 and 1975 (34, 35, 36), and in helping the system fend off the Nixon era assaults, have all since retired, died or moved on to different positions (2, pp. 215-216). The current incumbents may feel no less interested in preserving a public broadcasting

-5-

service of some sort, but they do not regard themselves as the fathers of the modern system in the same way Warren Magnuson, John Pastore, Nicholas Zapple, or Torbert MacDonald might have. Therefore they may not necessarily feel bound by the same initial commitments, and they are more likely to perceive and feel it necessary to respond to new sets of political issues, including changing sentiments about the relative importance of public broadcasting.

As before, those now involved in the policymaking process in Congress and the federal regulatory agencies occupy various and often conflicting positions with regard to the major expectations. There never has been and there understandably may never exist any single, official, public policy view of what ought to be the purposes, character and degree of independence of public broadcasting. Most legislative resolutions of such questions are compromises infused with deliberate vagueness and flexibility.

Nonetheless, particularly as criticism has mounted from several sides, including both the established commercial broadcast industry and those in the reform movement, many federal policymakers are coming to share a common concern that, in view of public broadcasting's increased visibility and the heightened expectations for it, the costs to the system of continued governmental funding are perhaps already too high.<sup>2</sup> Such costs include the actual dollar expenses of station and system compliance with the new regulations imposed as part of the 1978 Act and the more intangible but nonetheless important costs engendered by increased governmental involvement in public broadcasting operational and programming matters. It has been suggested that there is considerable likelihood of significant strings continuing to be attached

<sup>&</sup>lt;sup>2</sup>One should note as well, however, that the extent and degree of government oversight may be independent of any particular level, or even the very fact, of federal support. That is, because the public broadcasting enterprise exists for public service purposes, government oversight may be seen as appropriate regardless of the amount of federal support. In any case, then, the likelihood is great that the system will continue to be an object of government scrutiny.



-6-

9

on the occasion of every new request for federal funding.<sup>3</sup> The conclusion of this school of thought, shared by some within the system, is that, while public broadcasting may continue to be the focus of hope for a new era in communications, a leveling-off of federal support may also be unavoidable, necessitating a search for new, non-governmental funding sources.<sup>4</sup>

### Inflation and Government Austerity

Other factors have begun to cloud the prospects for substantial rates of increase in government funding for public broadcasting. The increased costs and tax burdens of public service generally have created an atmosphere of pause, an uncertainty about the wisdom, necessities and priorities among publicly funded projects. This pause threatens to erode previous government commitments to the support of agencies and institutions whose primary purposes center around serving cultural and social needs, as compared to those addressing economic, health and other more tangible forms of well-being.

One must be careful not to overstate the extent of the "Proposition 13" attitude throughout the country, nor its impact on the prospects for funding of public broadcasting. While several states have begun to reexamine and slow the amounts of money made available to public licensees, others have initiated wholly new or substantially increased programs of public broadcasting

-7-

<sup>&</sup>lt;sup>3</sup>Various formal and informal discussions with and attendance at presentations by staff members and principals of the key congressional communications committees and executive branch and regulatory agencies during 1978-79.

<sup>&</sup>lt;sup>4</sup>This concern partly, though by no means entirely, explains the appearance of the advertising provision in the second version of the "rewrite" (see below). The seriousness of this concern in certain quarters of the public broadcasting community is reflected in the request by a number of licensees for an FCC authorization of an experiment with a form of public station advertising (32).

funding.<sup>5</sup>

Nonetheless the atmosphere of pause is pervasive, particularly in the federal government. There is every likelihood that the 97th Congress, to be elected in 1980, will be even more fiscally conservative than the 96th, and whether or not the Administration changes in 1981 it is unlikely, without a careful campaign on behalf of public broadcasting, to interpret its mandate as authorizing substantial increases in federal support for the system. Therefore, while there may be room for some continued growth in tax-based funding for public broadcasting, the enterprise is now clearly in the limbo of doubt associated with widespread efforts to balance federal and state budgets.

## Neo-Libertarian Ideology and Assumptions about New Technologies and Deregulation

There is little doubt that the pace of technological change in electronic communication is continuing to quicken, and the implications of this change are of as much significance to public broadcasting as to the commercial industry.<sup>6</sup> Among the myriad developments taking place: cable has penetrated into more than one out of five U.S. households, sales of home video recording and playback equipment are now advancing rapidly, subscription television broadcasting licenses are being widely applied for and approved, and satellites are already

<sup>6</sup> For a general discussion of the key developments in communications technology see (2). For an analysis of their implications for public broad-castiog see (29).



-8-

<sup>&</sup>lt;sup>5</sup> We Work, for instance, the FY 1980 state budget included a provision for direct support of public television licensees. The total amount in the package was \$9.9 m and was up nearly 33% from 1978-79. The portion of the package for FTV stations' discretionary expenditure amounted to 50¢ per state citizen. In Illinois the 1980 budget included a much more modest grant provision of \$1.0 m for the state's five operating PTV stations. Although small, observers note that this measure was seen by both the executive and legislative branches as a first step in what was intended as a continuing program of direct state support for public broadcasting. Both of these programs came in states which ware otherwise cutting important services.

being used by both public and commercial broadcasting and cable interests to create new patterns of program marketing and distribution. In certain important ways public broadcasting has proved itself more willing than commercial broadcasters to adapt such charges to public service ends.<sup>7</sup> Yet the system has been expected to broaden its services even further and to move more quickly toward becoming an institution of public telecommunications. There has been speculation about how to provide the necessary services through other means should such faster adjustments not occur.

As the technological changes have developed and as the experience of more than a half-century of federal regulation in all areas has been assessed, there has been a resurgence of faith in marketplace mechanisms, in the positive power of technology, and of questions about the efficacy of governmental controls. On the one hand the prospect of the end of spectrum scarcity, heretofore the major basis for public regulation of broadcasting, has lent weight to arguments favoring the application in communications policy of traditional laissez-faire economic theory. On the other hand the widening realization among industry critics that regulatory provisions often work to protect industry interests and to guarantee a relatively narrow interpretation of the public interest standard have brought them, too, to the point of calling for the reduction of many communications regulations. Defenders and critics alike have tended toward a position calling for overhaul and reform in American telecommunications policy.



-9-

12

<sup>&</sup>lt;sup>7</sup> For instance, public broadcasting played a leading role among broadcasters in developing the now operational "closed captioning" system for the hearing impaired, and public television and radio were among the first American broadcasters to move to satellite distribution systems, thereby positioning themselves for delivery of multiple signals in each community.

Fundamental to the faith here are two powerful American beliefs of longstanding. One is that on balance technological improvements will lead to social and cultural advances. This view, characterized in one of its manifestations as "the rhetoric of the electronic sublime" (5), is closely associated with traditional progressivist reform expectations that more and better communications technology will enhance public knowledge and understanding and that the electronic media will eventually help reestablish the small, enlightened community of strong, closely-shared values.

