

# The History of Public Broadcasting

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*Dr. James R. Killian, Jr. chaired the Carnegie Commission on Educational Television. The commission's 1967 report laid the foundation for the modern era in public broadcasting.*

## **The History of Public Broadcasting**

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*Broadcasters producing a radio show at WHA, the Wisconsin station that helped launch radio in the early 1900s under the name 9XM. William Siemering, the father of National Public Radio's flagship nightly newscast All Things Considered, is second from left.*

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## INTRODUCTION

This is not a general history. Rather, it is a guide to how public broadcasting came to be structured as it is, and how its principal issues—from long-range financing to program decision-making—have developed over time.

Our first intention is to be useful to policy-makers and managers who were not closely involved with public broadcasting during its formative years. We don't suggest that the past is an infallible guide to the future; we're not even sure that those who ignore history are doomed to repeat it. Rather we recognize that we have to deal with the effects of our history every day. If we know how we got here, we're less likely to stumble over fundamentals as we make decisions for the future.

We in public broadcasting tend to accept the way things are, including some very contrived relationships or practices, much as we do the code words of our own business. Take "interconnection," for example. We use the word in public as if it might bring forth the full vision of what we mean by it; yet "interconnection" is really a redundant collection of syllables that has become representative of much more to those of us in public broadcasting. If we don't question words that have been around a long time, and which may never have been adequately explained to newcomers with all their nuances, we may be just as remiss in articulating to ourselves and others the full dimensions of the concepts underlying broadcasting.

If we are remiss, we suffer two consequences. First, we may not be explaining to newcomers how clever some of the solutions are, given our sometimes frail, decentralized and stubbornly democratic institution. This consequence could be damaging because we are on the verge of a new generation of leaders at the stations, a generation that was not present at the creation.

Second, if we do not understand why things are as they are and—even worse—don't question them, we may not be able to get beyond solutions that were clever only in their time.

Public broadcasting is entering a new era of maturity as it approaches the third decade of a national commitment to public broadcasting. If we are to grace that decade with the achievement of a vision that shows a substantial improvement over what we are today, we must understand how to challenge our own way of doing business. Finding out why we do business as we do should help in sorting out what is still relevant and what is not. This history will illuminate many issues and principles that public broadcasting's early leaders defended as articles of faith, or the only means to a larger vision. The discussions of and external challenges to these principles provide important context for the new generation of managers.

We came to the idea of this issue-oriented history simultaneously; the Corporation for Public Broadcasting's interest was to document the history as prologue to strategic planning for the entire public telecommunications industry. CPB proposed publishing the history in *Current* as a means of getting an important story the broadest possible distribution.

The history consists of an edited version of *A Tribal Memory of Public Broadcast-*

*ing: Missions, Mandates, Assumptions, Structure* which was commissioned by CPB and written by John Witherspoon and Roselle Kovitz, from the Center for Communications at San Diego State University. Those who want more detail, or who would like to check the historical references in the unedited book, may obtain a copy by contacting CPB's office of policy development and planning in Washington, D.C.

The history of public broadcasting—its tribal memory—is an amalgam of the purposes, expectations, and results of the people who built it; the charters, policies, pronouncements, and actions of its institutions; the mandates and restrictions imposed by law and regulation; and the record of how these forces worked.

One of the most valuable lessons of history is that very few principles and assumptions are delivered on divinely inspired stone tablets. It's up to succeeding generations of fallible human beings to learn from their past, apply whatever wisdom is available, and make the next decision. For public broadcasting, an ideal that is still under construction, those decisions tend to be complex and difficult. We hope this contribution to the tribal memory will help.

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## CHAPTER 1.

# The First Half Century

**P**ublic broadcasting began in education. Its first stations were licensed to educational institutions; eventually the government reserved channels for a new category of “noncommercial educational” stations; and when local, state, and federal tax support began, authorizing laws typically mandated an educational mission.

“Education” in American broadcasting has never meant just instruction. Rather, public broadcasting’s programming mission traditionally has centered on alternative programming: programs which probably could not survive in the ratings-oriented commercial system, but which are perceived to be of value to particular audiences. Even stations which carry little or no formal instruction are seen as educational, just as museums, libraries, or theater groups often are considered broadly as educational community resources.

Educational institutions customarily are supported by personal, foundation, or corporate philanthropy, and by the public purse. Whether they are supported mostly by taxes—like public schools—or mostly by philanthropy—like symphony orchestras or art museums—they stand apart from conventional business. Schools, museums, libraries, orchestras—and public broadcasting stations—are considered cultural assets; one cannot measure their success simply by the standards of the marketplace.

But commercial broadcasting does live in a turbulent marketplace; its programs and revenues are clearly linked. In contrast, public schools and libraries clearly are the responsibility of the body politic; they provide public services paid for by taxes. Public broadcasting lies somewhere between, and seven decades after 9XM took the air on the campus of the University of Wisconsin, there still has not been a satisfactory public policy decision about how to support “noncommercial educational” broadcasting. Arguments over advertising began in 1934. They continue today. President Johnson promised to propose a financial plan in 1968, but it was not to be. Public broadcasting today lives on an uneasy mix of audience subscriptions, local, state, and federal tax support, traditional philanthropy, sale of services and program-related products, and the increasingly enhanced underwriting which represents the system’s compromise with advertising. This combination may be America’s *de facto* decision about support, but there is no sign that the discussion is ending.

Public broadcasting’s missions, mandates, and assumptions are reflected in a few closely intertwined facts and themes:

- Its roots are in education. This is more than an historical artifact; it’s a matter of law.
- It has unique programming responsibilities. These go beyond conventional education and are intended to provide Americans with programming not feasible in a

commercial system.

- It has by law responsibilities to specific audience groups, producers, and those traditionally unable to achieve equity in employment.
- Its long-range financing problems have not been solved, which affects public broadcasting's program output.
- It is the world's most decentralized broadcasting system.

### **THE FOUNDATIONS**

The first half century of public service radio and television developed in spite of the Great Depression, some educators' reluctance to try new ideas, the country's orientation toward a commercial system, and a pervasive conventional wisdom which doubted that educational broadcasting could ever amount to much. The difficulties were so great, progress seemed so slow, and public attention was then so slight, that it's easy to assume that the world began with the Carnegie Commission in 1966.

But this would ignore the accomplishments which established public broadcasting and laid the foundations for its development. These included:

- establishing many of the nation's first radio stations, dating from 9XM (now WHA), in Madison, Wisconsin, in 1917.
- establishing the principle of reserved channels, on a limited basis in 1938, and fully with the reservation of FM frequencies in 1940 and 1945.
- establishing the principle of audience-supported broadcasting, by the Pacifica stations.
- establishing television channel reservations in 1952.
- developing a prototype national program service by the National Association of Educational Broadcasters (NAEB).
- developing early "noncommercial educational" television stations, supported mostly by the Ford Foundation, educational institutions, and community groups.
- establishing National Educational Television, public TV's first major national program service.
- establishing the principle of federal support with the Educational Television Facilities Program in 1962.
- establishing the first regular interconnection system for public broadcasting, by the Eastern Educational Network.

### **A SPECTRUM FREE-FOR-ALL**

Not long after Guglielmo Marconi developed wireless telegraphy in 1895, and Reginald Fessenden succeeded in transmitting voice messages in 1906, amateur radio enthusiasts began crowding the airwaves. A spectrum free-for-all ensued. In his 1950 history of broadcasting, *Radio, Television, and Society*, Charles Siepmann noted "all the virtues and defects of unfettered enterprise were exemplified in the mad rush to develop the new market—rapid expansion, ingenious improvisation, reckless and often unscrupulous competition, in which the interests of the consumer (and, in the long run, of the producer also) were lost from sight."

Radio's capability of reaching large audiences, coupled with the inherent scarcity of channels and many competing interests thrust the new communications miracle

into the center of an unpleasant “custody” battle.

In response, the federal government made several attempts to regulate radio communication in its early years, including the Radio Act of 1912, which required radio operators to obtain a license from the secretary of commerce.

Early radio was mostly a way for ships at sea to communicate: The S-0-S from the Titanic in 1912 was an example. Consequently, the government banished amateur radio operators from the air during World War I, sealed their equipment, and gave the military control of the airwaves. During the war the Navy, in the industry’s first coordinated effort, advanced radio to an extent not possible during the earlier years of chaos. At the war’s end in 1917, the Navy touted its war-time technical advances and proposed that Congress leave it to control radio. Legislation to do this was introduced in Congress in the fall of 1918.

The legislation’s advocates and opponents went to work. The State Department and the Army supported the bill. Amateur radio enthusiasts, headed by Hiram Percy Maxim, president of the American Radio Relay League, opposed it. The bill’s supporters pointed to the Navy’s recent achievements as reasons it should maintain control over the industry. Maxim argued that the technical achievements the Navy was so proud of came largely from the amateurs he represented. Most of these were once again civilians. So a Navy monopoly, Maxim maintained, would prove a disaster.

But it was Congressman William S. Greene who added the crowning blow for the Navy’s opponents. Greene said he had “never heard before that it was necessary for one person to own all the air in order to breathe” and warned that, “having just won a fight against autocracy, we would start an autocratic movement with this bill.” The Navy’s bill died in committee.

### **THE UNDAUNTED NAVY**

Disappointed but undaunted, the Navy pursued another avenue: creating a private monopoly sympathetic to its interests. It began closed-door discussions with General Electric. Within a year GE gave birth to the Radio Corporation of America. RCA immediately achieved the dominant role in international communications. No wonder. Its partners included not only GE, but Westinghouse, American Telephone and Telegraph, and United Fruit. And the new radio corporation owned some 2,000 electronic patents. It is also no surprise that in 1924 RCA, AT&T, GE, Westinghouse, and United Fruit became the targets of antitrust allegations and Federal Trade Commission investigations.

The possibility of FTC hearings made these companies especially interested in settling matters themselves, so, despite bickering over pieces of the radio pie, the companies already had begun secret negotiations. When the dust settled, AT&T was in the telephone and telegraph business. GE, Westinghouse, United Fruit, and RCA remained radio broadcasters, manufacturers and equipment distributors. In 1926, RCA formed the first network, the National Broadcasting Company.

While the industry still lacked significant regulation, the government’s decision not to grant the Navy, or any other government arm, control of the medium was a fundamental decision in the history of U.S. broadcasting which distinguishes it from systems then emerging in virtually every other developed nation in the world.

Under the U.S. system in the 1920s, the Secretary of Commerce, then Herbert Hoover, was the radio industry's sole licensing authority. President Warren Harding, seeing the chaos in radio communications, directed Hoover to call a radio conference in Washington to advise the secretary about the limits of the government's power and help develop proposals for regulatory legislation. The professionals who attended the conference had lots of ideas, but failed to agree on what form regulation should take. Hoover called three more such conferences in a futile attempt to reach consensus on the kind of legislation necessary.

In 1923 Hoover made a desperate attempt to impose order over the airwaves by reassigning most stations' frequencies. Broadcasters challenged Hoover's authority on the grounds he had exceeded his statutory powers and in 1926 the courts forced Hoover to stop. The industry was now hopelessly out of control and begged for legislation to relieve the chaos that threatened to destroy this young but potentially powerful medium.

Help came the following year. On February 23, 1927, Congress approved the Dill-White Radio Act of 1927, giving the government discretion over granting frequency licenses based on a standard of "public interest, convenience and necessity." The act created the Federal Radio Commission as the temporary, but sole, licensing authority for the industry. The 1927 legislation also forbade monopolies and established a precedent, based on the First Amendment, of prohibiting government intrusion into programming. But the Radio Act of 1927 did more than provide immediate relief for an industry in distress; it set the stage for the legislation that still governs the broadcasting industry today: the Communications Act of 1934.

### **ROOSEVELT TAKES ACTION**

By the time Franklin D. Roosevelt took office in 1933, the Federal Radio Commission—originally expected to last a single year—had existed for six years. Roosevelt quickly established an interdepartmental committee under the direction of Secretary of Commerce Daniel C. Roper to study the entire communications industry nationwide. The commission's task was to suggest legislation to replace state regulations for the radio, telephone and telegraph industries with national rules enforced by a single, permanent regulatory commission. The committee's report gave Roosevelt the ammunition he needed to go before Congress on February 26, 1934 and recommend consolidating the Federal Radio Commission and the communications interests of the Interstate Commerce Commission under a new agency, the Federal Communications Commission. Senator Clarence Dill (D-Wash), also the sponsor of the 1927 act, and Congressman Sam T. Rayburn (D-Tex) introduced bills that eventually became the Communications Act of 1934.

The act was controversial. Many critics expressed concern over the growing commercialization of the airwaves. Educational institutions operated many early stations, and radio's potential to extend and enhance education had been widely recognized. But in the late '20s and early '30s the Great Depression and the growing pressure for commercial development of the radio spectrum reduced the number of educational stations. It appeared that without reserved frequencies, educational radio might die. Educators, churchmen, and labor leaders came forward, stressing radio's educational and cultural potential. The debate reached the floor of the

Senate when Senator Robert F. Wagner (D-NY) introduced an amendment requiring the commission to reserve and allocate one-fourth of all radio broadcasting facilities to nonprofit stations.

The amendment called for withdrawing all existing broadcast licenses, and reallocating frequencies, power, and operating hours for all stations within 90 days. It also required the FCC to allocate comparable frequencies to commercial and nonprofit stations and ensure that the facilities reserved for nonprofit stations would “reasonably make possible the operation of such stations on a self-sustaining basis, and to that end the licensee may sell such part of the allotted time as will make the station self-supporting.” The amendment sparked heated debate.

Its authors strongly advocated the need for educational, religious, agricultural, labor, and other nonprofit organizations in the radio industry. Opponents said the amendment was unreasonable. They argued that reallocating frequencies was a monumental task which could not be accomplished in 90 days, or even six months. During the debate over the amendment, Wagner agreed. But the clause authorizing noncommercial stations to sell time to cover expenses came under the heaviest fire, and most likely sealed the amendment’s fate. In the final vote, Wagner’s proposal was defeated 42 to 23. But in a conciliatory gesture, Congress included a section in the Act requiring the FCC to study assigning channels to nonprofit organizations.

On June 19, 1934, the Communications Act of 1934 became law. In its final form the act established the Federal Communications Commission as a permanent federal agency to regulate interstate and international communications by wire and radio. The act called for the FCC to be a bipartisan commission of seven commissioners serving seven-year terms. The act granted the FCC power to issue and revoke licenses, allocate frequencies for broadcast and experimentation, and study new uses for radio. It also established specific conditions for applying for licenses.

With the FCC in place and a coherent piece of legislation now governing the industry, broadcasting enjoyed more orderly development, benefiting both broadcasters and listeners. But education’s role remained uncertain.

### **EARLY SUCCESSES AND FAILURES**

Radio was the new technology of the early 20th century, and experimentation dominated its early days. Much of the experimental work in wireless communication in the late 1800s and early 1900s occurred at colleges and universities and by 1923, educational institutions owned more than 10 percent of all broadcast stations.

One of these was 9XM, which began broadcasting from the University of Wisconsin in 1917 under an experimental license. Four years later the Latter Day Saints’ University in Salt Lake City, Utah, began operating as the first educational institution granted an official license.

But education’s strong involvement in broadcasting did not last long. Some institutions lost interest after the technology’s most challenging engineering issues had been resolved. And many colleges and universities were not committed to applying the new technology to education.

Meanwhile, strong commercial interests developed, putting educators under pressure to relinquish their frequencies. As a result, a longstanding argument developed that educational broadcasters stay on the periphery of the industry and use

their commercial counterparts to transmit educational programming.