The other belief is that an open marketplace of communication exists or can be created. In this case the assumption is that the changing technology and a loosening of regulatory restraints will create an abundance of channels, leading to a diversity of programs and information services and unprecedented amounts of choice, "public access" to and audience participation in the electronic media. This belief envisions the imminent arrival of an era in which the consumer would presumably be able to assert greater control over the determination of available electronic communications fare and that such conditions will lead ineluctably to the provision of all necessary and appropriate services. A related belief is that public broadcasting should compete in the marketplace and that it, too, will survive if its services are valuable enough to consumers.<sup>8</sup> However dubious the historical evidence for the validity of such assumptions, the traditional American faiths in the redemptive power of technology and the possibility of creating "free" marketplaces have combined in a nearly irresistible contemporary communications policymaking attitude.

-10-

-e. :

\*. \*.

and the second s

<sup>&</sup>lt;sup>o</sup> For an expression of this point of view in the early stages of congressional policy formulation leading toward the "rewrite" see the <u>Option Papers</u> (42, p. 241). For another example as used to attack the recommendations of the second Carnegie Commission, see (8).

Another factor has emerged with signs of growing, but by no means universal support. This is the notion of a spectrum fee as a tool for managing the spectrum in the absence of government regulation. Such a fee, to be assessed upon users of the spectrum is seen as analogous with public policy toward other industries such as forestry, mining and petroleum. It is based on the view that the spectrum is a scarce resource not practically available to all and that the privilege of using it, particularly under conditions of virtually perpetual license renewals and other forms of deregulation, requires compensation to the public. At the very least this approach assumes the full costs of regulation should be borne by those licensed. It is further assumed that, if economic value can be attached to spectrum use, the assessment of the tax will encourage more efficiency in that use.

#### Public and Social Interest Concerns

Public broadcasters had long been given the benefit of the doubt about the quality of their performance. It was presumed that, by definition, noncommercial educational broadcasters were serving the public interest in important and numerous ways. The occasional instance of criticism could usually be turned aside by explanations of poverty and narrowly defined mission. But by the mid-1970s public broadcasting's mission was widening, it was beginning to claim an increasingly broad and significant place for itself in American culture and public discourse, its total annual funding was approaching the half-billion dollar level, and the public's expectations for it were continuing to rise. With these changes the enterprise found itself being measured against the public and social interest criteria that were being applied to a host of other institutions in contemporary society, including commercial broadcasting. In all areas--in its programming, financing, technology, personnel policies and practices--public broadcasting was expected to set standards for the nation.

-11-

Many, particularly in the broadcast communications reform community, who had been among the system's chief allies, now became some of its most severe critics. Further, there proved to be significant divisions or even factions within that community. The exact terms of criticism could therefore not always be determined with certainty. For instance, while some critiques focused on concerns about system performance within the bounds of traditional expectations for noncommercial, educational broadcasting, others expected "public" broadcasting to move beyond its role as a <u>medium</u> or a forum of public debate to become an agent of change, to become an active solver of problems.

The public broadcasting response was slow and bemused. Neither its structure nor its experience facilitated a quicker, more substantial reaction. For, although public broadcasting is pictured by many as a cohesive national institution, it was and it remains a highly decentralized, loose collection of community stations, university stations, school board stations, state networks, regional networks, program consortia and national programming and service agencies. Although the system has developed certain attributes of a national institution, there never has been, and the various entities will likely continue to resist the emergence of, any single authoritative voice and capacity for overall organization in public broadcasting. Systemwide policy decisions have therefore typically been made collectively in a democratic, consensus-building process that may often be sluggish and cumbersome.

Thus, public broadcasting found any sort of critique of itself as a nationwide institution an unfamiliar experience. While audience and membership levels and other indices of growing public satisfaction and loyalty were showing marked increases, the system was coming in for a degree of citizens' group, journalistic and governmental investigation and criticism it had once thought possible only as a part of organized, highly partisan attempts to influence its national public affairs programming. As it had developed, public

1 ~

-12-

broadcasting had been tutored repeatedly about the need for "insulation" and it tended to treat any criticism as a form of "pressure" it was obliged to resist. Furthermore it felt it had generally been on the correct side of the public interest issues and, while recognizing the need for some improvement, was perplexed at finding itself, as a system, cast as "seriously deficient" in such areas as affirmative action, fiscal responsibility and access. The stations and other organizations were uncertain and uneasy about how to organize and represent themselves in order to relate what they saw as a generally successful story (and one they felt that had long revealed a better record than their commercial counterparts). In its confusion the system's response was ocasionally indignant, appearing in some cases to be "establishment" and even arrogant and uncaring, and its plans for and evidence of successful remedial action were slow in appearing.

-13-



### THE REGULATORY AND LEGISLATIVE AGENDA

-14-

All of these factors have been expressed in various ways on the policymaking agenda in recent years.

Several of the most important policy issues involving public broadcasting were contained in the notices of inquiry and proposed rulemaking initiated by the Federal Communications Commission during the period 1975-1980. These dockets included investigations into the eligibility standards of educational broadcasting licensees, the character of fundraising practices and their impact on the noncommercial nature of public stations, and the appropriateness of the multiple ownership rule exemption for educational licensees (12, 15, 22). Other FCC inquiries that had direct impact on public broadcasting included proceedings on such matters as UHF technical standards, the use of low power television transmissions, FM engineering standards and commercial FM band reclassifications (19, 25, 13, 23, 24). Among a number of other FCC activities, including its network inquiry, its cable economic study and its proceedings on children's programming, radio deregulation, AM clear channels, reduced AM channel spacing, and AM stereo and FM quadraphonic broadcasting, there were also, important questions bearing on policy for public broadcasting (14, 17, 26, 21, 20, 18, 11, 16). Whether ultimately resolved separately or in some joint fashion, these inquiries taken altogether represent an unprecedented amount of regulatory investigation of matters directly or indirectly affecting public broadcasting.9

In the legislative arena there were several issues, some of which overlapped with the FCC inquiries and some of which opened up new ground. In the <u>Public</u> Telecommunications Financing Act of 1978, for instance, there appeared provisions

<sup>&</sup>lt;sup>9</sup>Additional communications proceedings involving the FCC and/or other federal agencies and bearing on public broadcasting include the recent notices of inquiry regarding ITFS and MDS allocations (Dockets Nos. 80-112 through 80-116), the WARC plans for expanding the AM band, a Department of Education rulemaking on hearing impaired access to PTV programs, a Department of Health and Human Services rulemaking on EEO matters and the NTIA five-year plan for public telecommunications facilities.

directing the Corporation for Public Broadcasting--and through it the entire system--to pay stricter attention to improvements in the areas of equal employment opportunity, financial management and accountability, public participation, and access by independent producers (36). In addition, as suggested by its name, the Act called for support of non-broadcast "<u>telecomunications entities</u>" and more formal planning for and development of a broadly defined public <u>telecommunications</u> enterprise--meaning that federal financial support in this area was no longer available solely for public broadcasting. Further, under the 1978 Act, the Corporation might make grants to individual stations only after their compliance with CPB and other governmental agency standards on such matters as open meetings, community advisory boards, accounting principles and EEO practices. Beyond its original system leadership responsibilities, CPB, as the public broadcasting institution most directly accountable to Congress and the White House, had now been invested with unmistakable station oversight authority.

-15-

The several drafts and final congressional committee reports leading up to that legislation contained even more specific provisions or guidance on a number of these and other issues, including allocations of CPB funds for national programming and for public radio. All were indications of concern and interest that these topics be taken into account in the future.

An important example was reflected in the Conference Committee Report accompanying the final draft of the bill, where there was among other things a strong statement about what was perceived as "creeping networkism" (38, p.33). This passage confirmed that the longstanding concerns about the vitality of local control and locally-oriented services and about the system's basic organization and program decision-making process remained important factors in government thinking.

The second version of the "rewrite" (H.R. 3333, 1979) of the Communications Act, as proposed by the Chairman and other members of the House Subcommittee on

Communications, devoted an entire section and important parts of other sections to public broadcasting.<sup>10</sup> The principal features of the House provisions were to:

- o Attach as conditions for public broadcasting licenses the public participation, "sunshine" and other station grant criteria that under the 1978 Act were provisions only of accepting funds from CPB:
- o Terminate by 1983 federal support for station facilities, operations and interconnections;
- o Replace CPB with an Endowment for Program Development that would provide program funds in the form of direct and matching grants to the stations as well as full-project grants to the stations and others;
- o Authorize Endowment funds at a rate of \$1.50 per person in the U.S. population, to be appropriated annually;
- o Permit limited advertiser support on public broadcasting; and,
- o Create a new class of public licensees, who would be allowed to carry clusters of commercials.

For awhile the Senate Communications Subcommittee showed little inclination to become involved in the "rewrite" activity. However during 1979 Chairman Ernest Hollings and Senators Cannon and Stevens introduced one piece of legislation

(S.611) and Senators Goldwater, Schmitt and Pressler introduced another (S. 622). Unlike the earlier, more comprehensive House bills these "renovation" drafts featured principally common carrier issues and made no direct reference to public broadcasting. The two bills did variously contain certain broadcasting and cable measures, with those of S. 622 being the more extensive and all being generally deregulatory in emphasis. Both did have spectrum fee provisions, though in S. 622 it was to be large enough to cover only the costs of regulation.

19

and the second state of

<sup>&</sup>lt;sup>10</sup>See (40), especially Titles IV and VI. The bill was introduced by Chairman Lionel Van Deerlin (D-Cal.), and subcommittee members, James M. Collins (R-Tex.) and James T. Broyhill (R-N.C.).

Meanwhile, the broadcasting portions of the 1979 House bill ran into most of the same obstacles encountered by the first version in 1978, namely, opposition--though for a variety of conflicting reasons--by virtually every important interested party. By the time of the summer recess in the first session of the 96th Congress, House Communications Subcommittee Chairman Van Deerlin had conceded that the likelihood of putting through the commercial and public broadcasting provisions of his bill was low, and that the only possibility for major revisions lay in the common carrier portions (28); hence the emergence of H.R. 6121 at the end of the year (41).

Yet more recently Chairman Hollings managed to put together a new compromise draft in the Senate Subcommittee, S. 2827 (44). Neither the House nor Senate bill contains any direct public broadcasting provisions and certain core common carrier sections are quite similar. Otherwise the bills differ significantly and the respective sets of compromises upon which they are based remain shaky. Apparently trying to salvage some minimal revisions, the House version adopted the emphasis in the initial Senate stance by limiting itself to the common carrier issues. Now, however, the current Senate bill has given greater prominence to its sections on broadcasting and cable. Also, while neither bill provides for a spectrum fee, S. 2827 calls for an FCC study of the matter. Although H.R. 6121 and the earlier Senate drafts would have permitted A.T.&T. to enter the cable television business, allowing the telephone compary to bring its immense capital and service resources to bear in the video and audio program distribution markets, for the moment the current Senate bill would restrict that possibility.

Clearly, substantial disagreement persists over the terms of broadcasting and cable provisions in any attempt to revise the Communications Act, and the entire process remains fluid. While for the moment there are no sections in any of the current bills dealing with public broadcasting and even if the entire "rewrite" should finally fail, it is important to keep in mind the various provisions that were put forward for the system in 1978 and 1979. For, although the commercial industry can

-17-

continue to operate under the terms of the 1934 <u>Communication Act</u>, the 1978 <u>Financing Act</u> provided authorizations for federal funds for public broadcasting only through 1983. If public broadcasting expects to have legislation to carry forward federal funding into the mid- and late-1980s and perhaps also to institute certain aspects of the Carnegie II recommendations (7), an effort will have to be undertaken in 1980 to prepare the necessary legislation. The terms of any such effort are likely to be greatly influenced by the provisions of the most recent legislative proposal for public broadcasting, that is, the 1979 "rewrite."

-18-

### IMPLICATIONS FOR THE COMMUNICATIONS REFORM, POLICYMAKING AND PUBLIC BROADCASTING COMMUNITIES

Considered altogether the various issues under regulatory and legislative consideration suggest a number of common concerns for the communications reform, policymaking and public broadcasting communities.

### Significant Changes and Even Inconsistencies in Policy toward Public Broadcasting

With the exception of the consistent concern both in the congressional committees and the FCC for improved public broadcasting performance in social interest matters, there seems to be a great deal of confusion and internal contradiction in the federal policymaking approach to public broadcasting. This is the case even though at the state and local levels many licensees may have found community and other forms of support to be increasing and few indications of trouble ahead.

The matters of federal funding and the structural relationship between CPB and the stations offer several examples of inconsistency. There have been signs not only of confusion, but perhaps even devolution, in policymaking thinking about the need for increased federal funding, for maintaining certain principles associated with its generation, and for any federal funding at all. The 1975 <u>Financing Act</u> had been a major step forward for public broadcasting. Based upon a series of compromises among the public broadcasters, Congress and the White House, it had accomplished several key things. Principally it had given up the Carnegie I pipe dream of some form of highly-insulated, dedicated tax source, accepting instead a multi-year, advanced general treasury authorization and appropriation process, through a "system-match" mechanism.<sup>11</sup>

22

-19-

<sup>11</sup> Federal dollars were to be authorized five years in advance and to be appropriated three years ahead, and the amount of those funds were to be determined on the basis of the total amount of non-federal funds raised by the system. The initial ratio was to be one federal dollar for every \$2.50 of non-federal income (the 2½:1 system match).

There were difficulties associated with this process (31, pp. 127-130), but it was seen as a widely acceptable, pragmatic means for providing a certain degree of security and longer-term funding assurance, thereby advancing the proposition of the 1967 Act that CPB was to operate as a private, nongovernmental institution (a provision that had been severely breached during the intervening years).