From 1921 to 1936, educational institutions obtained 202 licenses. By 1937 164 of those licenses had either expired or been transferred to commercial interests. What accounted for this dramatic drop? Many educators decided that this new medium didn't do what they had hoped it would. Enrollment at institutions using radio did not increase because of it. Educational radio was not paying off as a publicity tool, nor was it attracting lots of listeners as its commercial counterparts did. Educators largely lacked expertise in broadcasting or the time necessary to develop radio as a teaching tool. Most of all, the Great Depression meant educational institutions didn't have enough money to support radio stations. Besides, they could raise needed cash by selling their radio operations to commercial interests.

In 1927 the National Broadcasting Company created the "Red" and "Blue" networks. The Columbia Broadcasting System also began operating in 1927. And a fourth network, the Mutual Broadcasting System, took to the air in 1934. The development of networks was a decided gain for commercial stations nationwide. Historian Charles Siepmann credited them with "consolidating the radio industry, of transforming the character and quality of programs, and of securing unprecedented sums of advertising revenue." Educational stations lacked these programming resources. With neither resources nor expertise, educational broadcasters' only hope to gain a place in the overwhelmingly commercial radio industry was to organize.

### **EDUCATORS ORGANIZE**

When looking at historic trends, it's easy to think of crusaders for a cause as a unified group. But typically, many struggles occur within these groups. Educational broadcasters were no different. They often disagreed on lobbying strategies, and even on what structure educational broadcasting should have. Nevertheless, they did realize the need to organize and created a number of groups to further their cause. (See Appendix 1, page 77.)

As soon as Congress passed the Communications Act of 1934, the NAEB and other broadcasting organizations began pressuring the FCC to reserve channels for educational broadcasting. Their efforts paid off in January, 1938 when the commission established noncommercial educational broadcasting stations that would be licensed to nonprofit education agencies and would operate on a higher frequency than commercial stations. By the end of 1938, the Cleveland City Board of Education had applied for and been granted a construction permit under the new classification. New York City filed an application the same year. Many other agencies and institutions wrote letters to the commission inquiring about the new kind of stations. By 1939, the FCC had granted Cleveland's Board of Education station, WBOE, and New York's WNYE licenses as noncommercial educational stations. In 1940, the FCC designated frequency modulation (FM) as the transmission method for this new class of stations and reserved five channels for noncommercial educational broadcasting.

The NAEB, the U.S. Office of Education, and other national educational agencies continued petitioning the FCC for channel reservations during the commission's 1945 hearing on frequency allocation. The FCC allocated 20 FM channels

(including the five previously reserved) from 88-92 megahertz to noncommercial educational broadcasting. By the end of that fiscal year, the FCC had authorized 12 stations in this classification. Six were on the air.

Although educators now had guaranteed spectrum space, they still faced formidable financial problems. Exacerbating these was the fact that FM broadcasting was developing slowly. So unused was the spectrum that there were almost no FM receivers, which vastly reduced educational broadcasters' potential audience.

In 1948 the FCC acknowledged education's financial plight, and proposed rules that would allow noncommercial educational FM stations to operate at 10 watts or less power. This reduced the minimum cost of equipment to a few hundred dollars. Educational broadcasters did not respond much; only one station was operating by June 1948.

In 1950 the Commission further eased the way for low-power stations by reducing the qualifications technicians needed to operate them. Operators applying for this new radiotelephone third-class operator's permit still had to know basic operating practice, but not the theory behind radio systems. By 1951 the number of educational institutions operating low power stations had increased to about 40 percent of all educational FM stations.

The late 1940s and early '50s were a crucial time for educational broadcasting. Besides winning the battle for radio channel reservations, during this period representatives of educational broadcasting banded together to determine a common mission for their fledgling industry, and pooled their resources to push for television channel reservations.

Some of the first gatherings contributing to this cohesion were the Allerton House Seminars held in Allerton Park, near Urbana, Illinois in 1949. Underwritten by the Rockefeller Foundation, the seminars brought together 30 educational broadcasters from the U.S., Canada, and Great Britain and provided a meeting ground for some of the day's principal architects of educational broadcasting. These seminars helped establish a new sense of purpose and direction for educational broadcasting and began the planning for what became NAEB's tape distribution network.

### **THE BEGINNINGS OF TV**

Americans got their first glimpse of television in 1939. World War II slowed TV's development for several years, but by 1948 TV's expansion threatened to exceed the 12 very high frequency (VHF) channels the FCC had allocated it. Moreover, the FCC's existing TV channel allocation scheme was causing technical interference. At this time no educationally-owned TV stations existed and only five educational institutions were involved with television.

The FCC was so overwhelmed by requests for television channels in 1948 that it deferred action on all applications so that it could investigate expanding television broadcasting into ultra high frequencies (UHF), adopting a nation-wide channel assignment plan for commercial TV, and exploring the possibility of color television. The FCC's freeze on television allocations marked a period of intense study, debate, and planning at the commission, including TV spectrum allocation hearings that were among the most dynamic in the FCC's history.

During the hearings educators again advocated reserving channels for education. They had a strong ally in the FCC's first woman commissioner, Frieda B. Hennock. Commissioner Hennock was the sole dissenter in 1949 when the FCC proposed TV allocations that did not reserve spectrum space for noncommercial educational stations. She argued for reserving channels for education despite the educational community's inability to use them. Otherwise, Hennock said, there would be a time when education would be ready, and the channels wouldn't be there. This, she made clear, was not acceptable.

The following year, 1950, Iowa State College's WOI-TV took to the air as the nation's 100th television station—and the world's first non-experimental educationally owned television station.

The National Education Association and the U.S. Office of Education both filed petitions seeking VHF and UHF reservations for education. Other groups also began to express interest in reserving channels. But these advocates disagreed among themselves, some arguing for VHF *and* UHF channels, others only for UHF.

Before educators presented their case to the FCC they saw a need to develop a united front, so in October 1950 the NAEB coordinated a meeting at Commissioner Hennock's home. This was to be the first meeting of the ad hoc Joint Committee on Educational Television, which continued in varying forms until 1982.

About the same time the FCC channel allocation hearings were concluding in 1951, the Ford Foundation was holding discussions that soon would make it educational television's single greatest benefactor. Begun as a local philanthropy in Detroit, the Ford Foundation in 1950 broadened its mission to include lofty ideals such as "improving man's conditions and society on a worldwide scale." To do this, and also to decentralize the Foundation's projects, it created the Fund for the Advancement of Education (FAE) and the Fund for Adult Education (the Fund). These two projects were instrumental in advancing respectively, instructional and educational television.

One of the first steps the Fund took to support reserving educational channels was to provide a \$90,000 grant to the Joint Committee on Educational Television (JCET) to provide legal assistance to the educational community for the final push toward a place in the television spectrum.

The FCC issued a Notice of Further Proposed Rulemaking in early 1951, suggesting reserving 209 channels for noncommercial educational stations. Commissioner Hennock pushed for more. Educators loudly echoed her protests. By the end of the hearings representatives of educationally-related institutions had filed more than 800 formal statements.

When the FCC lifted its freeze in April 1952, and issued its Sixth Report and Order allocating television channels, the commission had reserved 242 of the 2,053 allocations for noncommercial television stations. The 242 reservations were divided into 162 UHF and 80 VHF reservations. Frieda Hennock's arguments were evident in the Sixth Report and Order's acknowledgement that "a reservation of channels is necessary to insure that such stations come into existence." In 1953 KUHT-TV in Houston, Texas became the nation's first noncommercial educational television licensee.

Despite this victory, the educational community's work had just begun. Educators knew that the FCC would be watching to see that educators used—and used effectively—the channels the commission had reserved for them. Educators began to build a structure to encourage the development of educational stations, personnel, programming, and public support.

In collaboration with the JCET, the Fund created the National Citizen's Committee for Educational Television, to increase public awareness of educators' struggle for a niche in the broadcasting industry and foster financial support for these efforts.

In late 1952 the Fund collaborated with the NCCET and the JCET, and financed the Educational Television and Radio Center, which for 20 years played a major role in developing educational television. When John F. White, a pioneer in developing telecourses for credit and recently general manager of WQED Pittsburgh, became the center's president in 1958, he changed its name to the National Educational Television and Radio Center and moved it to New York. But by 1963 the center had dropped its radio service and changed its name to National Educational Television.

By 1960 the number of allocations reserved for educational television had increased to 257, but the number of stations on the air numbered a mere 49. Although more than 200 channels remained unused, it was not lack of interest among educators that caused the channels to continue unactivated. It was lack of money.

For many years educational broadcasters had relied on the Ford Foundation, but they knew the foundation could not sustain its support indefinitely. Direct federal funding was tempting, but many feared federal support might result in undue control over programming.

The first direct federal support came not for operations, but equipment. In May 1962, after a five-year campaign, Congress enacted the Educational Television Facilities Act. The act created a \$32 million, five-year program of federal matching grants to construct educational television facilities.

Later that same year, the federal "All Channel Receiver Law" required that all television sets shipped between states have both UHF and VHF tuners. These two laws brightened the picture for educational broadcasting.

Still, educational broadcasting faced its oldest problem: the need for long term financing. The solution did not seem to be getting closer.

In 1963 the NAEB reorganized and created a new educational TV stations division. With C. Scott Fletcher and Chalmers Marquis leading, the division tried to:

- develop new educational television stations,
- represent stations before government and private agencies,
- compile data about fund-raising activities (but not raise funds),
- facilitate personnel training and placement programs,
- hold regional and national conferences, and
- establish an educational TV program library service.

Fletcher, no newcomer to financing problems, concentrated on establishing an educational television program exchange service and exploring long range financing for educational broadcasting. With a small grant from the U.S. Office of Education, and more significantly, a letter of endorsement from President Lyndon Johnson, Fletcher launched the First National Conference on the Long Range Financing of

### Educational Television Stations.

The most significant outcome of the conference was a proposal to establish a presidential commission to study educational television and recommend ways to strengthen, expand and finance it. President Johnson endorsed the proposal and recommended several people to serve on the commission, but it took the Carnegie Corporation to organize and finance a national commission. In November 1965, the Carnegie Commission on Educational Television was formed. The Carnegie Commission's 12 recommendations were to begin a chain of events that would, in a few years, change the face of American broadcasting.

## CHAPTER 2.

# The Carnegie Commission

It is hard to overstate the importance of the Carnegie Commission on Educational Television. Established in 1965, the commission laid the foundations for modern public broadcasting. But the Carnegie Commission did not create its subject; its work was the next logical step in a process that had begun a half-century earlier.

The commission had its roots in the Conference on Long-Range Financing of Educational Television, which the National Association of Educational Broadcasters and the U.S. Office of Education convened in Washington in December 1964. At the meeting Ralph Lowell, a longtime supporter of educational television through the Lowell Institute Cooperative Broadcasting Council in Boston, proposed establishing a national commission—perhaps with White House backing—to study educational television’s financial needs.

Lowell and conference organizer C. Scott Fletcher (former head of the Ford Foundation’s Fund for Adult Education and a consultant to NAEB) presented the idea to John W. Gardner, then president of the Carnegie Corporation, subsequently Secretary of the Department of Health, Education, and Welfare. Gardner committed \$500,000 from the Carnegie Corporation, and the Commission was created.

### BACKING FROM THE WHITE HOUSE

The White House also backed the effort. In a letter, President Lyndon Johnson wrote, “From our beginnings as a nation we have recognized that our security depends upon the enlightenment of our people; that our freedom depends on the communication of many ideas through many channels. I believe that educational television has an important future in the United States and throughout the world . . . I look forward with great interest to the judgments which this commission will offer.”

The commission’s members included prominent leaders in the arts, education, politics, and business (see page 19).

The commission was careful to involve the existing non-commercial stations in its work. In 1965 124 educational television stations were on the air. The commission contacted all of them and visited 92; its report provided the first comprehensive database ever compiled about educational television in the United States.

The commission’s 12 primary recommendations focused on two ideas: greatly enlarged federal support, and establishment of a Corporation for Public Television. Major operating functions—particularly programming and interconnection—were built on this core.

The commission gave prominence to the term “public television.” It did not, however, adopt “public television” to replace “educational television,” but as a subdivision of it. In the mid-1960s typical educational stations devoted a large part

of their schedule to formal instruction. The commission was concerned with the rest of the schedule, intended for general audiences: "Public television, to which the commission has devoted its major attention, includes all that is of human interest and importance which is not at the moment appropriate or available for support by advertising, and which is not arranged for formal instruction."

This distinction evolved during the commission's life. At the group's first meeting, several commissioners noted the importance of instruction and its central role in the development of educational television. The commission's executive secretary, Dr. Hyman Goldin, later remarked, "I felt that from a political standpoint, if we came out without having dealt with the instructional broadcasting part, I was fearful that we wouldn't be able to sell the rest of it. And I argued strenuously. But I was overruled on that."

As the commission defined it, the Corporation for Public Television would have limited its work essentially to acquiring and interconnecting public TV programs, plus some recruiting, training, and research and development efforts. General station support grants, which now account for a major portion of the corporation's budget as community service grants, would have come from the Department of Health, Education, and Welfare (HEW, probably the Department of Education in today's federal government), appended to the facilities program which already was supplying stations with money for capitol improvements. The corporation would not have been concerned with radio, or formal education.

The commission was sensitive to the potential for federal interference in public broadcasting programming, and so proposed two ways to insulate the industry from government pressure. First, public broadcasting would obtain its federal dollars from an excise tax on the sales of new television sets, rather than from direct federal appropriations. Proceeds from the tax were to be held in a trust fund until drawn by the corporation. Second, the corporation's board was to be composed of 12 members, six appointed by the President with the advice and consent of the Senate, the other six chosen by the appointees.

Both ideas were political non-starters. Legislators dislike excise taxes because they are hard to control; economists dislike them because there may not be a connection between the amount of money raised and the amount needed. And appointments are a traditional and highly valued prerogative of the executive branch.

The commission seemed less concerned about the prospect of pressure applied directly to the stations, and recommended that stations' general support grants come straight from the government. The resulting legislation, however, did not contain that provision.

The commission deliberated for just over a year. Members and the commission staff pored over research papers, articles, and memoranda; visited stations; commissioned studies; and conducted interviews. In January 1967, the Carnegie Commission released its report entitled, *Public Television: A Program for Action*.

In the report, the commissioners made 12 recommendations designed to help develop what they now called "public" broadcasting. Highlights of the recommendations were the creation of the Corporation for Public Television, guaranteed federal financial support for the corporation, the establishment of at least two

national production centers, and the provision of facilities for live interconnection.

The commission's report, addressed to "the American people" but aimed squarely at Congress and the administration, was released early in 1967. In February a bill based on the report was introduced.

### **THE JOURNEY THROUGH CONGRESS**

The act began its journey through Congress with President Johnson's February 28 "Message on Education and Health in America." In urging support for public broadcasting, the president returned to the system's roots, recalling that when the Federal Communications Commission reserved television channels for education 15 years earlier, it declared, "The public interest will be clearly served if these stations contribute significantly to the educational process of the nation."

The president recommended passage of a "Public Television Act," which would create a "Corporation for Public Television" with a 15-member board to be appointed by the president and confirmed by the Senate. Johnson proposed federal support for both television and radio at triple the level for facilities, plus \$9 million in initial funding for the corporation. Johnson said he would make further proposals for the corporation's long-term financing after a year. In his speech, Johnson also emphasized the potential value of satellite interconnection and directed the administrator of the National Aeronautics and Space Administration (NASA), the secretary of HEW and other government and private organizations to begin experimenting on a satellite distribution system for public and instructional television.

Congress held hearings on the proposals, during which it debated fundamental issues such as the relationship between government and the broadcasting it helps finance. No issue was more sensitive than the prospect of a partisan political tilt in public broadcasting programs. Critics had complained that numerous programs produced by National Educational Television reflected a liberal bias and several members of Congress were determined that any future system should be rigidly neutral.