But during the late-1970s, the policymakers began abandoning the 1975 funding principles. To be sure, the 1978 Act did retain the system match, lower the ratio (from 21:1 to 2:1) and increase the levels of authorization (to rise from \$160 million in fiscal year 1980 to \$220 million by fiscal year 1983). However, the new law greatly expanded the definition of who is eligible to receive CPB funds, many of whom at this point are not helping generate the match. Further, the multi-year authorization, which had been in effect barely two years, was reduced from five to three years in the 1978 Act (this had been done partially in anticipation of yet further changes in policy toward public broadcasting expected in the House "rewrite" activity), and the three-year advanced appropriations were being made during the first of the three years, thereby making them, in effect, only a two-year advance. The "long-term" nature of the process thus continued to erode, shrinking back toward the former pattern of annual appropriations. Finally, the President's budget recommendations for public broadcasting appropriations for fiscal years 1981-83 (\$162-\$182 million) suggest that the final amount of federal funds to be appropriated for the system over the next few years may continue to fall far short of the authorizations, thereby further undermining the insulation and level-setting principles embodied in the matching system.<sup>12</sup>

-20-

 $<sup>^{12}</sup>$ In its FY 1981 Budget the Carter Administration confirmed its decision reflected in its FY 1980 Budget to recommend increased appropriations to CPB of only \$10 million a year, to reach \$182 million in 1983 (4, p. 846). More recent unpublished, verbal reports from OMB indicate the recommendation for FY 1983 may be held at the FY 1982 level of \$172 million. 23

As noted, the Act also attaches many more conditions than ever before to station eligibility for those funds, adversely affecting the nature of CPB in performance of its insulation and leadership functions. Contrary to the spirit of the recommendations of Carnegie I and II and of the provisions of the 1967 and 1975 Acts, the 1978 legislation directs the Corporation to serve in nothing less than an official, "federal" regulatory capacity. The immediate social objectives of these provisions are an understandable, legitimate matter of contemporary public policy, but the long-range effect of the oversight cure may have consequences far more serious than the current disease. If recent policy trends continue, the system's efforts to seek the higher appropriations may invite the attachment of yet more serious conditions than it has already encountered.

There were also apparent contradictions reflected in the parallel legislative processes of the 1978 <u>Financing Act</u> and the "rewrite". For example, while the 1978 Act had maintained the principles of system-match and of major local discretion in the expenditure of federal funds, the "rewrite" moved entirely away from any system match, and thereby from any relation to levels of non-federal support, and it would have severely restricted the use of federal funds. The erosion of commitment to the system match was particularly curious in light of the fundamental Carnegie II recommendation for a direct "station match." Carnegie recognized the value to the stations of the system match, and it adopted a proposal for improving

-21-



on it.<sup>13</sup> The Carnegie report was published well before the second draft of the "rewrite" emerged, and in other respects its recommendations were acknowledged in the bill and in the subsequent subcommittee staff <u>Analysis</u> (37). Yet the direct station match proposal was ignored.

Another example of simultaneous divergence of policy was in the area of commercial support for programming. During several years preceeding 1978 reformers and others had expressed considerable concern about the role of corporate underwriters and the implications of current fund-raising practices in public broadcasting. This concern was reflected in at least one of the FCC inquiries noted above, and in the first version of the House "rewrite" bill there was an explicit prohibition on the acceptance by public stations of underwriting support.<sup>14</sup> Yet less than a year later, the same congressional subcommittee, while still voicing concerns about fund-raising efforts, nonetheless proposed that public stations be allowed to accept commercial advertising, a provision that contained the soeds of a whole new definition of "public" broadcasting [to observe the temptations fostered therein, see also (32)].

It is not entirely clear what the effects of the advertising provision would have been on other aspects of federal policy toward public broadcasting, but it

25

-22-

<sup>&</sup>lt;sup>13</sup>Under the "system match" mechanism the link between each non-federal dollar raised by an individual licensee and the generation of the subsequent federal match for it is somewhat obscure. Even though the current legislation now requires CPB to pass on one-half of its funds to the PTV licensees, CPB can still establish the terms of that distribution, and it has considerable discretion in the expenditure of the remaining half of its budget. As it is now, even though the overall system match ratio is 2:1, an individual station typically realizes far less than a 50% federal return. Under the "station match" mechanism the ratio would apply to each licensee directly. For these funds CPB, or the "Trust," would be only a pass-through agency, with no authority to influence their amounts or uses. Thus, at the Carnegie II rate of 1½:1 a station would automatically receive sixty-seven cents for each non-federal dollar raised by it.

<sup>&</sup>lt;sup>14</sup>The condition was that a licensee accepting program underwriting grants could not also receive grants for operations from the proposed "National Telecommunications Agency." See (39), pp. 166-167.

would have appeared to have called into question the tradition of a broadcasting service based on noncommercial, educational principles which have long had public funding support, especially from state governments. At the same time it would have raised questions about whether as a commercial enterprise public broadcasting could have continued, without making compensation, to use facilities funded with public tax monies and, perhaps more seriously, whether it could have realistically continued to expect to have reserved channels in the spectrum maintained for its purposes (the "grandfathering" provision for the reservations in the draft bill notwithstanding).

It was also unclear exactly why the advertising provision appeared. The bill's drafters recognized that the proposed new federal funding mechanism, while providing an initially large amount of support, would also greatly restrict the amount of long-term growth in federal assistance. As well, there was recognition of the restrictions in the bill on the use of that federal money.<sup>15</sup> Therefore the advertising provision could be seen as a means for generating the substantially larger amounts of unfettered funds the system would need. But the further question then would be, why would a ceiling on federal support be applied so soon in the history of the development of public broadcasting, and at such a low level?

Part of the answer doubtless relates to the problems of increased political visibility and "strings" discussed above. Another part of the answer, however, and as yet unacknowledged by any of the principals, may have had to do with the political exigencies of dealing with the commercial industry and with the differing

<sup>&</sup>lt;sup>15</sup>The \$1.50 per capita formula would have generated \$330m in FY 1983, as against the \$220m authorization for the same year in the 1978 <u>Financing Act</u>. The difficulty was that the rate of population growth is currently less than 1% per year. Also, only one-third of the \$330m would have been given directly to the stations and all of that would have had to go to programming. This compares with 58.2% of the FY 1980 CPB funds going directly to the stations for expenditures at their discretion. In FY 1979 there was also another \$24m going directly to the stations from NTIA in the form of facilities grants--a program that would have been terminated by the "rewrite" and which was almost cut in half by the House appropriations committee during the spring of 1979.

interests within the House subcommittee. After their experience with the first draft of the "rewrite" during 1978, when the bill was roundly denounced by nearly all parties, Chairman Van Deerlin and his staff knew they had a difficult task ahead in securing full subcommittee support. The needs of public broadcasting, the recent history of generally positive legislative assistance for the system and even some of the reform concerns counted for little against the problems of dealing with the demands of the common carrier and commercial broadcasting industries and their congressional supporters. It was already apparent that absent any major deregulatory concessions the commercial broadcasters would mount firm opposition to any form of spectrum fee--and certainly to one large enough to guarantee substantially higher levels of support for public broadcasting. In general the commercial industry was looking unfavorably on any proposal for larger levels of federal support for the noncommercial enterprise.