Republican Rep. William L. Springer of Illinois expressed this view during testimony by Dr. James R. Killian, Jr., the commission's chairman. "One of the things that is very disturbing and I think the biggest issue this committee is faced with, after talking with my colleagues on both sides of the aisle, is whether or not there will be any federal control in this whole thing," Springer said. Killian said the commission's proposed method for appointing the corporation's board members would help prevent federal interference. He also expressed hope that the Senate would "be much tougher and more careful in the confirmation procedures, in looking at people for this kind of a corporate entity than it might normally be." Springer emphasized that even the choice of topics sometimes reflected political points of view. "You understand that you can even take certain issues and discuss them which are interesting to one party and not interesting to another party . . . the issues you pick out to discuss may have a political connotation . . . I don't know what we will do on this question, or what anyone else can do about this. But we realize that here is the nub and we will have to live with it for a long time."

"The Carnegie Commission gave more attention and thought to this problem of insulation and independence than anything else. We are heart and soul committed

to an independent and free system . . . Unless we can get that freedom and independence we are in trouble,” replied Killian.

### THE RADIO ISSUE

Perhaps the most divisive issue of 1967 for public broadcasters was whether to include radio in the act. For a decade, public broadcasters had focused their efforts to secure federal support on television. The facilities program established in 1962 was the Educational *Television* Facilities Program. The NAEB conference that spawned the Carnegie Commission was specifically concerned with the long-range financing for educational *television*. The resulting commission recommended a structure only for public *television*. By the time the bill was introduced, Johnson was recommending support also for radio—to be administered by a Corporation for Public *Television*.

Jerrold Sandler, executive director of NAEB’s national educational radio division, spearheaded the effort to add radio, despite the NAEB’s decision not to pursue support for both. Sandler began to develop arguments that would parallel the Carnegie Commission’s. A conference held in September, 1966 at the Johnson Foundation’s Wingspread Center in Racine, Wisconsin, helped mobilize support. Central to the campaign was a hastily written report called *The Hidden Medium*, by Herman W. Land Associates, which outlined the history, status, and potential of educational radio. Public radio advocates distributed the report in April 1967, more than a month after the original public television bill was introduced in Congress. *The Hidden Medium* proved to be a persuasive instrument in Congress and the administration.

Still, opponents argued that the educational radio system’s long history of weakness would drag the entire Carnegie effort into oblivion. Some also complained that financing radio would dilute already limited prospective federal support.

But others recognized that this might be a now-or-never opportunity to develop noncommercial radio in the United States. Public radio champions launched a hard sell in Congress.

A campaign for Congressional action is nearly always more effective if the interested parties have agreed in advance. In this case they hadn’t, although both sides tried to maintain a comradely facade. There were frantic behind-the-scenes maneuvers on all sides until dangerously close to the final vote on the bill. In the end, the radio forces won: the bill became the Public *Broadcasting* Act instead of the Public *Television* Act, and Congress instructed the new Corporation for Public Broadcasting to aid the development of both media. In this and several other ways the 1967 act was different from what the Carnegie Commission recommended.

Killian later recalled how, when CPB began to organize the radio system, “PBS was very troubled by the diversion of funds necessary to get the radio system going. I remember one very difficult session when they were urging that we greatly reduce the funds that we had planned to appropriate for public radio. But public radio has turned out to be a great success.”

The bill set something of a record for passage, clearing the Congress in seven months. President Johnson signed the Public Broadcasting Act of 1967 on November 7, in a full-dress ceremony which took place in Washington while the NAEB

convention was underway in Denver. A contingent of broadcasters invited to the signing ceremony flew to Washington and returned to the convention later in the day.

### **THE PUBLIC BROADCASTING ACT**

All stations, both public and commercial, are required to observe the Fairness Doctrine and equal time requirements of the FCC (although these longstanding regulations are currently under attack). But the act addressed the critical tension between political content and independence by holding public stations to a more rigorous standard of objectivity than commercial stations, and by making the protection of station independence one of the corporation's prime purposes.

In addition to observing these provisions, the 1967 law prohibited public stations from editorializing, and gave them an additional mandate for "balance and objectivity." But the courts struck down the prohibition against editorializing in 1982 as a violation of the First Amendment. The "objectivity and balance" requirement and the provisions concerning independence remain in the amended version of the Public Broadcasting Act of 1967, itself technically an amendment to the Communications Act of 1934.

In its charter, Congress included among the corporation's "purposes and activities" helping develop an educational broadcasting system "in which programs of high quality, obtained from diverse sources, will be made available to noncommercial educational television or radio broadcast stations, with strict adherence to objectivity and balance in all programs or series of programs of a controversial nature."

Congress tried to ensure CPB's role as the protector of the educational broadcasting system's independence in language that called on the corporation "to afford maximum protection to such broadcasting from extraneous interference and control," and, in another section directing the Corporation to "carry out its purposes and functions and engage in its activities in ways that will most effectively assure the maximum freedom of the noncommercial educational television or radio broadcast systems and local stations from interference with or control of program content or other activities."

The 1967 act included a "Congressional Declaration of Policy," with six key points: that noncommercial radio and television, including instructional television, were in the public interest and that freedom, imagination, and initiative on the local and national level are necessary to develop diverse programming on public broadcasting; that federal support for public broadcasting was appropriate; that encouraging diverse programming on public broadcasting that is responsive to local and national populations "furthers the general welfare;" that the federal government should help make public broadcasting available to all U.S. citizens; and that the government should create a private corporation to help develop public broadcasting and "to afford maximum protection to such broadcasting from extraneous interference and control."

Subsequent legislation added nonbroadcast technologies to "educational radio and television broadcasting," calling the whole "public telecommunications," and made several other, smaller changes.

Congress established the Corporation for Public Broadcasting—“which will not be an agency or establishment of the United States government”—to help develop programming, establish an interconnection system, and help develop and support public TV and radio stations, and do all of this in ways that assured public broadcasting maximum freedom.

Subsequent modifications in the language of these “purposes and activities,” have not changed their spirit. One changed “noncommercial educational radio and television stations” to “public telecommunications entities.” The section requiring “Programs of high quality” has become “. . . programs of high quality, diversity, creativity, excellence, and innovation . . .”

During the corporation’s early years its board decided how to spend the money it received, within the broad limits in the act’s statement of purposes and activities. Congress gradually has reduced the corporation’s discretion through legislated formulas which prescribe the percentages of appropriations to be applied to major budget items. The largest of these fund stations through community service grants.

The Public Broadcasting Act of 1967 put in place the cornerstone for future development. The creation of the organizations that became the Public Broadcasting Service and National Public Radio was implied but not prescribed.

Major difficulties remained. The Public Broadcasting Act did not solve the problem of long range financing, and initial appropriations were barely enough to get started. There were no plans for developing a structure for programming, or for executive training. Nevertheless, public broadcasters had won a fundamental victory. After half a century, noncommercial broadcasting’s goals seemed within reach.

## Carnegie's Commissioners

**W**ith \$500,000 from the Carnegie Corporation and President Lyndon Johnson's endorsement, the Carnegie Commission on Educational Television was formed in November 1965 to study and make recommendations for strengthening, expanding and financing educational television.

The commission's members offer a case study in the political process. Its chairman was **James R. Killian, Jr.**, Chairman of Massachusetts Institute of Technology and a political independent who had been science adviser to President Eisenhower. Other educators lent both prestige and diversity: **James B. Conant** of Harvard, probably the best-known educator of the day; **Lee A. DuBridge**, president of the California Institute of Technology and a major force at Los Angeles public TV station KCET; **David D. Henry**, president of the University of Illinois; and **Franklin Patterson**, president of Hampshire College. **Oveta Culp Hobby**, a well-known Texas publisher, had served the nation with distinction during World War II as head of the Women's Army Corps. Another Texan, **J.C. Kellam**, was principal of broadcasting interests close to the president's family. **Edwin H. Land** and **Joseph H. McConnell** were major figures in American business, and Leonard Woodcock of the United Auto Workers represented labor. **John S. Hayes**, a commercial broadcaster, was appointed ambassador to Switzerland during the commission's work, and **Terry Sanford** had been governor of North Carolina. Representing the arts were: pianist **Rudolf Serkin**; television producer **Robert Saudek**; and the best-known black author of the day, **Ralph Ellison**. The commission's executive secretary was **Hyman H. Goldin**, an economist who had recently completed a 22-year career with the FCC.

The commission's mission was "to conduct a broadly conceived study of noncommercial television" and to "focus its attention principally, although not exclusively, on community-owned channels and their services to the general public . . . [and to] recommend lines along which noncommercial television stations might most usefully develop during the years ahead."

## The Commission's Twelve Commandments

1. We recommend concerted efforts at the federal, state, and local levels to improve the facilities and to provide for the adequate support of the individual educational television stations and to increase their number.
2. We recommend that the Congress act promptly to authorize and to establish a federally chartered, nonprofit, nongovernmental corporation, to be known as the "Corporation for Public Television." The corporation should be empowered to receive and disburse governmental and private funds in order to extend and improve public television programming. The commission considers the creation of the corporation fundamental to its proposal and would be most reluctant to recommend the other parts of its plan unless the corporate entity is brought into being.
3. We recommend that the corporation support at least two national production centers, and that it be free to contract with independent producers to prepare public television programs for educational television stations.
4. We recommend that the corporation support, by appropriate grants and contracts, the production of public television programs by stations for more-than-local use.
5. We recommend that the corporation on appropriate occasions help support local programming by local stations.
6. We recommend that the corporation provide the educational television system as expeditiously as possible with facilities for live interconnection by conventional means, and that it be enabled to benefit from advances in technology as domestic communications satellites are brought into being. The commission further recommends that Congress act to permit the granting of preferential rates for educational television for the use of interconnection facilities, or to permit their free use, to the extent that this may not be possible under existing law.
7. We recommend that the corporation encourage and support research and development leading to the improvement of programming and program production.
8. We recommend that the corporation support technical experimentation designed to improve the present television technology.
9. We recommend that the corporation undertake to provide means by which technical, artistic, and specialized personnel may be recruited and trained.
10. We recommend that the Congress provide the federal funds required by the corporation through a manufacturer's excise tax on television sets (beginning at two percent and rising to a ceiling of five percent). The revenues should be made available to the corporation through a trust fund.

11. We recommend new legislation to enable the Department of Health, Education, and Welfare to provide adequate facilities for stations now in existence, to assist in increasing the number of stations to achieve nationwide coverage, to help support the basic operations of all stations, and to enlarge the support of instructional television programming.
12. We recommend that federal, state, local, and private educational agencies sponsor extensive and innovative studies intended to develop better insights into the use of television in formal and informal education.

## What is CPB Supposed to Do?

*Congress authorized the following purposes and activities for the Corporation for Public Broadcasting:*

- Facilitate the full development of educational broadcasting in which programs of high quality, obtained from diverse sources, will be made available to noncommercial educational television or radio broadcast stations, with strict adherence to objectivity and balance in all programs or series of programs of a controversial nature;
- Assist in the establishment and development of one or more systems of interconnection to be used for the distribution of educational television or radio programs so that all noncommercial educational television or radio broadcast stations that wish to may broadcast the programs at times chosen by the stations;
- Assist in the establishment and development of one or more systems of noncommercial educational television or radio broadcast stations throughout the United States;
- Carry out its purposes and functions and engage in its activities in ways that will most effectively assure the maximum freedom of the noncommercial educational television or radio broadcast systems and local stations from interference with or control of program content or other activities.

## CHAPTER 3.

# The Structure of Public Broadcasting

**T**he first verse of a public broadcasting testament would read, “In the beginning was the station.”

The key to understanding the sometimes Byzantine organization of public broadcasting is to start there, with the individual station. In all their variety, complexity, and occasional contrariness, stations are the heart of the industry; the fundamental conversation in public broadcasting is between stations and their audiences.

This focus is not merely rhetorical. By tradition and, since 1967, by law, the U.S. public broadcasting system is the most decentralized broadcasting structure—anywhere.

In most broadcasting systems around the world the local station is largely incidental, a necessary step in the transmission chain that begins in a national network studio and ends with the viewer or listener. In the United States, the Communications Act of 1934 assumes the primacy of the local station; although the Federal Communications Commission has devoted considerable time and study to issues related to networks, the commission actually regulates licensees, which operate individual stations. Under the law, the station is the primary element of U.S. broadcasting. In the “Definitions” section of the Communications Act, there is no entry for “network.”

But commercial network affiliates are bound to their networks by basic business arrangements. The networks pay the stations to carry programs, and to carry them at specific times. Although the stations are independent in a regulatory sense, and value the time they program locally, the strong commercial network system has centralized decision making in American commercial broadcasting.

A conventional pyramid organization, with authority at the top, is anathema to public broadcasting, which began as a small band of individual stations scattered across the country. While commercial and foreign radio formed networks in the mid-20s, when both NBC, CBS and Britain’s BBC were created, interconnection was far beyond the means of poverty-stricken educational radio. Stations had to survive individually and on their own, with neither the central programming or financing that networks permitted. The advent of National Educational Television did little to change this; NET provided only a few hours of programming a week, and these came not by interconnection but by mail. Programs were shipped to sequences of stations, initially by kinescope film and then by videotape. While NET encouraged stations to help national promotion by broadcasting a given series on a given day (although different sets of stations would of course have different episodes), the local schedule was paramount. Indeed, even NET’s modest attempt at

consistent prime time scheduling raised storms of protest.

The fierce independence of local stations also is due partly to their varied institutional and financial arrangements. Commercial stations large and small share basic economic purposes and strategies, but the manager of a public station licensed to a college or state commission may face very different assumptions and pressures than the manager of a metropolitan station licensed to a community corporation. One example: Jack McBride, who has headed Nebraska Educational Television since its inception, says his system consciously has avoided changing its name to the Nebraska Public Television Network in order to maintain a clear identification with education.

Part of stations' independence and individuality derives from the fact that each began not as a business investment, but as a commitment to render a service. Although an educational institution, state commission, or community non-profit corporation makes the commitment, it typically begins as the mission of a determined individual who can engage the community's support. Investment financing is not available, and until 1962 there was no federal program to help buy hardware. Even in the mid-1980s, support for the federal public telecommunications facilities program covers about half the cost of equipment, and direct station support through Congressionally mandated community service grants amounts to about 15 percent of most stations' operating budgets. Stations are coaxed—virtually levitated—into operation. It's no wonder, then, that a kind of frontier independence comes easily.

Public broadcasting traditionally has obtained programs from many sources. Early program services exchanged programs that stations produced. When NET evolved, some public broadcasters knew that fledgling educational television stations could develop by producing national programs; initially, NET commissioned stations to produce these instead of producing programs itself. Later, NET began to produce its own shows, but the stations also remained important producers.

In proposing the concept that became the Corporation for Public Broadcasting, the Carnegie Commission envisioned an agency concerned principally with programs, but which commissioned national program producers and exceptional local stations to produce them. The resulting federal law prohibits the corporation from owning or operating any broadcast or cable organization, interconnection system or facility, program production house or public telecommunications organization. The law further prohibits CPB from producing, scheduling or distributing programs to the public.

When the Public Broadcasting Service was formed, its articles of incorporation were broad. But on one point they were quite specific: they prohibited PBS from producing or broadcasting programs and from owning or operating any station.

National Public Radio is an exception to the rule. When it was created both CPB and the stations recognized that contemporary public radio required a producing network; in fact, the program that became *All Things Considered* already was partly planned. So from the beginning, NPR was intended to produce programs—in collaboration with stations.

But stations' central role does not mean that they are solitary or isolated. On the contrary. James Day, one of the earliest and most respected public television managers, once called public broadcasting "a long series of meetings occasionally

interrupted by a program.” The early stations joined to share programs, fight political battles, attract attention and support from their audience, seek channel reservations, encourage education to use the media, and secure financing from philanthropies and government. Organizations of stations and their people—most prominently the National Association of Educational Broadcasters—were the working core of the movement that became public broadcasting.