Chairman Van Deerlin's task was made that much harder when the Republican leadership on the subcommittee changed between 1978 and 1979. The ranking minority member on the subcommittee during the 95th Congress, Rep. Louis Frey from Florida, had been reasonably enthusiastic about the rewrite and was not seriously opposed to public broadcasting. His replacement in the 96th Congress, James Collins of Texas, was fiscally much more conservative than Frey, considerably less enthusiastic about the rewrite as a whole and a longstanding opponent of federal support for public broadcasting. The second version of the "rewrite" would have to contain significant compromises that would satisy Mr. Collins and the commercial broadcasters. Therefore, the terms of the public broadcasting provisions of the second "rewrite" bill may have had as much or more to do with the broad imperatives of securing bipartisan support for legislation acceptable to the



-24-

major commercial interests affected by it, than with any particular concern about the subsequent prospects for supporting and building a noncommercial, public telecommunications service. Such problems are likely to persist in the efforts to forge a "rewrite" out of the 1980 bills (H.R. 6121 and S. 2827) and to deal with public broadcasting's immediate need for an extension of the 1978 Financing Act.<sup>16</sup>

### Continuing Potential for Politicization

It is now clear that public broadcasting cannot avoid being asked to take cognizance of and respond to important public policy concerns. Political and journalistic resistance to government scrutiny, rather easily mobilized when the issue is highly partisan, weakens considerably when socially acceptable, non-partisan objectives are invoked. Past shortcomings of the system in the most sensitive of the social interest areas make it even more difficult to mount a defense against such scrutiny on the principles of "insulation" and "independence" when they may seem warranted. In spite of public broadcasting improvements in these matters the system risks continuing to be perceived as inadequately responsive.



-25-

28 -

<sup>&</sup>lt;sup>16</sup>If the policy uncertainties continue, a preferable option to accomplish at least minimal continued federal funding might be to provide a "continuing resolution" funding bill for a year or two. While perhaps the only short-term practical solution, the drawbacks of such a plan are that it effectively returns the funding process to the system of annual cycles of the early 1970s, provides no long-term guarantees and offers little or no growth in the amounts appropriated.

Further, as public broadcasting continues to enjoy wider audience success and is therefore taken by some to be increasingly competitive with private, commercial broadcasting and telecommunications services, it risks alienation of the traditional support of such industries. The influence of commercial broadcasting in the area of public policy making for noncommercial broadcasting should not be overlooked. Particularly with the growing popularity of the spectrum fee concept in some policymaking circles, the affected industries are likely to continue to insist that public broadcast funding, and the system's concomitant ability to compete, be kept in check. Even if the fee is technically distant from the direct support of public broadcasting, as proposed in the second Carnegie Commission report and in the second "rewrite", it will be seen as a tax which somehow influences the level of federal support for the system. Therefore if the spectrum fee proposal reappears the commercial industry will be doubly interested in keeping the fee as low as possible.

Overall, it is likely that legislative and regulatory provisions regarding public broadcasting will continue to be influenced more substantially by the struggles among much larger political and economic forces than by the most careful analysis of the needs of the enterprise. There is considerable conflict among these external agendas, and to various degrees they all detract from a discussion of how the long-term, broader public interest might be realized through public broadcasting. Nonetheless they are important pressures of the moment. They suggest that without an increasingly alert approach to these issues public broadcasting can count on few staunch allies as it seeks public policy responses related to its own mission and potential.



-26-

### Excessive Faith in Technological and Marketplace Solutions

Much of the reform impulse to overhaul the communications regulatory process is well founded. The history of broadcasting is rife with examples of the loss of public interest considerations in regulatory activity. But several of the factors and assumptions outlined above suggest a heavy reliance on technological innovation and free competition to provide increased diversity in electronic communications. As a result there no longer appears to be a ready feeling that, just because public broadcasting claims to be a noncommercial, locally-based cooperative system, its services are or will continue to be significantly different from those which commercial entrepreneurs will provide. While public broadcasters' own definitions of the public interest and service may be compelling enough to earn substantial support from communities around the nation, they are not necessarily seen as paramount any longer from the national policy and reform perspectives.

Of course the reliance on new technologies and new economic configurations may constitute more hopeful celebration than critical analysis. It is a faith which, while invoking certain sensible reforms, tends nonetheless to be naive both in the history of industrial and political economy in communications and in an understanding of how aspirations for technological promise and open marketplaces have been associated with important failures of public service. Yet, in spite of their past shortcomings, these dreams have seized the public



ERIC PHILEAN PROVIDENCE

30

policymaking imagination, and their inherent technological and economic determinism drives much of the policymaking analysis of options for public broadcasting. Unfortunately that analysis does not articulate a vision of the substance and quality of the communications experience it seeks to foster, and it expresses little sense of the fragility of the means to realize the public service ideal.

A major difficulty here has been that there are few strong voices pointing out these anomalies and reaffirming the need to guide technological development and related economic forces in light of a prior definition of public service needs. One result has been that traditional critics of the broadcasting industry have been attracted to the platform of policy reform, but they have been slow to perceive that the planks underlying it are, in fact, tilted toward interests on the rostrum that may not lead to truly improved public service. Few reformers and public broadcasters have observed that the policymaking process tends not to posit goals that center on people and on the nature of their discourse and real human community, that instead it turns to and responds to forces it perceives as being larger than and beyond human control.

### Forgotten Lessons in the Reform Experience

The communication reform movement's struggle with corporate organization and the government regulatory apparatus is not new. Its roots stretch back at least to the last two decades of the nineteenth century and the rise of the populist and progressive reform traditions. Yet within the current reform effort there appears to be little awareness of that history and of how, in fact, much of the current frustrations with the structure of the communications industry, with the nature of its services and with the workings of the regulatory process derive in large part from the errors and compromises made by an earlier generation of reformers, well before the advent of broadcasting.



-28-

Certainly the contemporary critics have had more time than their forebearers to observe and try to deal with the extent to which developments in large complex corporate and government enterprise have changed the fundamental rules of economics and politics. Yet, as the underlying message of the various regulatory and legislative initiatives in recent years suggests, the broadcast reform community remains relatively unable to act upon that experience.

To be sure, there have been certain important changes brought about by the efforts of the various reform groups (3). But they have tended to be adjustments within the well defined limits of current communications law and regulatory practice, conditions that are impervious to substantive policy and structural change. For example, efforts to broaden the criteria for those with standing in regulatory proceedings, to reduce the amount of commercial television advertising on children's programming, to effect greater public access to commercial and public station governance and management, and to enhance the portrayal of minorities and women tend to lead to protracted regulatory and congressional inquiries and to only rather modest adjustments in overall broadcasting performance. They consume considerable political energy and capital while ignoring or failing to deal with such developments as the continuing concentration of control in the cable and satellite program distribution industries, the further diminution (outside of public broadcasting) of local voice and control in telecommunications, and the failure so far to provide any real diversity in programming and service. While reformers and public broadcasters have been diverted into mighty struggles with one another over personnel and other practices in the noncommercial media, the major political and economic forces have been quietly working out the terms for the eventual total deregulation of commercial broadcasting and potentially serious limitations on federal support for the public system.

 $32^{\circ}$ 



~29~

There was a tendency in the reform movement of the early twentieth century to fall back on an "illusion of fulfillment"--to mistake approaches to problems for their solutions (46, pp. 222-223). There appears to be a similar difficulty in the contemporary communications reform effort. There is a certain inability to recognize, let alone to act upon, the extent to which there is a continuing and unresolved conflict between "public service" and "commercial" policies regarding the control of broadcasting (47, p. 135). The nature of the current political and economic problems appears to be only dimly understood and, for all the celebration of new technology and program possibilities, the old conflicts persist with little evidence that current approaches are rendering any broadly satisfactory resolutions.<sup>17</sup>

-30-

### Softening of Support for Public Funding

The general economic conditions, the prevailing beliefs about technology and the marketplace, the questions about the necessity and performance of public broadcasting and the concern about the costs of the tradeoffs involved all suggest that there may be some limits on the extent to which governmental funding may continue to grow. Again, one does not wish to overstate the extent of the public service spending "pause" throughout the nation. Nonetheless the warning signs are there, and clearly at the federal level there are questions about just how much further above currently projected levels of appropriation the public broadcasting system can expect to move, regardless of what it generates in non-federal support.

In a time of rhetoric about budget austerity, noncommercial communication needs are likely to be assigned lower priority than more apparently concrete forms of public welfare. Particularly if public broadcasting continues to be perceived as the province of those more able and willing to pay for it, there will be pressure to reduce support for the general treasury. As

<sup>&</sup>lt;sup>17</sup>For more on the problems encountered by the broadcast reform community and its heritage see (30).

reflected in the second "rewrite" bill there are also likely to be continuing efforts to seek new forms of funding, often with little regard for the consequences of changed purpose and structure.

## <u>Public Broadcasting Slowness to Recognize the Extent of Policy and Other</u> <u>Environmental Changes</u>

As noted above the public broadcasting community has had difficulty assessing the importance of a number of these public policy matters and addressing itself to them. For all the reasons listed it has been slow to recognize--and mobilize itself to deal with the discovery--that, indeed, as a system it may have been deficient in a number of areas such as equal employment opportunity, clear and credible accounting procedures, and attention to program needs of minorities and women and to the concerns and value to the system of independent producers.

Similarly, the stations have long talked about broadening their local communications services--to create local "public telecommunications centers"-and several have made impressive progress. But, as a system, public broadcasting's activities in this area do not show up clearly to the national observer. Whether justified or not, public broadcasters are often seen as too committed to an increasingly obsolete form of distribution and function and of not seizing and taking advantage of new service and programming opportunities.

There is an impression among many policymakers and others that the system is parochial in its thinking, that short-term internal political concerns dominate its policy debates, that its services and delivery plans are largely passive, or reactive at best, and that there is a large measure of vagueness in the system's own view of its purposes, needs, strengths and weaknesses.



. · ·

The reitive accuracy or inaccuracy of these judgments is largely beside the point. On matters such as these it is sufficient only that there be <u>perceived</u> to be problems for the system to have difficulty making its case in the political arena. Regardless of their justification, the set of critical perceptions is a reality, and it is a driving force in the policymaking process for public broadcasting.

-32-



#### NEEDS IN RESPONSE TO THE POLICYMAKING ENVIRONME. T

Above all the impression left by the outline of factors and problems in this paper is one of change, uncertainty and sometimes contradiction in the policy approach to public broadcasting within the federal government and among the communications reform community, and an equal degree of uncertainty and confusion in the response of public broadcasters themselves. These conditions suggest a number of changes and new directions that need to be undertaken in the regulatory and legislative arena by all three parties.

#### The Communications Reform Community

The various divisions within the reform community would profit from a close, hard reexamination of their own histories, reviewing their origins and considering the experience of their forebearers. In this regard they would do well to assess the extent to which their broader agendas for telecommunications (that is, beyond the specific concerns about public broadcasting) may be in jeopardy due to compromises they may have had to make, which were in turn due to conditions in the larger political and economic environment for policymaking that they may not have yet been able to recognize or effectively address. As well the reform community might find it useful to reexamine its relationships with public broadcasting to determine whether the possibility exists for a renewed partnership with that institution for approaching telecommunications policy matters on the grounds of a common interest in preserving and strengthening a public service capacity among the American electronic media.

### The Policymaking Community

Those in this community now represent a large, heterogeneous set of interests, including several of the major reform positions. In the conflict among those interests's relatively weak public



36

-33-

broadcasting voice is likely to go unheard. The policymakers may therefore find it useful to assess the broad public interest costs of the current policy shifts and uncertainties in the approaches to public broadcasting. They may wish, for instance, to analyze carefully the series of compromises that were made in the effort to secure a broad base of political and industrial support for the second "rewrite," and to assess what the public interest implications would have been if, say, advertising had been instituted in public broadcasting or if the per capita "population match" formula had replaced the successful "system match" mechanism.

Similarly it might be instructive to assess the extent to which certain policy approaches may have unexpected and undesirable consequences. One wonders, for instance, about the long-term impact on the principle of CPB as a buffer between the government and the stations when the Corporation's grant making function is used to oversee accomplishment of certain, albeit in this instance laudable, social goals. With this precedent established what are the implications for public broadcasting should there be a return to the political attitudes about the media prevalent in the executive branch during the early-1970s?

To guide such reassessments the policymaking community might also seek to clarify its own perception of the role of public broadcasting in American telecommunications. It needs to face squarely the assumptions implicit in much of its current policy positions and to seek a definition of public broadcasting rooted, not in dubious hopes for technology or economic theory, but in public service needs and goals.

### The Public Broadcasting Community

Public broadcasters would do well to provide a clearer expression of their purpose and better evidence of appropriate action. There already is much in the nature and activities of public broadcasting that is responsive to the

ERIC Full Text Provided by ERIC -34-

changing policy environment, and there is much in the system capable of helping it make improvements where necessary. Such capabilities, however, are not widely enough perceived and exploited. Therefore, the system could to do a better job formally of evaluating public needs, setting goals that meet those needs and demonstrating how the role that public broadcasting plays will remain important to the public even as technology alters the communications industry. Further, the system needs to organize and manage its resources and services at every level so as to enhance the best of what it has to offer. The decision of the public television licensees in 1979 to undertake the development of a set of multiple national program services is an example of the sort of reorganization necessary.<sup>18</sup>

As well, public broadcasting needs to recognize and respond to its shortcomings. As a system of its current size and responsibilities it has become a major national institution and should develop the capacity as a system to deal with legitimate public interests and problems. Failure to do so only weakens the case for continued public support of public broadcasting, and extensive debate about the accuracy of data, the validity of charges and the independence of the licensees may not be particularly helpful. The system should acknowledge those areas where system performance is lacking and, as in activities such as those of the Interregional Council on Public Television Policy during 1978-79, mount an aggressive campaign of action to deal with them(27). Forthright action and clear progress, rather than defensive rationalizations, are the means by which to reduce the anxieties of others about the system's performance.