### **REGIONAL PUBLIC TV NETWORKS**

Hartford Gunn, who died in January, 1986 at age 59, was one of public television’s giants. In 1959-60, while he was president of WGBH in Boston, Gunn initiated the system’s first regional network. Gunn later said he founded the Eastern Educational Network (EEN) to have a way to distribute programs instantly and to encourage the growth of other stations in the Northeast by increasing their program supply. Gunn also wanted to supplement the programs available from NET, exchange instructional programming—largely outside the scope of NET—and, finally, to provide a structural backup in the event NET failed.

In a 1981 interview Gunn described the frustration of missed opportunities during an era without a modern program distribution system. “I knew that if we were to survive, there had to be more going on in this field in the Northeast, so that people were talking about it, people were writing about it. And that stations couldn’t go on the air—there couldn’t be a station in New Hampshire and Maine and Vermont and elsewhere in the Northeast—unless there was more programming than NET could supply. And we had some programming that we could offer . . . Then also, I had a feeling that if NET—which was totally and solely dependent on the Ford Foundation—went down, we would be left with a hole in our schedule that would leave the audience wanting, and then station funding would disappear.”

EEN still offers the only alternative national network to PBS through its inter-regional program service (IPS), which has more than 100 station subscribers across the country. In 1985 IPS had a \$6 million operating budget, not including distribution; the core operation of EEN itself remains relatively modest.

In spite of IPS’s success, and despite the fact that EEN—not NET—introduced Julia Child to national acclaim, regional networks have not served primarily as program agencies. Instead, they have become intra-system forums and political organizations, bringing together station leaders in natural regional groupings; each of the four regional public television organizations gradually has taken on specific roles.

EEN concentrates on the interregional program service. The Southern Educational Communications Association (SECA) concentrates on developing educational services. The Central Educational Network (CEN) also offers educational services and has led the way in applying new technology to education and public broadcasting. In the mid-1980s the Pacific Mountain Network, representing a vast area from Denver to Guam, undertook to build relationships with other broadcasters in the Pacific Basin, particularly Japan.

Independently valuable as these functions are, John Porter, executive director of EEN, probably speaks for many when he observes that the regional organizations’ viability is based on their collegiality and their natural political alliances.

Although radio managers had organized themselves before television was invented, regional groups had little significance until the national public radio system was well established. Eastern Public Radio Network, the radio counterpart of EEN, was the sole exception. As the Educational Radio Network (ERN), it achieved regional interconnection about the same time EEN did. The network carried *Kaleidoscope*, a daily news magazine that originated in Boston, New York, Philadelphia, and Washington. But a lack of funds killed, for then, public radio's dream of permanent interconnection.

SECA added a radio division as public radio developed nationally in the 1970s. More recently, Public Radio in Mid-America (PRIMA) has taken a strong role in national affairs. Farther west, stations have organized Rocky Mountain Public Radio and West Coast Public Radio. Numerous state organizations are also active in both radio and television.

### THE NATIONAL ASSOCIATION OF EDUCATIONAL BROADCASTERS

For nearly 60 years, the National Association of Educational Broadcasters was public broadcasting's primary forum and voice. The NAEB was open to all licensed public stations. It was the initial rallying point for channel reservations for radio and television. It hosted the meeting that launched the Carnegie Commission. Its publications provided extensive information about the field and served as the medium for a continuing national conversation among public broadcasters. The NAEB began as the Association of College and University Broadcasting Stations in 1925, representing a few small stations. When it folded more than half a century later, 80 percent of American homes had full schedules of public radio and television programs on their dials.

But the NAEB was in many ways a victim of its own success. At its peak the organization was a forum, a program service, research and development unit, information source, national voice and rallying point. As the field grew, newer, more specialized institutions performed many of these functions. At its end NAEB remained the only grassroots-based organization attempting to embrace the entire public broadcasting industry, but its institutional base of support was redirected to support functions now conducted elsewhere. The historic standard-bearer of public broadcasting was no longer viable and, late in 1981, it was dissolved.

"When NAEB died our national, interregional forum died," says SECA president Virginia Fox. Regional organizations, the National Association of Public Television Stations (NAPTS) and the representation division of NPR have taken over many of the NAEB's functions, Fox says. But she says that without this national forum, public broadcasting now has specialized discussions, but pays too little attention to major themes. "Great controversies but not great issues," Fox says.

The stations shifted to the present regional-national representation structure soon after CPB was born in 1968. By prohibiting the corporation from operating interconnection systems, the Public Broadcasting Act created the need for operating the units that became PBS and NPR. Both NPR and PBS are corporations of station members.

National Public Radio was incorporated in March, 1970, and went on the air—operating public radio's first full-time, national, live interconnection system—13

months later with a live broadcast of the Senate Foreign Relations Committee hearings on ending the Vietnam War. Two weeks later came the debut of *All Things Considered*. Within two months NAEB's radio program service, the National Educational Radio Network, merged with NPR. For a time NAEB continued to represent radio stations, but in 1973 public radio broadcasters created the Association of Public Radio Stations (APRS) to represent public radio stations. NPR, run by a board of mostly station managers, produced national programs and operated the network. APRS was the stations' Washington lobbying and public relations organization.

But the stations decided APRS was too expensive to support, and that having two organizations made it difficult for public radio to speak with one voice, so in 1977 APRS merged with NPR. There have since been periodic attempts to divide the functions again.

Public television stations took almost the opposite approach. After PBS was formed, NAEB continued as the stations' representation agency and continued operating the Educational Television Stations Program Service. But PBS absorbed the NAEB's educational television stations division when the network was reorganized in 1973; until 1979 PBS programmed the network and attempted to represent stations' national interests. Gradually public TV leaders decided that programming and operating the interconnection system were not always compatible with stations' interests regarding legislation, CPB budget policy, and FCC regulatory issues. Early in 1979 the National Association of Public Television Stations (NAPTS) was incorporated. Under the leadership of David Carley, then Bruce Christensen and (after Christensen became president of PBS) Peter Fannon, NAPTS has emerged as one of the most respected institutions of public TV.

Since they began operating in 1970-71, PBS and NPR have become fundamental building blocks in the structure of public broadcasting. Both are membership corporations with boards of directors comprised of representatives from stations and the public. While stations acquire national programs from many sources, and while American Public Radio and the Interregional Program Service developed strongly in the 1980s, NPR and PBS constitute their members' basic, most important source of national material through the public radio and TV satellite interconnection systems.

But many other organizations long have been part of public broadcasting. Some, like the longstanding Agency for Instructional Television (now the Agency for Instructional Technology) or the Great Plains National Instructional Television Library, are educational program services. Others, like the Native American Public Broadcasting Consortium or the Latino Consortium, represent special groups of citizens. Some are specialized production companies, such as the Children's Television Workshop (Sesame Street, Square One TV) or Family Communications, Inc. (Mister Rogers' Neighborhood). Others, like the National Captioning Institute and organizations devoted to research, provide specialized technical and support services. The National Federation of Community Broadcasters serves a major constituency of radio stations, and for many years the Broadcasting Foundation of America specialized in distributing radio programs from international sources.

CPB's place in this system structure remains one of public broadcasting's ambigu-

ities. Is CPB an integral part of public broadcasting, or must it stand apart? Public broadcasting stations and systems (and to some extent their recent relatives in the broader field of public telecommunications) are the reason the corporation exists.

The corporation's policy decisions are significant to all of public broadcasting. As the recipient of appropriated funds, the corporation is the natural contact point for issues Congress or the administration is concerned about, particularly since the president appoints CPB's directors and the Senate must confirm them.

As a funding agency, the corporation is directly linked to other parts of public broadcasting. As the system's major device for insulation from "extraneous interference and control" the corporation must itself maintain a discreet distance from day-to-day activities.

So if one were to devise an organization chart of public broadcasting, where would the corporation be? Certainly not at the top of a pyramid: in this decentralized system, the pyramid doesn't exist. The corporation's role may be unique in the world of broadcasting. Positioned between the rest of public broadcasting and the federal government, it is at once a link and an insulator. Its policy decisions are critical, but it must undertake its major responsibilities without engaging in system operations. Leadership is expected, but leverage is limited. Despite occasional calls for abolishing, replacing, or restructuring it, the corporation is generally considered to be an essential—if not entirely comfortable—mechanism.

### **REGIONAL AND NATIONAL NETWORKS**

The pioneering networks were regional: television's Eastern Educational Network and its counterpart, the Educational Radio Network. The goal, however, was national.

For a time it appeared that ERN would be the prototype. In 1962 the interconnected regional network became part of NET, and demonstrated networking's potential. Donald R. Quayle, of WGBH in Boston, joined the staff of NET as director of radio. Within several months, however, the Ford Foundation decided to focus its grants on a few NET activities; the radio network's last live broadcast covered Martin Luther King's march on Washington in August 1963.

Radio broadcasters pursued interconnection by establishing a system designed to be shared with other educational telecommunication services. A planning study, funded by the U.S. Office of Education, focused on three different models: a regional university group based on the Committee on Institutional Cooperation (the Big Ten Universities and the University of Chicago); a single-state system, in Oregon; and a diverse regional group in the Northeast, essentially ERN members. The national educational radio division of the NAEB conducted the study, which resulted in plans for a prototype multipurpose telecommunications system for education. But there were no funds to pursue the plan, and interconnection had to await the creation of CPB. As it turned out, the corporation's arrival was imminent.

Several weeks after its incorporation, CPB's board established an interconnection committee and began to consult with public TV leaders and AT&T.

But how should the interconnection be managed? Although the Carnegie Commission had recommended that the corporation manage the interconnection sys-

tem, the idea met stiff opposition in the subsequent Congressional hearings, and public broadcasters, CPB itself, and the Ford Foundation (then the major funder of public television) agreed that a separate arrangement would be necessary. The NET affiliates council had proposed that it operate the interconnection system, and in late 1968 that prospect was at least nominally unresolved.

NET was the primary source of national programming and had the most obvious administrative mechanism to manage the forthcoming system. On the other hand, the most cursory reading of the Carnegie Commission's report and the legislative history of the Public Broadcasting Act revealed that the corporation's mandate was to diversify the system, and specifically to reduce the relative power of NET.

The CPB committee considered stitching together the existing state networks, EEN, and other regional systems that seemed imminent. AT&T suggested a network based on off-hours use of its facilities (2 a.m. to noon), an idea which attracted little interest. On one point there was no dispute: the stations themselves would have a primary role in managing the interconnection system. Michael Gammino, chairman of the CPB board's interconnection committee, concluded a July, 1968 meeting saying CPB should be "a servant to the communities, states, and regions," adding that they should have "a great deal of independence."

In September, 1968 Ward B. Chamberlin, Jr. and Robert D.B. Carlisle of the CPB staff wrote a memorandum to Chairman Frank Pace about managing the future interconnection system in which they said, "interconnection management is not logically something which should be in NET's portfolio. It doesn't make good sense to have the primary program producer control what goes out over the network. CPB should support NET as a—not the— national production center." Chamberlin and Carlisle concluded that "there should be a new, quasi-independent mechanism to operate the public TV network." That agency would then respond both to the stations and to the national producer-distributor.

Meanwhile, NET and its affiliates council were pressing hard to manage the network. CPB, while actively negotiating with AT&T and with agreement clearly imminent, didn't have an alternative in place. But the corporation, the Ford Foundation (NET's funder), and others agreed that NET should not be designated.

### **AN INDEPENDENT NETWORK**

Under Chamberlin's guidance, CPB and the Ford Foundation began developing a plan for an independent network. They proposed creating a separate corporation with an 11-man board composed of five station representatives; two NET representatives; two public members, one regional network representative and one CPB representative. "This plan would give representation to the important elements in public TV, at the same time leaving the dominant voice in the stations," Chamberlin wrote. Chamberlin noted that the station managers of the "big eight" (NY, Boston, Pittsburgh, Washington, Chicago, San Francisco, Los Angeles, and Philadelphia) had developed a very similar plan. But even among the eight, there were disagreements. Gunn from WGBH, John Kiermaier from WNDT and James Loper from KCET, advocated an independent network; Donald Taverner from WQED and James Day from KQED were involved in preparing the NET affiliates plan and were committed to it.

In order to launch the trial system, the corporation delayed long-range agreements and assembled an interim interconnection management group, with representatives from NET; the Public Broadcasting Laboratory; stations; regional networks; and CPB. Donald Quayle, who had temporarily left his post as executive director of EEN to join CPB, chaired the group, which later provided short-term oversight while NET handled the system's technical operation until a new, permanent, organization could be created. Chamberlin, who was long an associate of Pace and later became one of CPB's first principal staff members, represented the CPB chairman at the first meeting. Chamberlin told the group that they should be "an 'interim' committee acting only until there has been established a long-range entity to manage the interconnected system." Chamberlin said he hoped that CPB and the public television system could reach agreement within a few months about how permanently to administer the system and set it in motion.

There were several proposals, all of which put stations in control of the system. The NET affiliates council plan envisioned having only stations; another plan proposed that producers and others be represented, with the stations having majority control. "Since this fundamental is agreed upon, it should not be difficult to agree on one plan. Clearly even this will not be fixed forever; hopefully experience will cause us to change as we move along," Chamberlin said.

The first schedule the interim group proposed provided time for NET, Public Broadcasting Laboratory, a regional split, and the ETS Program Service. The latter, incidentally, provided the only program still in public TV's national schedule: *Washington Week in Review*.

### **INTERCONNECTION BEGINS**

On November 11, 1968, the Ford Foundation and the fledgling CPB (it didn't even have a president yet) simultaneously announced grants of \$250,000 each to launch prime time interconnection of 150 public television stations.

The arrangement CPB worked out with AT&T provided for a six-month trial of preemptible interconnection service for two hours a night, Sunday through Thursday, beginning January 5, 1969. More than half the programming would come from NET. But there also would be regular offerings from the Public Broadcasting Laboratory (PBL), which was established by the Ford Foundation and focused on TV journalism, the NAEB's Educational Television Stations Program Service, and the six regional public TV organizations then in operation.

Once the trial interconnection launched its five-day-per-week schedule in January, 1969 (a limited version had begun earlier), work proceeded on two fronts simultaneously: operating the system and developing long-term management arrangements. Serious operational problems arose immediately. AT&T began preempting television transmissions at once and in quantity. By the end of January, Chamberlin had informed the chief of the FCC's Common Carrier Bureau that AT&T's service was unsatisfactory. In a January 30 letter, Chamberlin wrote, "In the 31 nights of broadcasting from December 1 through January 30, there have been a total of 39 AT&T point preemptions and a total of 84 public television station preemptions. In the 19 nights of interconnected broadcasting in January, on all but five nights one or more stations have been preempted. With few exceptions, these

preemptions have been made on less than 12 hours notice.”

Planning for a permanent, independent organization proceeded. NET continued to press its case. During the spring and summer of 1969, CPB and a six-member group equally representing the NET affiliates council and the board of NAEB's educational television stations division continued negotiations. Early in June, this joint committee of six, quickly nicknamed “the six-pack,” reported to its constituency that they had reached consensus on several specific points, including the following:

- A new, independent corporation governed by a board of directors, which would determine policy and hire staff, would operate the interconnection facility.
- CPB would fund the new corporation with annual grants and avoid involvement in day-by-day discussion of interconnection costs.
- The interconnection facility would make scheduling decisions independent from conditions of CPB program grants.
- The interconnection corporation would not own, commission, create, or otherwise be involved in producing programs.
- The interconnection facility would allocate time to national and regional public broadcasting agencies by block for substantial periods of time, as determined by the corporation's board of directors.
- The interconnection facility would deal with national and regional public broadcasting program agencies. Individual stations, producers, or others would seek access to interconnection through these existing agencies, or if necessary, there would be some provision for access directly to the facility's staff or board.

#### **DAY FOR WHITE**

Meanwhile, John F. White resigned as president of NET. He was succeeded by James Day, who had headed KQED, the public TV station in San Francisco, for 15 years. Day immediately sought a 60-day moratorium on the development of the new organization—then referred to as the Public Broadcasting Network—so that he could assess the situation and propose an alternative course. The corporation and the committee of six agreed, but ultimately the die was cast.

On October 1, CPB sent to the stations a memorandum describing the proposed Public Broadcasting Service. It would be a membership corporation “organized specifically to provide national interconnection services for its station members. . . . A second class of ‘general’ members, is to consist of national program production agencies admitted to membership by a vote of at least two-thirds of the station members. At present, of course, there would be only one such member: NET.”

The board was to consist of nine directors, five representing stations, one representing national program centers, one representing CPB, and two representing the public at large.

On October 6 Robert F. Schenkkan, chairman of the NET affiliates council, and Hartford N. Gunn, Jr., chairman of the ETS board of directors, jointly sent a letter to station managers advising them that both boards had unanimously endorsed the plan.

On November 7, 1969, the Public Broadcasting Service was incorporated. Its

articles of incorporation and initial by-laws closely followed CPB's plan. NET and CPB were "general members."

During the next few months, Hartford Gunn became PBS's first president, hired an initial staff, and assumed responsibility for interconnection management. Work then began on a long-range working agreement between PBS and CPB.

## CHAPTER 4.

# The Growth of Public Radio

**B**y the time the Public Broadcasting Act of 1967 was passed, educational radio had been broadcasting for half a century. Berkeley's KPFA, the first of the Pacifica stations, had pioneered the concept of broadcasting supported by contributions from its audience. A number of stations, particularly a few licensed to the Big Ten universities and a handful in the Northeast, were rendering consistently fine service.

But most stations were not. The majority were licensed to colleges and universities which intended them as adjuncts to broadcasting curricula or as student activities. Many were low-powered, Class D "starter kit" stations which had not grown as the FCC intended. In 1969 there were 412 educational radio stations: 384 FM and 28 AM facilities. About half the FM stations were in the low-power, Class D category, and most of the rest were too weak to be heard in much of their intended service areas. Even excluding the Class D stations (which often had virtually no budget), more than half had operating budgets of less than \$25,000. Many stations did not broadcast on weekends or during summers and university holidays. Even though there were more than twice as many noncommercial radio stations than television stations, they reached much less of the population. Although educational television had been chronically underfunded from its inception, it nevertheless had received virtually all the national support available from the Ford Foundation and the 1962 Educational Television Facilities Program, and all the attention in the Carnegie Commission's report. Until Jerrold Sandler and his colleagues managed to convert the Public Television Act into the Public Broadcasting Act in 1967, television benefited from virtually all of the limited support that was available.

### WHAT'S THAT SOUND?

There were 412 stations, but most of them were virtually inaudible and very few had enough financial support to sustain hope. Managers strove for adequacy; excellence was clearly impossible. Only the most rudimentary sort of national program service was offered on tape via the National Educational Radio (NER) network.

This was the situation facing the new Corporation for Public Broadcasting, with its mandate to "Assist in the establishment and development of one or more systems of noncommercial educational . . . radio broadcast stations throughout the United States."

And the situation was becoming worse. The number of stations continued to rise: by September 1970 412 had become 427, and the FCC had authorized 30 more stations expected on the air soon. An early CPB survey yielded returns from 368 stations; half had annual budgets of less than \$10,000, and 72 percent reported budgets of less than \$25,000. Approximately 180 had no full-time paid professional staff, and many did not have a single person who devoted at least 50 percent of his

or her time to the station. Nearly 60 percent were on the air less than 48 hours per week.

Furthermore, it was painfully clear that if the corporation's available resources were spread among all the stations, each would receive so little that the ultimate effect would be to perpetuate the status quo. Samuel C.O. Holt's *Public Radio Study* pointed up public radio's difficult prospects. The NER board, a radio advisory council composed of 12 managers, and the CPB board's radio committee discussed how to distribute the new federal money. In September 1969 the corporation announced a six-year plan that provided increasingly stiff criteria for stations to qualify for federal funding. The criteria set minimum levels of programming, power, staffing, hours of broadcasting, and local production facilities.

The programming criterion required stations to direct their programming toward the general public rather than a narrow or specialized group. The initial criterion for broadcast hours required stations to be on air 48 weeks a year, six days a week, eight hours per day. The power requirements tried to assure that most of a station's community could in fact receive its signal. The first staffing requirement called for one full-time and four half-time staff members. The standards described local production facilities as "an adequately equipped control room and studio . . . for program production and origination." Minimum budget levels were imposed as the system developed.

CPB increased the standards over the six years; by fiscal 1976, stations had to have at least five full-time staff members and broadcast 18 hours a day, 365 days a year to qualify for funding. CPB encouraged stations to reach the final criteria ahead of schedule by providing extra money to those meeting the more stringent standards. The corporation devised a parallel grant program to help promising, but non-qualifying, stations meet the criteria.

While most public radio broadcasters today would smile at a requirement for only 48 weeks of broadcasting, eight hours a day and six days a week, in fact only 73 stations "qualified" in 1970. And only 103 out of 501 noncommercial stations then operating qualified for support in fiscal 1971. By 1986, 297 stations had qualified; they broadcast an average of 19 hours per day, 365 days a year.

Reasonable as this approach may appear in retrospect, radio managers protested vehemently when the standards were initiated. And although CPB has made an occasional exception, the qualification criteria have been a consistent part of the corporation's radio policy since 1970. It is probably not too much to say that this policy more than any other has helped build a strong public radio system for the United States. Its principal architect and first administrator was Albert L. Hulsen, the corporation's first director of radio activities. If Jerry Sandler was the individual who did most to launch public radio by hammering it into the Public Broadcasting Act, it was Al Hulsen who patiently and stubbornly created a public radio system capable of being consequential.

The creation of National Public Radio was attended by little of the controversy surrounding the decision to proceed with the Public Broadcasting Service. Indeed, the PBS decision suggested a structural pattern. The radio stations could not properly be called a system: they were diverse, weak, and fragmented; there was no major force (or support base) to parallel the Ford Foundation; NAEB's national

educational radio network performed long and useful service, but only the most charitable definition would call it a radio version of NET. While radio stations valued local and regional programming, they recognized a need for truly national and timely production as they moved toward interconnection.

Late in 1969, a group of station managers—most long active in NAEB—began a series of meetings under CPB auspices that culminated in establishing National Public Radio. The group sketched the outlines of NPR at its second meeting, held in January 1970 in San Diego. Also at the meeting, William H. Siemering described the concept for what became *All Things Considered*.

NPR was incorporated little more than a month later. Its directors held their organizational meeting March 3. The board's structure generally paralleled that of PBS: there were to be 14 directors, nine representing stations, two representing CPB and NPR, and three from the general public.

But NPR was different in one major way from PBS: it produced programs. While PBS bylaws specifically prohibited it from program production, the first of the purposes for which NPR was organized was, "To propose, plan and develop, to acquire, purchase and lease, to prepare, produce and record, and to distribute, license and otherwise make available radio programs to be broadcast over noncommercial educational radio broadcast stations, networks and systems."

NPR's first offering to stations was a tape of 20 concerts by the Los Angeles Philharmonic; its first live programming was the April 1971 Senate Foreign Relations Committee hearings on ending the Vietnam War. The board appointed Donald Quayle, formerly of WGBH in Boston and National Educational Television in New York, as NPR's first president. Siemering was hired as program director.

A month later, on May 3, 1971, 104 member stations in 34 states and Puerto Rico carried the first broadcast of *All Things Considered*.

Later that week CPB, NPR and the national educational radio division of NAEB sponsored the first annual Public Radio Conference in Washington. The radio managers attending agreed to focus on station development and fundraising; station management and community service; and programming.

### **ASSOCIATION OF PUBLIC RADIO STATIONS**

The NAEB long had been public broadcasting's primary national organization. But as the regular federal funding the Public Broadcasting Act authorized began to have an impact, the NAEB's functions narrowed. PBS already had assumed much of the NAEB's former responsibilities for public TV, including representation. The NAEB's national educational radio division, which had a similar function for radio stations, also was soon dissolved. But instead of moving representation functions to their network, the CPB-qualified public radio stations created a new, separate organization: the Association of Public Radio Stations.

The radio managers felt that NPR necessarily had its own agenda as a producer and distributor of programs. APRS, alternately, would represent in Washington the broad range of station interests. After a considerable search, Matthew B. Coffey, formerly assistant to CPB President John W. Macy, Jr., was named president of APRS.

But what seemed logical in theory was less so in practice. Both NPR and APRS were membership organizations. Stations had to pay more for APRS, however,

because it was a free-standing, station-supported agency, unlike NPR, which received almost all of its funding not from stations, but from CPB. Because of this, no more than 60 percent of the eligible stations ever belonged to APRS. Also, institutional roles and relationships turned out to be more difficult to separate than anticipated. Furthermore, radio stations felt that they were losing some skirmishes to television interests, partly because the television stations presented a united front via PBS.

In May 1977, APRS was merged into NPR, which in turn was reorganized into two major divisions: programming and distribution, and representation. The former presidents of NPR and APRS, Lee Frischknecht and Matthew Coffey respectively, became senior vice presidents of the new organization. Meanwhile, NPR's board had been looking for a permanent president. In August, 1977, Frank Maniewicz was named president of the new NPR.

### AMERICAN PUBLIC RADIO

A system that emphasizes diverse programming sources inevitably leads to tension between its major producer—particularly one as prominent as NPR, which also operates the interconnection system—and other producers, actual or potential. In their design deliberations the board of the nascent NPR agreed that “it should reflect regionalism and that it should provide for as much production participation by member stations as possible.”

But from the beginning, stations have questioned NPR's adherence to this principle. This, coupled with the entrepreneurial spirit of a group of station managers led by William H. Kling, president of Minnesota Public Radio (and a member of NPR's founding board), led to the formation of American Public Radio in 1981. The organization, closely related to Minnesota Public Radio when first incorporated, initially was built around Garrison Keillor's *A Prairie Home Companion*, which made its national debut in May 1980. Although Garrison Keillor recently announced he was ending the show, *A Prairie Home Companion* still attracts a larger audience than any other public radio program; APR now provides more programming hours per week than NPR. While much of its programming is music, its public affairs offerings are growing. Among APR's offerings are Canadian Broadcasting Corporation programs; *MonitoRadio*, produced by the *Christian Science Monitor*; and a business news program produced by CBS. American Public Radio, unlike NPR, does not produce programs—it distributes them.

### TIME OF CRISIS

In 1982, with federal support for public broadcasting in question and with the administration emphasizing the private sector, National Public Radio undertook an ambitious program intended to eliminate its dependence on CPB. A board resolution stated that “NPR management has developed a financial plan of action which could reduce and ultimately eliminate dependency upon federal financial support within five years . . .” The board resolved to raise money from sources other than CPB so that by fiscal 1988 all CPB's funding for radio would come in the form of unrestricted community service grants from CPB to qualified stations.

The plan envisioned greatly increasing underwriting for NPR programs,

establishing a profit-making subsidiary and participating in technology-related ventures, and further developing NPR program services.

Almost immediately, however, troubling financial questions surfaced. In early 1983 there were reports of a crisis, but its extent was not yet known. At NPR's annual membership meeting in Minneapolis that April, NPR Chairman Myron Jones brought a message from CPB President Edward Pfister saying that Pfister would recommend that his board of directors encourage NPR to take steps to restore the radio network's financial stability.

On the surface the situation seemed awkward but not dangerous. The treasurer reported that the finance and development committee would work with NPR's auditing firm to examine the organization's fiscal controls. The treasurer then presented the results of the previous year's audit, which showed that the year ended with a slight cash surplus, an increase in assets, a reduction in debt, an increase in the fund balance and an increase in revenues.

The true picture was not nearly so bright. A major deficit, first estimated at \$3 million, emerged. Less than a month later, Mankiewicz resigned. Ronald Bornstein, a veteran public broadcaster who had served as vice president of CPB, took a partial leave from his post at the University of Wisconsin to become interim chief operating officer of NPR.

In May, Bornstein projected a deficit of \$5.8 million for the year. On May 19, CPB made an interim interest-free loan to NPR in order to permit operations to continue. A few days later, Bornstein announced the firing of 84 persons. On June 15, a preliminary audit reported a working capital deficit of \$6.5 million. The same report stated that 88 percent of NPR stations had responded favorably to a request to use \$1.6 million of their community service grants to assist NPR.

But by now Congress had gotten involved. Congressional inquiries raised disturbing questions about fiscal responsibility in public broadcasting.

The CPB board and NPR directors began intense negotiations for a loan from the corporation, which was to be guaranteed by the member stations. On August 2, 1983, CPB and NPR signed an agreement for a \$7 million loan. In addition to the station guarantee, the public radio interconnection system was placed in a trust for three years.

NPR President Douglas Bennet, who had joined NPR in October 1983, announced early in 1986 that NPR would retire its loan on schedule by September 1986.

### **NPR's BUSINESS PLAN**

In February 1985, NPR's board unanimously agreed to recommend to its membership the most far-reaching change since the network's founding. The plan called upon CPB to send all appropriated "radio" funds directly to the stations, rather than providing annual support to NPR. Stations, in turn, would pay NPR through a fee structure to be based on a station's annual revenue. At the same meeting the board voted to dissolve its for-profit subsidiary, NPR Ventures, Inc.

Three months later, in May 1985, the NPR membership overwhelmingly adopted the plan, with one significant modification: not all the radio funds would go to stations' community service grants. The stations asked CPB to maintain a separate

\$3 million fund “designed to support production of innovative and experimental national radio programming, as well as programming that meets the mandate of public broadcasting to serve minorities and other under-represented groups, and include the work of independent producers.”

It appears that the plan’s stated intent, to provide increased cohesion and stability to the public radio system, has been realized.

## CHAPTER 5.

# Assumptions Challenged: CPB, PBS and the Nixon Veto

The first five years were the hardest. In their earliest days the Corporation for Public Broadcasting and the Public Broadcasting Service had the difficult task of defining their roles while trying to create a complex mechanism for selecting, scheduling, distributing, and promoting programs. Almost immediately—and literally before they knew it—they faced their first major test of political involvement in programming.

The Johnson White House had adopted public broadcasting as part of the Great Society. The Nixon Administration, while wary of that legacy, was generally supportive when it came into power at the end of the decade. “Although the CPB was established in the Johnson Administration, the administration will reap the credit or criticism for whatever becomes of public broadcasting over the next decade,” the Nixon Administration’s chief communications policy maker, Clay T. Whitehead, wrote in August 1969. Whitehead later would be the administration’s key player in a covert attempt to change the basic principles governing public broadcasting.

The administration then began working on a bill to authorize appropriations to CPB for fiscal years 1971-73. But Nixon and his aides were concerned about the Ford Foundation’s dominant position in public television and its relationship with National Educational Television, then public TV’s major national production center.

In a meeting kept secret even from the CPB staff, Nixon aide Peter Flanigan in November 1969 told CPB Chairman Frank Pace and CPB director Albert Cole that the administration would recommend increasing CPB’s funding by \$5 million—“contingent upon the creation of new program production facilities to replace National Educational Television.” Pace replied that phasing down the New York-based production center might take three or four years.

The immediate effects of this meeting were minimal and went largely unnoticed, particularly since the Carnegie Commission and the Public Broadcasting Act of 1967 that followed it called for creating additional production centers around the country, and as a result, de-emphasizing NET.