Also, it is clear that, although in certain technological areas public broadcasting has been a significant leader, the system needs to

-35-

<sup>&</sup>lt;sup>18</sup>This decision was taken at the Annual Members Meeting of PBS, June 24-26, 1979 in Los Angeles and was part of the system's response to recommendations of the PBS "System Planning Project." See (29) 20

improve its approach to the use of new technologies for public service purposes. To do this public broadcasting will need to become even more involved in efforts to influence the direction of change in the creation of new technological opportunities, their marketing, and the development of services they may make possible. This implies a wide-ranging program of technological research and development, careful study of commercial communications industry services and trends, and close planning and coordination for the development and implementation of new noncommercial, public program and information services. Public broadcasting has accomplished much in the development of new technology in some areas; it must now accept the challenge of those technologies which the system itself may have so far been little able to influence but which provide great opportunity for better service to the public.

The need for such an approach extends beyond the purely technological. As an institution public broadcasting requires a general capacity for flexibility and change in the face of the likely continuing adjustments among the commercial industries and in the policymaking responses. Because the public television planning efforts in 1978-79 were sensitive to the tradition of local control and because the stations had already completed the transition to their satellite distribution system, with its capacity for supplying 3-4 signals nationwide, the recommendation for the move toward the provision of a set of multiple national program services was relatively straightforward and consistent with various policy considerations. To the extent such changes ultimately increase the number of diverse public channels available locally, broadening the range of services and involving more and different participants, the public telecommunications system will have a strong claim on federal and state support. To the extent such changes are merely internal corporate restructurings with no discernible program service or other changes, the recent uncertainties about the system will increase and the pressures to move even more fully into a commercial marketplace model for all of telecommunications will gain in

39

strength.

-36-

Further, the system as a whole needs to improve its policy ascertainment and representation capacity, adopting a more active, self-guided approach to the government's regulatory and legislative process. While appropriately avoiding partisan politics, public broadcasting cannot remain aloof from the general political process. It needs to learn how to engage that process--to try to understand it better, to ascertain developing policy issues early-on, to assess the assumptions underlying those issues, to evaluate the system's performance in light of such concerns, to describe the system's views of its record and activity, and to chart with reformers and policymakers improvements where necessary.<sup>19</sup> It should broaden its own contacts and seek alliances with those whose interests in public service consequences are also strong.

Finally, in all these areas the role of the individual stations and licensees will be crucial. Public broadcasting remains one of the few institutions in electronic communications and the mass media generally that offer any capacity not only for substantial local community service and dialogue, but also for significant local control of national organizations and services. But the right to that positioning of control and service policy determination is constantly under attack. Public broadcasting is no less vulnerable to all the political and economic pressures that elsewhere in communication tend the other way, toward concentration of control and the homogenization or stratification of service.

The obligations of the stations are therefore considerable. While agreeing to help establish the new multiple program services and therefore to diversify the number of nationally distributed signals available locally, each licensee will have to resist the temptation to sit back and just take what the cornucopia from around the system provides. While agreeing to support cooperative activities to

-37-

<sup>&</sup>lt;sup>19</sup>The needs outlined here are matters for the entire public broadcasting community to address. One step, but by no means the only one necessary, was the SPP recommendation and the subsequent decision by the public televition licensees in 1979, as a corollary to their reorganization of themselves and of PBS, to create a new national organization for public television planning, representation and research. The new agency was incorporated in October 1979 as the Association for Public Broadcasting. See (10) and (29).

review and recommend changes in system performance in a number of the crucial policy areas, each station will have to avoid the danger of assuming that somebody in Washington or in a representative organization will solve the problems for the system. Each licensee will have to give substance to the shift from publi. <u>broadcasting</u> to public <u>telecommunications</u>, it will have to demonstrate the reality of significant and diverse local services, and it will have to adjust its personnel, fiscal and other practices so that its performance on these matters becomes not merely correct and better, but innovative and outstanding. The measure of success of public broadcasting as a system in the 1980s will be the record of its efforts to maintain and build strength into each local institution of public telecommunication.

In general, then, a public broadcasting community more candidly cognizant of its own performance, making clear progress toward improvements on any shortcomings and reaching out to cooperate with other institutions has little to fear and much to gain in the federal policy environment. Indeed, from such a posture it is much more likely to be able to rouse itself and some of its former allies from the various episodes of somnolence in the recent past and begin to exercise more control over its own destiny.

-38-

К., . М., . К., . К., . К., . К., .

.

à.

ŧ

41

		Non-Federal				
	Facil					
	Authorization	Appropriation	Authorization	Appropriation	Total Appropriations	Total Non-Federal System Income
1969	12.5	4.4	9.0	5.0	9.4	112.0
1970	15.0	4.3	20.0	15.0	19.3	127.0
1971	15.0	11.0	35.0	23.0	34.0	162.9
1972	15.2	13.0	35.0	35.0	48.0	174.5
1973	` 25.0	13.0	45.0	35.0	48.0	199.2
1974	25.0	15.7	55.0	47.8	63.5	223.4
1975	30.0	12.0	65.0	62.0	74.0	272.5
1976	30.0	12.5	88.0	78.5	91.0	303.2
tq <sup>c</sup>	7.5	4.0	22.0	17.5	21.5	
1977	30.0	15.0	103.0	103.0	118.0	346.8
1978	30.0	19.0	121.0	119.2	138.2	391.6
1979	40.0	18.0	140.0	120.2	138.2	428.6
1980	40.0	23.7	160.0	152.0	175.7	469.1
1981	40.0	21.7	180.0	162.0	183.7	
1982	**		200.0	172.0 <sup>d</sup>		
1983			220.0			

Table 1: Federal and non-federal funding to public broadcasting, 1969-1983 (\$ millions)<sup>a</sup>

<sup>a</sup>Does not include certain program or other special project grants from various federal agencies.

<sup>b</sup>Compiled from CPB estimates, subject to further adjustments in some years.

<sup>C</sup>Transition Quarter (July 1 - September 30).

<sup>d</sup>Carter Administration may request holding FY 1983 appropriation at \$172.0 m level.