While the act and the commission’s report were not the same, the commission’s emphasis on the corporation as a programming agency was keenly felt. It meant that the corporation should arrange for programs and serve as a “heat shield” against extraneous interference or control for the entire public broadcasting system. Under the law, the corporation would be the accountable agency. Both CPB and the stations saw PBS as an interconnection management service which would inevitably have some responsibility for programming.

But the 1967 act created a difficult, perhaps even contradictory, role for CPB. On the one hand, Congress mandated specific program-related responsibilities for the new

corporation. Its first purpose was to “facilitate the full development of educational broadcasting in which programs of high quality, obtained from diverse sources, will be made available to noncommercial educational television or radio stations, with strict adherence to objectivity and balance in all programs or series of programs of a controversial nature...”

At the same time, the corporation also was charged to “assure the maximum freedom of the noncommercial educational television or radio broadcast systems and local stations from interference with or control of program content or other activities.”

Among activities the act reserved for CPB were to contract with or make grants to individuals, stations, and other production entities, or otherwise obtain TV and radio programs for national or regional distribution to noncommercial educational broadcast stations. The corporation also was charged to establish an interconnection system for public broadcasting.

Questions about the division of responsibility between CPB and PBS also hovered over the infant network. A working agreement outlining these responsibilities became a first, and continuing, order of business when PBS, under CPB auspices, was organized.

#### **‘BANKS AND THE POOR’**

A challenge to both organizations came almost immediately. In 1970, public TV aired *Banks and the Poor*, a controversial NET documentary that was favorably reviewed in the *New York Times* and the *Wall Street Journal*, but which brought to the fore all the anomalies and ambiguities then inherent in the structure of public broadcasting.

*Banks and the Poor* alleged that through practices such as red-lining, major banks were discriminating against the poor, many of whom were minorities. The program closed with a long, scrolling list of senators and congressmen who had (or were alleged to have) ties to the banking industry.

Policy makers at CPB and PBS questioned the program’s fairness. So did the White House. Enclosing a clipping about the program from the *Washington Post*, Flanigan wrote Cole asking how much money CPB had given to NET that year, and how much it had budgeted for the production center for 1971. Wrote Flanigan, “Herewith another example of NET activity that is clearly inappropriate for a government-supported organization . . . I am directing this inquiry to you in that I think it comes better from you to the board and the management of the corporation than from the White House. Therefore, I’d appreciate you treating this inquiry in that light.”

The CPB board, meeting on November 20, 1970, after *Banks and the Poor* aired, spent much of its time discussing the program. In his opening statement, Chairman Pace said the corporation had to deal with the problem of program standards and with programs that are objectionable or controversial. Pace observed that the creation of PBS helped by providing stations an institutional representative through which to air their views “in selecting programs, gauging audience reaction, and responding to public protest.” But, Pace continued, problems “are bound to arise. The board’s obligation is to insure that the corporation is continually

on the alert for troublesome situations and be prepared to deal with them promptly and in a forthright and sensitive fashion." Pace and Cole said CPB could not ignore its responsibility to see that federal money was properly spent and said the White House and Congress would inevitably look to CPB, not PBS or National Public Radio, as the accountable agency.

CPB President John Macy said the program hurt the corporation and described the emerging relationship between CPB, PBS, and the producing organizations, which required "national support, creative freedom, and control of the production process." Macy said that PBS, public television's program distribution and scheduling organization had to have freedom to decide whether programs' content, balance and quality made them acceptable. But Macy agreed with the directors that CPB "as the supporting organization that furnishes funds and leadership . . . is the final accountable agency." Macy cautioned, however, that production houses feared that financial support for programming from the corporation would bring with it attempts by CPB to coerce producers and control editorial policy. "They seek insulation for the producer; the problem lies in furnishing that protection to a desired extent without abdicating the corporation's responsibility to the public," Macy said.

Director Michael Gammino, a Providence banker, said he thought *Banks and the Poor* had alienated many CPB supporters and probably hurt the corporation more than it did the banks. Gammino added that public reaction to the program raised the question of whether the corporation needed to participate in determining the philosophy of the programming it funded and the board's "number one obligation" was to see that CPB-supported programming met "appropriate legal, moral, and ethical standards . . . Otherwise the corporation may be lending its hand to a deterioration from within which could destroy it and the country as well."

Some directors worried even whether *Banks and the Poor* was legal. Macy distributed a draft report by PBS programming chief Samuel C.O. Holt and said PBS' board was discussing the issues of taste, fairness, personal attack and advocacy, as well as the possibility of granting equal time for response or correction.

Jack Valenti, then as now head of the Motion Picture Association of America, said Holt's statement would not solve the problem. "The question always remains: What is "gratuitous?" What are "good taste," "fairness" and "balance," and who determines their meaning? . . . The grisly question is who has the right of "final cut." Valenti said CPB should.

Director Jack Wrather said CPB and the board's responsibility was to the nation at large, not "a small coterie of the creative . . . Regardless of the difficulties, the corporation must take a definite position in matters of program acceptability."

Dr. James Killian, a CPB director who chaired the Carnegie Commission, disagreed with many of his colleagues. Killian said that jumping into censorship would be destructive and that CPB should provide leadership "rather than take an arbitrary, authoritative approach."

At about the same time as the CPB board was preoccupied with *Banks and the Poor*, Federal Communications Commission Chairman Dean Burch, speaking at a major public broadcasting meeting, stressed the FCC's support for long-range financing, but said that many in Congress and among the public feared "that public broadcasting, if turned loose, will go careening off with its own bent to the issues to

be covered and will be a propagandist for one point of view." Burch urged public broadcasters to face up to the issue by being "scrupulously fair—fair in the issues that you decide to cover and fair in the coverage of these issues."

On November 21, 1970, the day after the board meeting, CPB director Cole replied to Flanigan's request, informing the White House aide that CPB's funding for NET was much less than what the Ford Foundation provided, and urging Flanigan to look at the broad range of programs presented by public television, including those of NET.

### **CPB AND PBS AGREE**

Meanwhile, CPB and PBS continued difficult negotiations over their respective roles. In May 1971 the two organizations seemed to have worked things out. Macy wrote PBS President Hartford Gunn a letter outlining their agreement, which defined PBS as public television's principal operating agency for interconnection and CPB as the principal policy organization. "It is clear that the interconnection function implies others: program coordination, national program information and promotion services, nationally acceptable standards and practices, etc. You and your colleagues are to be congratulated on progress made in all of these areas," Macy wrote.

Macy's four-page letter went on to sketch relationships involving distribution, system design, programming and production centers, standards and practices, promotion and program information, station relations, and research. The corporation would have direct responsibility for programming grants and contracts which, however, "will be made in consultation with PBS."

Two days later Gunn replied, saying he was "in complete agreement with your understanding of our relationship and look forward to continued cooperation between PBS and CPB as we carry on the task of serving the American public through public television."

The Public Broadcasting Act of 1967 outlined as one of CPB's principal purposes assuring "maximum freedom of the noncommercial educational television or radio broadcast systems and local stations from interference with or control of program content or other activities." The act also provided that the CPB board elect its chairman and that the board appoint the corporation's president. The corporation, the act said, "will not be an agency or establishment of the United States Government."

But while CPB and the administration continued working on a long-range financing bill, the White House was secretly developing a plan to change these ground rules "to induce CPB to change its orientation and emphasis on public affairs programming," according to a White House staff memorandum later released under the Freedom of Information Act. Involved in hatching the plan were many of Nixon's most senior advisers, including Chief of Staff H. R. (Bob) Haldeman; Domestic Advisor John Erlichman; Special Counsel Charles Colson; Leonard Garment, Nixon's lawyer; and others. "Our friends on the CPB board of directors, notably Jack Wrather, Al Cole, and Tom Moore, favor this approach and are working with limited success toward this end. At a minimum, replacement of Frank Pace as chairman and John Macy as president would be necessary, and more

detailed White House intervention would probably be required to keep a rein on the full-time CPB and PBS staffs," the memorandum continued.

### **INFLAMMATORY SPEECH IN MIAMI**

Recognizing the political consequences of attacking public affairs programming publicly, the administration's strategy concentrated on replacing the principals of CPB and working toward further decentralizing the public television system.

On October 20, 1971 Whitehead gave a stunning speech to public broadcasters at the annual meeting of the National Association of Educational Broadcasters in Miami. Contrary to custom, Whitehead's office did not distribute advance copies of the speech; the CPB staff was advised that it would be a rather routine convention address. Instead, Whitehead charged.

"I honestly don't know what group I'm addressing. I don't know if it's really the 47th annual convention of the National Association of Educational Broadcasters or the first annual meeting of PBS affiliates. What's your status? To us there is evidence that you are becoming affiliates of a centralized, national network," Whitehead told the group.

Listing as his first legislative goal for public broadcasting, "to keep it from becoming a government-run system," Whitehead attacked as centrist the recently established National Public Affairs Center for Television in Washington and charged that "the Ford Foundation is able to buy over \$8 million worth of [public affairs] programming on your stations." Whitehead went on to say that public television was imitating the commercial networks. "You check the Harris poll and the ARB survey and point to increases in viewership. Once you're in the rating game, you want to win," he said. He insisted that the system—largely because of CPB—had strayed from "the bedrock of localism" which underlay the Carnegie Commission's report. Calling the stations "branch offices of a national, public telecommunications system," he charged them to strike "the most appropriate balance in determining the station's role in the public broadcast system—a balance between advancing the quality of electronic instruction and programs for the general public and, ultimately, the balance between the system's center and its parts. You have to care about these balances and you have to work for them. We in government want to help, but the initiative must come from you."

In the final version of a memorandum Whitehead had drafted the day of the speech, the telecommunications chief described the policy behind his speech:

No matter how firm our control of CPB management, public television will always attract liberal and far-left producers, writers, and commentators. We cannot get the Congress to reduce funds for public television, or to exclude CPB from public affairs programming. But we can reform the structure of public broadcasting to eliminate its worst features.

There is, and always has been, a deep division within public broadcasting over the extent of national control versus local station control. Many local stations resent the dominance of CPB and NET. This provides an opportunity to further our philosophical and political objectives for public broadcasting without appearing to be politically motivated.

We stand to gain substantially from an increase in the relative power of the local

stations. They are generally less liberal, and more concerned with education than with controversial national affairs. Further, a decentralized system would have far less influence and would be far less attractive to social activists.

Therefore, we should immediately seek legislation to: (a) remove CPB from the business of networking; (b) make a drastic cut in CPB's budget; and (c) initiate direct federal operating support for local stations on a matching basis.

Whitehead said the key to achieving these goals was to provide the stations with more federal funding than they received from CPB. "Local stations' support for our proposals could be bought for about \$30 million," Whitehead wrote. Shortly thereafter, his staff began meeting privately with station managers.

John P. Witherspoon, the corporation's first director of television, responded with a memorandum to the stations that charged Whitehead with using the government's financial power to politically pressure the industry. Witherspoon wrote that Whitehead's proposal "says in straightforward political language that until public broadcasting shows signs of becoming what this administration wants it to be, this administration will oppose permanent financing. And if we yield to that—well, let's hope the next administration, and the one after that agrees with this one, because it will be well known that we can be had."

Two weeks later the Public Television Managers Council, preparing for a private meeting with Whitehead, sent him a letter that concurred with his local-station orientation (as had Witherspoon's statement). But the council also rejected the invitation to circumvent CPB and said that public television had adopted improved procedures which already were addressing many of the problems Whitehead mentioned in his speech. The managers emphasized that what they needed most was long-range financing.

But differences existed within public television, and these tensions only exacerbated them. PBS was increasingly apprehensive about CPB. Furthermore, Whitehead's rhetoric appealed to some managers who were concerned about centralism.

Early in 1972 the visible focus of the dispute shifted to the CPB board. At its January meeting the corporation's board voted against funding news, news analysis, and political commentary. Director Tom Moore also unsuccessfully proposed prohibiting public affairs programming involving controversial political issues.

Three days later, in a draft memorandum to the president, Whitehead wrote that he had made it clear to CPB Director Pace and CPB President Macy that CPB would receive an extra \$10 million in fiscal 1973—only if the board agreed to refocus its activities. He also made it clear that further increases depended on the board's willingness to make other changes the administration wanted. Whitehead wrote that he was making some progress with the board, but that its slow movement and reluctance meant he would have to continue applying public and private pressure. "Also, we will have to change the board in April and replace Pace and Macy as quickly as possible, as all of us earlier agreed," he wrote.

Whitehead wrote that the administration wouldn't see results immediately. "All of the offensive programs are funded through the end of this fiscal year, and even some of those that are dropped can be expected to be funded through foundations and syndicated outside the public broadcasting network. Changing the board and

the management will be necessary to continued progress but we have made a good beginning.”

Against this background, CPB and PBS executives attempted to write an agreement on their organizations’ programming responsibilities. In March, 1971 PBS established its formal journalistic standards and guidelines; the corporation’s board endorsed them at its March meeting. At about the same time, PBS and CPB reached a tentative agreement on program issues.

The agreement had a short life. The natural strains between PBS and CPB, the unrelenting pressure from Whitehead’s office, the underlying conflicts in public broadcasting, and the personalities at CPB and PBS combined to create a near-impasse at the national level about public television’s course.

Then, on June 30, 1972, President Nixon vetoed CPB’s authorization bill, citing the need for increased localism and charging that CPB “is becoming . . . the center of power and the focal point of control for the entire public broadcasting system.”

Pace immediately announced his resignation as chairman. On August 10, Macy, ill and under increasing fire, resigned effective October 15. On August 17 Wither- spoon followed suit, also effective October 15.

The administration got what it wanted. The following day, Whitehead recom- mended that Nixon approve a \$45 million authorization for CPB for fiscal 1973. Soon, nearly all the corporation’s principal executives had voluntarily resigned.

In September, the CPB board named Henry Loomis as the corporation’s new president. Meanwhile, the board re-examined relations between CPB and PBS.

On January 10, 1973, the CPB board passed a resolution stating that the corpora- tion had during previous years granted to PBS a number of functions which it should have kept, including some programming functions. Among them were the process and ultimate responsibility for decisions on financing program production or acqui- sition. Another key responsibility the CPB board said it had improperly ceded was “pre-broadcast acceptance and post-broadcast review of programs to determine strict adherence to objectivity and balance in all programs or series of programs of a controversial nature.”

The board told Loomis to prepare a plan to establish at CPB the staff and resources necessary for the corporation “to exercise the authority and meet the responsibilities vested in CPB under the Public Broadcasting Act of 1967 and in accordance with the policies expressed in this resolution.” The board also told Loomis to negotiate a contract outlining relations between CPB and PBS “as may be consistent with sound management, the prudent allocation of resources, and the policies expressed in this resolution.”

### **GUNN RESPONDS TO CPB**

Gunn responded immediately by restructuring PBS to broaden its political base. The organization established dual boards: a lay board of governors, generally consisting of socially, politically, and economically influential people; and a board of managers to represent the interests of the system’s professional station managers. Ralph B. Rogers, a Republican who was chairman of Texas Industries and on the board of KERA, the public TV station in Dallas, became chairman of the new organization. Gunn continued as president. The effect was to erase once and for all

any impression that PBS was a subsidiary of the corporation; it would instead be a freestanding organization, largely supported by its members, operating as a major part—indeed, the most visible, identifiable part—of the public television system.

During the next months PBS succeeded in rallying the stations and vastly strengthening its national political stature. CPB, far from absorbing PBS as once contemplated, was on the defensive.

On May 31, 1973, the boards of CPB and PBS passed a joint resolution, which became known as the “partnership agreement.” The purposes stated in its preamble included promoting public television’s independence and diversity and improving its programs; encouraging development—including Congressional and executive branch approval of a long-range financing plan “that would remove public broadcasting from the political hazards of annual authorizations and appropriations”; strengthening local television stations’ autonomy and independence; and reaffirming “that public affairs programs are an essential responsibility of public broadcasting. Besides describing program-related procedures, the resolution stipulated that fixed percentages of CPB’s appropriation would flow through directly to public television stations.

The partnership agreement helped resolve some of the basic disputes within the system; Ralph Rogers was the key man in helping the system recover from the first major assault on its basic mandates and assumptions. In the process, many of the original ambiguities of the legislation were—at least in terms of day-to-day operations—laid to rest.

In the process, Whitehead and his colleagues in the White House provided graphic demonstration of the political vulnerability that can strike at the core of American public broadcasting.

## CHAPTER 6.

# The Elusive Long-Term Money Fix

**S**ince the earliest days of American radio, reasonably assured, stable, politically insulated financing has been a central issue in public broadcasting—perhaps *the* central issue.

As early as 1934, when the Communications Act was being written and some were proposing reserving radio frequencies for education, planners debated whether educational stations should sell advertising. The founders of the Pacifica network originated the notion of voluntary audience subscriptions in the 1940s. San Francisco station KQED was a step from financial disaster in the 1950s when it created the now-venerable public television auction. In 1966 the Ford Foundation suggested a satellite system that would offer commercial networks (and National Educational Television) a way to distribute programs to their affiliates while turning over several million dollars “profits” a year to support educational television. And a year later the Carnegie Commission on Educational Television proposed an excise tax on new television set sales. A former head of the National Telecommunications and Information Administration has proposed a spectrum use fee, the proceeds of which would help finance public broadcasting. As recently as spring 1985 there was renewed mention of a tax on commercial TV advertising, but with little prospect that it would be levied. There is underwriting, enhanced underwriting, and there have been experiments with advertising, raising the question: Should public broadcasting be truly noncommercial, or is its purity defended adequately by “non-profit?” And, year after year, federal and state appropriations provide critical support for the industry.

### PRESENT SOURCES

Public stations depend upon a complex and diverse mix of revenue sources, including underwriting, subscriptions and all levels of government. In 1984 the average public television license-holder raised \$3.8 million, plus \$588,000 in indirect and in-kind support.

Viewer subscriptions accounted for 23 percent of this figure—the largest single source. Next came state government, at 21 percent. The Corporation for Public Broadcasting provided 13 percent through community service grants and other contracts. Businesses, largely through program underwriting, contributed 12 percent. Foundations, an early public TV mainstay, contributed three percent in 1984, a few dollars less than fund-raising auctions. Local government accounted for slightly less than four percent of public TV station support.

During 1984 the average public radio station had cash income of \$483,000, plus \$129,000 in indirect and in-kind support. Nearly 26 percent of the average radio station’s income came from listener subscriptions. CPB grants and contracts provided a little more than 14 percent, and business 5.5 percent.

But these station figures don't tell the whole story. National public TV programs, while supported substantially by station purchases (and thus by the stations' income sources) also depend heavily on CPB's program fund, national underwriting by business, direct federal participation (such as the National Science Foundation's longtime support for *Nova*), and foundation grants.

Public broadcasting relies on a great range of financial resources. Some of them, like audience subscriptions, are the purest philanthropy. Others, like enhanced program underwriting, are nearly commercial. Given the present circumstances and ground rules, all seem essential.

### THE MONEY STORY

Perhaps the earliest major debate on financing public broadcasting occurred on the floor of the U.S. Senate in 1934. During the previous 15 years, educational institutions and other nonprofit groups had been operating a significant number—in the early days, as many as a third—of America's radio stations. But the Great Depression precipitously reduced these numbers. Senator Robert F. Wagner introduced a complex amendment to the Communications Act of 1934 which would have charged the new Federal Communications Commission to reallocate radio channels, reserving 25 percent for nonprofit stations and permitting these stations to recover their costs by selling ads.

Commercial broadcasters opposed the plan. Bitter fighting over the Wagner-Hatfield amendment consumed the floor discussion on the act. Senator Clarence Dill led the opposition. The Washington Democrat pointed out that the nonprofit stations would compete with commercial stations, that they would not be "what we understand as education and religious stations merely. I cannot believe . . . that there is any hope of their using 25 percent of our radio facilities effectively. They have not the money and there is nowhere they can secure the money except if they go into the commercial field and themselves become commercial stations."

The FCC studied the matter and in 1935 concluded that reservations were not warranted. Congress accepted the FCC's recommendation.

When the U.S. Office of Education's J.W. Studebaker wrote in 1937 on *The Government's Responsibility for Educational Broadcasting*, he emphasized government use of commercial facilities and tried to persuade commercial broadcasters to devote adequate time and attention to education and public service: "The responsibility of the federal government for educational broadcasting falls within at least three areas: to safeguard the use of radio frequencies to insure the maximum of public service; to use radio frequencies to acquaint the public with the work of the government; and to keep the public posted concerning the services it should expect of radio, and to persuade and assist broadcasters to provide those services."

Studebaker also reported: "When the FCC held a conference in June 1936 to consider the allocation of frequencies among various agencies and for various services, I requested that a minimum of three megacycles be reserved for the exclusive use of local school systems for services in addition to those which they could normally expect commercial radio stations to perform."

But the Office of Education was principally interested in—and spent its money on—producing programs for national or international broadcast over commercial

stations and studying radio's educational applications.

While some early educational AM radio stations operated commercially, organized educational radio didn't emerge until after World War II when a new kind of radio, FM—or frequency modulation radio—was assigned a different frequency band. FM broadcasting began to develop—slowly.

Some hoped that FM would bring about radio's rebirth by unlocking its true potential. Charles Siepmann called it "radio's second chance." After an intensive campaign by the National Association of Educational Broadcasters (NAEB) and education forces, the FCC reserved frequencies for education in this new, largely unused band, and these frequencies were accompanied by a new license category: noncommercial educational.

The new stations were sustained—typically at a minimal level—by institutional budgets and occasional philanthropic transfusions. During the '40s Pacifica was first to garner voluntary listener support, but the technique was not widely imitated.

### **EDUCATIONAL TV'S START**

In many ways the Ford Foundation willed educational television into existence. It provided critical start-up money for many early stations. Perhaps more important, the foundation developed an institutional core around which education could rally: the Joint Committee on Educational Television (JCET); the National Citizens Committee for Educational Television (NCCET), which provided a national public relations structure; and National Educational Television (NET), which became a national programming base.

Early community-based educational stations, particularly those in Boston, San Francisco, Pittsburgh, and St. Louis, scrambled for a combination of funding sources: contracts to serve public schools, viewer subscriptions (painfully few at first), local and national philanthropy, auctions, and contracts to produce national programs.

In 1955 the U.S. commercial television industry was debating subscription television's prospects as an alternative to conventional advertiser support. The JCET also was interested in using subscription TV revenues to support educational TV. When the FCC formally introduced the idea, however, JCET counsel Seymour Krieger advised against it, both on tactical and philosophical grounds. "To suggest that subscription television operations be authorized for non-commercial stations raises a grave question in my opinion as to whether or not such an operation would be appropriate for a non-commercial educational station," he wrote.

"Of necessity," he continued, "educational television stations must derive their economic support from the entire public within their service areas. To the extent that such stations seek tax funds, which appears to be a most important source of support, it would seem to be a mistake to suggest that any portion of the public be foreclosed from viewing educational television programs by the necessity of securing decoders and paying the required fee."

For their first significant federal support, public broadcasters can thank the Soviet Union. In 1957 the Soviets startled the world when they launched the first earth-orbiting man-made satellite, Sputnik I. A frantic debate followed in the U.S., both about the military implications of the Soviets' achievement and about Ameri-

ca's technological prowess. The debate resulted in, among other things, the National Defense Education Act of 1958, which for public broadcasters provided funding for media-based instruction in science, foreign languages, and mathematics.

The first federal funding program directed specifically toward public broadcasting was the Educational Television Facilities Act of 1962, which survives today as the Public Telecommunications Facilities Program. In its original form, the program exclusively provided educational TV stations with matching funds of \$32 million over five years for production and transmission equipment.

As program quality and station coverage gradually improved, educational television stations took a lesson from museums and symphony orchestras, and turned to program underwriting. The communications act requires broadcasting stations to identify program funders, so underwriters received brief mentions adjacent to programs. By public broadcasters' own groundrules, these announcements initially consisted only of simple, sparse company identifications: corporate names were allowed, but not brand names or logos.

Through the mid-60s public broadcasting was financed by a combination of state and local taxes, philanthropy, a modest amount of program underwriting, and institutional budgets. Because this mosaic did not provide enough money to develop a major broadcasting service, public broadcasters paid increasing attention to the problem of long-range financing. That problem, combined with adroit politics, resulted in the Carnegie Commission, which issued its report on non-commercial broadcasting in 1967.

Carnegie's result was the Public Broadcasting Act of 1967. The federal law gave responsibility for supporting stations, programming and interconnection facilities to a new, not-for-profit, government chartered corporation, the Corporation for Public Broadcasting. But the legislation failed to incorporate an excise tax—which the commission recommended—or any other long-range financing mechanism. President Lyndon Johnson began the pattern of annual appropriations and promised to propose a more satisfactory mechanism the following year. But in 1968 Johnson, under siege because of the Vietnam War, announced he would not seek re-election.

Annual federal appropriations continue to the present day, although provisions for better planning and a layer of insulation were added in 1975 when Congress agreed to appropriate funds for CPB two years in advance. The legislative changes also adopted a funding guide for CPB's support for stations based on a percentage match of income public radio and TV stations raised from non-federal sources.

During the stormy '70s many public broadcasters and their funders continued focusing attention on the issue of long-range financing and the political and structural problems of the Nixon era. The discussion resulted in a second Carnegie group, the Carnegie Commission on the Future of Public Broadcasting. This commission recommended vastly increased federal support: about \$600 million by 1985. The funds would have come primarily from general revenues, augmented by a spectrum use fee. But the report attracted little attention.

During the early '80s it was clear that federal support for public broadcasting would decline or, at best, grow very slowly. With the Reagan Administration's deregulatory stance and its emphasis on self-reliance and private-sector support for heretofore government-supported activities, the questions of advertising on public

TV and radio arose again. Congress charged a Temporary Commission on Alternative Financing for Public Telecommunications (TCAF), chaired by FCC Commissioner James H. Quello, to study advertising and other financing options. After selected public television stations experimented with the sale of limited forms of advertising, TCAF concluded that public broadcasting should not turn to advertising for support. Instead, the group called for a combination of continued federal appropriations and further loosening of underwriting restrictions.

### **ELUSIVE LONG-TERM FIX**

“Shibboleth” is defined as “a slogan or saying, especially one distinctive of a particular group.” Long-range financing may be public broadcasting’s shibboleth. It’s a favorite idea, although its terms occasionally shift. It introduces visions of security, if not plenty. When an institution has secure funding sources, it knows that it has its constituency’s confidence and that it will be in business for the foreseeable future.

It’s hard to be against long-range financing. What’s hard is achieving it. Public broadcasters equate such financing with a solid base of federal money, backed by political independence. Events have proven this an elusive, perhaps unattainable, goal. In fact public broadcasting has achieved a substantial but quite diverse base of support in which the federal government’s contributions play an important, but not dominant, role. While substantial, this broad base is inadequate to provide good, diverse and innovative programming. Moreover, it also has shown a potential for political interference.

Nevertheless, public broadcasting has attracted enough money to reach virtually the entire nation, with radio and television stations carrying schedules that few managers would have dared dream about in 1967. It is possible that public broadcasting has its long-range financing: not ideally defined or assured, not adequate in amount, without proper insulation, but at least for now, as good as it can get.

### **STOPS ALONG THE WAY**

The Carnegie Commission on Educational Television estimated that the “Corporation for Public Television” would need a \$104 million a year to fund public broadcasting’s programming, interconnection, and related functions. The commission estimated that the public television system of the late 1960s would require a total of \$270 million a year, including \$75 million from non-federal sources. The commission also called on the federal government to pay for equipment and station operations through the Department of Health, Education, and Welfare. The corporation’s funds would come from a tax on new TV sets made available to it through a trust fund. The commission noted that this tax would not be new: the government had levied a 10 percent tax on TV sets between 1950 and 1965.

Commissioner Joseph H. McConnell, president of Reynolds Metals, entered a separate concurring opinion, arguing that “those who are licensed to use the airwaves in the ‘public interest’—the commercial television stations—should at least share in the cost of public television.” The commercial stations’ tax presumably would have been passed along to advertisers.

But Congress adopted neither the excise tax nor the tax on commercial stations;

ignoring the Carnegie Commission's objections, it financed public broadcasting through annual appropriations. The commission's steady state-federal target of \$200 million—in 1967 dollars—has yet to be achieved.

Shortly after the commission completed its work, the National Citizens Committee for Broadcasting issued a report by Dick Netzer, an economist from New York University. *Long-Range Financing of Public Broadcasting* addressed the best ways to meet the Carnegie target of \$270 million a year. Netzer considered eight sources of revenue:

- taxes on gross receipts of radio and TV broadcasters
- taxes on all FCC long-distance communications licenses
- a tax on total television advertising outlays
- taxes on broadcasters' net profits
- an excess profits tax on broadcasters
- a charge for leasing access to the radio spectrum
- a flat per-household radio-TV license fee
- a manufacturers excise tax on TV sets

Two of these were federal revenue sources: the tax on commercial broadcasting's gross receipts—at a rate of four percent, it would yield more than \$120 million annually, which would be assigned to a trust fund; and a charge for granting commercial broadcasters access to the spectrum, which was designed to yield at least \$50 million a year.

In addition, Netzer believed that the industry should obtain supplementary non-governmental financing by establishing the Ford Foundation's proposed broadcasters' nonprofit satellite system, which he estimated would yield \$20 million a year in money and substantial benefits in the value of free interconnection services. Netzer also advocated granting public broadcasters the authority to accept limited advertising and experiment with subscription TV.

While none of his recommendations was considered seriously at the time, several reappeared during the 1982 advertising experiment.

### **TASK FORCE ON FINANCING**

The need for long range financing was underscored in 1970 when CPB's first president, John W. Macy Jr., told the NAEB that "the future of public broadcasting will be very limited unless we succeed in the next couple of years in convincing the nation that we have earned a system of adequate, permanent financing." That "next couple of years," however, consisted largely of turmoil for public broadcasters and culminated in the Nixon veto of mid-1972.

But throughout that time, negotiations continued between CPB, the White House, and Congressional committees concerning a long-range financing bill. Rep. John Tiernan of Rhode Island introduced a bill in early 1971 that would have established a Treasury Department "public broadcasting trust fund" in the Treasury and authorize a federal match of two dollars for every dollar of non-federal support over \$50 million in the public broadcasting system.

In April 1972 CPB created a task force on the "Long-Range Financing of Public Broadcasting." Chaired by former CPB Director Joseph D. Hughes, it was broadly based and engaged leaders from stations and national organizations. The goal: to

devise a financing plan that the entire public broadcasting constituency could support, fragmented and fractious though it may be. Even before the group's first meeting, the Nixon veto devastated the corporation and made the task force's work all the more pertinent.

The group's plan, released in fall 1973, included several major recommendations. Two were of special significance. One was that Congress should authorize federal funding for public broadcasting "for a period of no less than five years, and a schedule of appropriations for the same period of time should be made part of the authorization." This was designed to insulate public broadcasting from the year-to-year financial and political pressure which annual appropriations imposed. It also called for matching non-federal revenues: "The level of federal support in any fiscal year should match non-federal support for public broadcasting activities for the second preceding fiscal year on a one-to-two ratio, up to reasonable, established ceilings."

Despite a change in the leadership at CPB, the Nixon White House—increasingly under fire because of the Watergate scandal—was divided on whether to support long-range financing. But during Richard Nixon's last days in the White House, in the summer of 1974, the president forwarded to Congress a proposal to provide long-term, insulated financing through a five year authorization and appropriation, as the task force had recommended.