#### REFERENCES

- Baer, Walter S. "Telecommunications Technology in the 1980's," in Glen

   Robinson. ed. <u>Communications for Tomorrow: Policy Perspectives</u> for the 1980s. New York: Praeger, 1978.
- Blakely, Robert J. To Serve the Public Interest: Educational Broadcasting in the United States. Syracuse: Syracuse University Press, 1979.
- Branscomb, Anne W. and Maria Savage, "The Broadcast Reform Movement: At The Crossroads," <u>Journal of Communications</u> 28, Autumn 1978, pp. 25-34.
- 4. The Budget of the U.S. Government for Fiscal Year 1981, Appendix. Washington, D.C.: Government Printing Office, 1980.
- Carey, James W. and John Quirk. "The Mythos of the Electronic Revolution." Parts I and II. <u>The American Scholar</u>. Vol. 39, Nos. 2-3, Spring, Summer, 1970.
- Carnegie Commission on Educational Television. <u>Public Television: A</u> Program for Action. New York: Harper and Row, 1967.
- 7. Carnegie Commission on the Future of Public Broadcasting. <u>A Public Trust</u>. New York: Bantam, 1979.
- Chapman, Stephen. "Down With Public Television," <u>Harpers</u>. August, 1979, pp. 77-84.
- Corporation for Public Broadcasting, <u>Report of the Task Force on the Long-Range Financing of Public Broadcasting</u>. Washington, D.C., 1975.
- 10. CPB Report, Vol. 10, Nos. 20-21, October 15, 29, 1979.
- Federal Communications Commission, Notice of Inquiry. "AM Stereophonic Broadcasting." General Docket No. 21313, June 22, 1977.
- 12. Federal Communications Commission, Notice of Inquiry. "Amendment of the Commission's Rules Governing the Eligibility for Noncommercial Educational FM and TV Broadcast Station Licenses." BC Docket No. 78-164, June 13, 1978.
- Federal Communications Commission, Notice of Inquiry. "An Inquiry into the Future Role of Low Power Television Broadcasting and Television Translators in the National Telecommunications System." BC Docket No. 78-253, August 24, 1978.
- 14. Federal Communications Commission, Notice of Inquiry. "Commercial Television Network Practices and the Ability of Station Licensees to Serve the Public Interest." General Docket No. 21049, January 14, 1977.

- Federal Communications Commission, Notice of Inquiry. "Commission Policy Concerning the Noncommercial Nature of Educational Broadcast Stations." General Docket No. 21136, March 15, 1977.
- 16. Federal Communications Commission, Notice of Inquiry. "FM Quadraphonic Broadcasting." General Docket No. 21310, July 6, 1977.
- 17. Federal Communications Commission, Notice of Inquiry. "Inquiry into the Economic Relationship between Television Broadcasting and Cable Television." General Docket No. 21284, June 9, 1977.
- 18. Federal Communications Commission, Notice of Inquiry. "VkHz Channel Spacing for AM Broadcasting." BC Docket No. 79-164, July 2, 1979.
- Federal Communications Commission, Notice of Inquiry. "Re-evaluation and Revision of the UHF TV 'Taboo' Table." General Docket No. 20485, May 22, 1975.
- 20. Federal Communications Commission, Notice of Inquiry and Notice of Proposed Rulemaking. "Clear Channel Broadcasting in the Standard Broadcast Band." General Docket No. 20642, December 11, 1975.
- Federal Communications Commission, Notice of Inquiry and Notice of Proposed Rulemaking. "Deregulation of Radio." BC Docket No. 79-219, October 5, 1979.
- 22. Federal Communications Commission, Notice of Proposed Rulemaking. "Amendment of the Commission's Multiple Ownership Rules to Include Educational FM and TV Stations." BC Docket No. 78-165, July 14, 1978.
- 23. Federal Communications Commission, Notice of Proposed Rulemaking. "Changes in the Rules Relating to Noncommercial Educational FM Broadcast Stations." General Docket No. 20735, April 19, 1976.
- Federal Communications Commission, Notice of Proposed Rulemaking. "Modification of FM Broadcast Station Rules to Increase the Availability of Commercial FM Assignments." BC Docket No. 80-90, March 14, 1980.
- 25. Federal Communications Commission, Notice of Proposed Rulemaking. "UHF Relevision Receiver Noise Figures," General Docket No. 21010, December 16, 1976.
  - 26. Federal Communications Commission, Notice of Proposed Rulemaking. "Children's Television Programming and Advertising Practices," General Docket No. 19142, December 28, 1979.
- 27. Interregional Council on Public Television Policy. "Summary of Background Papers and Recommendations." Washington, D.C.: NAEB June, 1979.
- "Little chance on the Hill for change in broadcast law." <u>Broadcasting</u>. August 6, 1979, pp. 28-29.



- 29. Public Broadcasting Service, Vice Chairman's Office, System Planning Project, Project Papers, Nos. 1-11, (Washington, D.C.: NAEB, forthcoming).
- 30. Rowland, Willard D., Jr. "The Illusion of Fulfillment: Problems in the Broadcast Reform Movement and Notes on the Progressive Past," Champaign: Institute of Communications Research, 1980.
- 31. Rowland, Willard D., Jr. "Public Involvement: The Anatomy of a Myth" in Cater, Douglass and Michael Nyhan, eds. <u>The Future of Public Broadcasting</u>. New York: Praeger, 1976.
- 32. Schwartz, Louis, et al. "Institutional-Oriented Underwriting Plan for Public Broadcasting." Joint comments filed with the FCC in Docket No. 21136, January 8, 1979.
- U.S. Congress. <u>Educational Television Facilities Act of 1962</u>. P.L. 87-447.
   87th Congress, 2d Sess., May 1, 1962.
- 34. U.S. Congress. <u>Public Broadcasting Act of 1967</u>. P.L. 90-129. 90th Congress, 1st Sess., November 7, 1967.
- 35. U.S. Congress. <u>Public Broadcasting Financing Act of 1975</u>. P.L. 94-192. 94th Congress, 1st Sess., December 31, 1975.
- U.S. Congress. <u>Public Telecommunications Financing Act of 1978</u>. P.L. 95-567.
   95th Congress, 2d Sess., November 2, 1978.
- 37. U.S. House of Representatives. <u>H.R. 3333</u>, "The Communications Act of 1979" <u>Section-by-Section Analysis</u>. 96th Congress, 1st Sess., April, 1979.
- U.S. House of Representatives. <u>Public Telecommunications Financing Act of 1978</u>, <u>Conference Report</u>. Report No. 95-1774. 95th Congress, 2d Sess., October 12, 1978.
- U.S. House of Representatives. "Communications Act of 1978." H.R. 13015.
   95th Congress, 2d Sess., June 7, 1978.
- 40. U.S. House of Representatives. "Communications Act of 1979." H.R. 3333. 96th Congress, 1st Sess., March 29, 1979.
- 41. U.S. House of Representatives. "Telecommunications Act of 1979." H.R. 6121. 96th Congress, 1st Sess., December 13, 1979.
- 42. U.S. House of Representatives, Subcommittee on Communications. Options Papers. 95th Congress, 1st Sess., May, 1977.
- 43. U.S. Senate. "Communications Act Amendments of 1979." S. 611. 96th Congress, 1st Sess., March 12, 1979.



- U.S. Senate. "Communications Act Amendments of 1980." S. 2827. 44. 96th Congress, 1st Sess., June 12, 1979.
- U.S. Senate, "Telecommunications Competition and Deregulation Act of 1979." 45 • S. 622. 96th Congress, 1st Sess., March 12, 1979.
- Wiebe, Robert. The Search for Order, 1877-1920. New York: Hill and Wang, 46 • 1967.
- Williams, Raymond. <u>Television: Technology and Cultural Form</u>. London: Fontana/Collins, 1974. 47.