The 93rd Congress ended before it could take action on the Nixon bill. President Ford submitted a nearly identical proposal in February 1975, and hearings on the Public Broadcasting Financing Act of 1975 continued through the year. But by the time the process was complete the ingenious link between authorizations and appropriations that was the plan's principal insulating mechanism had been uncoupled. On December 31, 1975, the act was approved, with these major provisions:

- The "public broadcasting fund" was established in the U.S. Treasury.
- Appropriations were authorized for 1975-80, using the ceilings public broadcasters advocated. But the actual appropriations would come separately; yearly appropriations bills provided funding two years in advance.
- Formula-driven pass-throughs to the stations were included.
- Consultation with the system was mandated for CPB.
- Non-broadcast technologies were included in the Public Broadcasting Act.

### **MORE FACILITIES FUNDING**

The Public Telecommunications Financing Act of 1978 extended the principles of the 1975 legislation, adding emphasis on planning, providing for telecommunications demonstration projects, increasing accountability and reporting requirements, requiring open meetings, and mandating performance in the area of opportunities for women and minorities.

With regard to long-range financing, its major change was to provide, beginning in fiscal year 1981, a federal match of \$1.00 for each \$2.00 raised from non-federal sources. The federal funding patterns established in the financing acts of 1975 and 1978 prevailed through the mid-80s.

During the late 1970s the second Carnegie Commission, formally called The Carnegie Commission on the Future of Public Broadcasting, recommended sub-

stantially restructuring the system. It did not address long-range financing in detail, except to make the policy recommendation that the federal government's appropriate share of support for public broadcasting should be about 50 percent. The commission said the funds should come from general revenues, augmented by a spectrum use fee. The commission estimated that public broadcasting's total revenue should be \$1.16 billion (in 1978 dollars) by 1985, and that the federal share of this sum should be \$600 million. In addition, the commission recommended a one-time-only allocation of \$350 million over five years for new and improved facilities.

### **THE TEMPORARY FINANCING COMMISSION**

In the U.S. there is a tradition of commercial enterprises supporting cultural activities. American businesses underwrite symphony orchestras and opera companies, museums, theater groups, and specialized scientific and cultural publications. So it was perhaps inevitable that when public broadcasting began to develop a substantial presence, underwriting would be an attractive source of support.

Guidelines established by stations' organizations rigorously restrained the first underwriting announcements: stations would identify the corporate name only, with no logos or reference to product lines. Underwriters were prohibited from supporting programs on subjects related to their businesses. In the '70s, a controversy ensued when a station submitted a program in which the Mobil Oil underwriting credit used a typeface suspiciously similar to the style the company used in its advertisements. The cry went up: "Next we'll be allowing them to use a red 'O'!"

In 1976 CPB's Advisory Council of National Organizations (ACNO), comprised of national groups representing labor, education, civil rights, business, and other interests, expressed concern that underwriting might lead to commercialism. Ward B. Chamberlin Jr., president of WETA-TV/FM, argued that underwriting provides a legitimate and valuable source of support. But he emphasized that corporate underwriting, like any other funding, must be kept in balance with other sources of support.

In 1977 the FCC started investigating underwriting and several other fundraising techniques, striving to "maintain the essentially noncommercial nature of educational broadcasting." The issues raised were not directed toward further underwriting restrictions, but the inquiry served as a general caution to the field.

The specter of commercialism directs attention to the major differences between commercial and public broadcasting in the U.S. Many believe that public stations would damage their prospects for continued noncommercial union agreements by airing out-and-out ads. Some also argue that advertising might hurt voluntary subscriptions by indicating to viewers and listeners that stations are commercially supported, or that ads could cause other support sources to wither.

But the basic difference is more fundamental. Most of the time, a commercial station's salable product is not programs, but people. Commercial stations sell audiences—a combination of demographics and numbers—to advertisers.

Public stations, on the other hand, are intended to offer programs to audiences. To the extent that today's underwriters are sensitive to demographics and audience sizes, this principle may be distorted, but the fundamental difference remains.

Lloyd Kaiser, CPB and PBS director and president of WOED in Pittsburgh, put it this way at the time: "Public broadcasting would greatly change while in the swift commercial lane. The proposed limited nature of the advertising in terms of type and placement sounds surprisingly like the beginnings of advertising on commercial broadcasting years ago. It then changed completely, as dictated by the normal forces of the marketplace.

"If advertising were to come to public broadcasting what then would be our significant difference? Could anyone really find our reason for being? What then would cause us to be innovative and courageous and a service-first enterprise? Would we continue our search for greatness or would we merely be known as that ineffective commercial network?"

In spite of these qualms, public broadcasting's financing difficulties invite interest in advertising. The Reagan Administration, for both policy and economic reasons, said that it would not support increasing annual federal appropriations for public broadcasting. The message was clear: Enterprises such as public broadcasting should rely more on the private sector for support.

The Public Broadcasting Amendments Act of 1981 called for reductions in public broadcasting's direct federal support, and at the same time established the Temporary Commission on Alternative Financing (TCAF) to "identify funding options which will ensure that public telecommunications as a source of alternative and diverse programming will be maintained and enhanced, and that public telecommunications will continue to expand and be available to increasing numbers of citizens throughout the nation."

Under the aegis of TCAF, the first congressionally authorized commission to study financing public broadcasting, 10 public TV stations (radio did not participate) were authorized to conduct demonstrations of limited advertising. They were WNET, New York City; WTTW, Chicago; WHYY, Philadelphia; WOED, Pittsburgh; WPBT, Miami; WYES, New Orleans; WQLN, Erie; WSKG, Binghamton, New York; WIPB, Muncie, Indiana; and WKPC, Louisville. Alternates were KCSM, San Mateo; KWCM, Appleton, Minnesota; and WVIZ, Cleveland.

At the end of the experiment the commission concluded that "limited advertising could be a significant supplemental revenue source for certain public television stations. However, many public broadcast stations would not carry advertising, and the significant financial risks associated with advertising cannot be quantified in advance. Further, these risks could extend to public broadcasting stations—both television and radio—that decide not to air limited advertising."

The group found that overall the risks of advertising were too great. "Advertising benefits would most likely accrue mainly to VHF stations in major markets and other stations well-situated to compete for advertising dollars," TCAF found.

While TCAF recommended against advertising, it recognized that "broadened guidelines for program underwriting (or general support grants) would provide additional revenue for public broadcasting." It said that this enhanced underwriting approach would be more acceptable to the stations and "pose fewer risks to other cost areas."

While the advertising experiments were underway, TCAF examined other non-federal options for alternative financing. These included increased individual con-

tributions, facilities leasing, teleconferencing services, income from subsidiary FM radio services, commercial use of satellite facilities, program sales, subscription television, multipoint distribution services and the instructional television fixed service, low-power television, cable television enterprises, direct broadcast satellites, teletext, regulatory improvements, and a national lottery. "The alternative financing options studied are unlikely to supplant traditional federal tax-based support within the foreseeable future. Indeed, while some of these options have long-range potential, in the short term there is no reasonable alternative to continued federal funding."

Here are some highlights of TCAF's conclusions:

- "Public broadcasting clearly has the potential to maintain, enhance, and expand the reach of its services, as suggested in the commission's mandate from Congress."
  - "Significant increases in revenue are essential if public broadcasting is to be maintained, enhanced, and expanded."
  - "Venture activities will not become a substantial source of system-wide revenue in the foreseeable future."
  - "Balance and diversity in funding sources are essential to the unique character of public broadcasting services. Federal support stimulates other sources of revenue and is an indispensable part of public broadcasting's financial base."
- And TCAF's final recommendations to Congress:
- "Renew public broadcasting's authorizing legislation for a minimum of three years (1987-1989) and maintain the advance appropriations procedures that afford insulation and aid program planning."
  - "Set a target level of federal funding during this period that provides a strong base that allows public broadcasting to maintain, expand, and enhance the reach of its services."
  - "Structure federal funding so as to provide the optimum incentive for local stations to generate non-federal funds."
  - "Continue the existing prohibition on advertising unless it can be established clearly that overall benefits to public broadcasting will exceed the costs and stations that do not choose to carry limited advertising will not share the risks associated with advertising while not receiving direct benefits."
  - "Further stimulate non-federal revenue sources through the following actions:

Direct the FCC to modify its policies concerning underwriting acknowledgments to permit public broadcasters to identify supporters by using brand names, trade names, slogans, brief institutional-type messages, and public service announcements.

Repeal the unrelated business income tax penalty incorporated in the Public Broadcasting Amendments Act of 1981 and direct the CPB to make refunds to stations that have returned money as a result of this provision.

Reinforce support for regulatory policies that promote the effective distribution of public broadcasting signals."

In March 1984, the FCC broadened its guidelines to permit logos or slogans that identify—but do not promote or compare—locations, value-neutral descriptions of a product line or service, trade names, and product or service listings. A

public broadcasting station's fund-raising activities may not "suspend or alter regular programming on behalf of any entity other than itself," the FCC wrote. PBS, National Public Radio, and individual stations have adopted underwriting codes which reflect the FCC standards and apply them to specific situations.

For the foreseeable future it appears that the long-range financing of public broadcasting will look very much like the financing arrangements that exist today: diverse, difficult to obtain, and not entirely adequate.



*In the 1980s Prairie Home Companion host Garrison Keillor's blend of wry wit and down-home humor made him public radio's biggest star. Keillor ended his show in June 1987.*

## CHAPTER 7.

# Public Programs: A Civilized Voice

It was 1930 and the Federal Radio Commission's Ira E. Robinson was talking about radio. "It is the greatest implement of democracy yet given to mankind. It the voice of the people, indeed, the expression of the soul of the people unto themselves and unto the other nations of the earth. It fits the doctrine of Lincoln that this shall be a government of the people, by the people, and for the people."

But commissioner Robinson knew commercial broadcasting alone would not meet the nation's needs. He recognized that educational institutions had established a few stations, but observed that their funding was both late and limited. The republic had to do better. "It is conceded that educational programs over the radio should be devised and directed by professional educators, but this cannot be done under the existing ownership and operation. Will the legislatures provide appropriations of money with which to buy time on the commercially owned and operated stations, and will those stations fairly allocate time for educational uses when others offer to pay for the same period? These and other questions that arise cannot be answered now. But, an evolutionary process will naturally aid in their solution. Radio is intended for a higher use than that now made of it, and the enlightened mind of the public will eventually prevail."

A system of public stations programming as a public service was not a new idea. Public radio—both the mission and the name—had been proposed in 1922 at the Conference for the Voluntary Control of Radio. Instigated by then Secretary of Commerce Herbert Hoover, the conference raised the question of dividing radio frequencies between educational and noncommercial stations.

According to the National Committee on Education by Radio, the conference established four priority classes in broadcasting. The first class of station, government owned and operated, was to broadcast within a 600-mile radius "information of the kind which the federal government gathers and is particularly qualified to distribute." The second was the "public station," to broadcast a 250-mile signal, and would be operated by states, municipalities, colleges, and universities. Third priority went to private stations, to be operated for "private good-will." Finally came "toll broadcasting stations." These would have operated as the long distance telephone system, "available to all who desired to sponsor programs." The latter two classes of stations would have served a 50-mile area.

### FATHER MORRILL

In many ways the father of educational broadcasting was Justin Morrill, who in the 1860s fought successfully for the idea of land-grant colleges. These colleges, and the cooperative extension services that came later, were based on the premise that colleges should be broadly useful community resources. Morrill's work laid the path for lifelong learning, universities without walls, education in the practical arts and

sciences—and the logic of colleges using radio to reach the people.

In 1933 an astute observer of education and broadcasting noted that educational radio was in a period similar to the early days of agricultural and mechanic arts colleges. “They were endeavoring to find their place.” The speaker, A.G. Crane of the University of Wyoming and chairman of the radio committee of the National Association of State Universities, was discussing one of the first public broadcasting surveys. “Like many another fact-finding enterprise,” Crane said of *An Appraisal of Radio Broadcasting in the Land-Grant Colleges and State Universities*, “the report calls attention to the importance of what was obvious from the beginning. The heart of the whole question of educational, cultural values in radio depends upon the character and acceptability of the program. If educational stations are to find their places on the air, they must find special services which the schools can render better and more effectively than can be rendered by other agencies. During the free-for-all period of experimentation, institutions have included formal instruction, general information, farm and home information, entertainment, and commercial broadcasting.”

The study found that 47 college and university stations devoted 48 percent of their broadcasting time to entertainment, 20 percent to farm and home information, 23 percent to general information, and eight percent to formal instruction. “The experiment of giving formal college courses by radio, and of awarding suitable college credit, seems to have proved unsuccessful,” Crane said. “The most acceptable program will include entertainment features that are not available to the general commercial broadcasting companies, such as special school events, sports, drama, lectures, and those events in which appear students or faculty whose personal reputations or connections contribute special interest.”

### AN EARLY RADIO STATION

Speaking at the 1930 meeting of the Institute for Education by Radio, W.I. Griffith painted a picture of early educational radio. Griffith, director of radio station WOI in Ames, Iowa, told the group that “since our support comes from taxpayers in Iowa, we have not felt at liberty to engage in commercial broadcasting, but we are much interested in being of service to all of the citizens of the state.”

Griffith said that his station’s programs “carry a maximum amount of information with enough entertainment to make the information acceptable.” He described the station’s program schedule: In 1929, WOI broadcast 7,887 programs, of which 5,570 dealt with market quotations on live stock, grain, poultry, dairy products, and weather reports. In 1930, he reported, half the farms in Iowa were equipped to receive radio programs.

WOI broadcast 1,159 educational and 798 entertainment programs. “The lectures broadcast by our own faculty deal for the most part with different phases of agriculture, home economics, engineering, industrial science, and veterinary medicine. During the college year 1929-30, a series of 30-minute programs was given at 10 o’clock on Tuesdays and Thursdays known as the *Homemakers’ Half-Hour*.” When the station aired a show called *What Shall We Do with Our Aluminum Cooking Utensils, Throw Them Away or Use Them?*, 290 listeners requested copies.

Before broadcasting an “Art Appreciation” lecture, the station mailed some of

its listeners copies of 12 paintings that would be discussed. “Mrs. Ness discussed such paintings as Raphael’s *Madonna of the Chair* while all through radioland hundreds of housewives paused in their busy morning’s work to study a copy of this painting as the talk was being given,” Griffith said. “More than 3,000 listeners asked for copies of that broadcast.

### **EARLY PRINCIPLES**

Even in radio’s first decade, a number of public programming principles emerged:

- While many of the early stations were at educational institutions, their programming mission was never seen as heavily instructional. Formal education was seen as a valuable facet of the service which should, perhaps, be enlarged, but public programming has always ranged from stock market reports to drama and self-improvement for adults at home.
- Alternative programming, drawing upon the unique capabilities of the stations’ host institutions to do what commercial broadcasters were not prepared to do, has been present since the creation.
- Public affairs programs, so controversial in later years, were a valid mission from the beginning.
- Success lies in providing quality programs that reasonable numbers of people find interesting, entertaining, or useful.

Despite these insights, and the accomplishments that brought them about, educational radio was nearly inaudible for years. In radio’s infancy, universities rushed to license stations, sometimes for educational or public purposes and often because of the interesting engineering questions behind the new technology.

During the 1920s, 176 educational stations were licensed; with faltering interest from engineering departments and pressure from the Great Depression and commercial radio forces, these dwindled to less than 40 by 1930. Llewellyn White in 1930 described educational radio as “*The Light that Failed*.” Public broadcasting pioneer Richard B. Hull wrote in 1956: “White was essentially correct with one important exception—the ‘light did not fail.’ It did not go out; it continued, but it flickered instead of burning for many years.”

Most universities and colleges, especially private institutions, according to Hull, “found the notion of educating the general mass of people off campus a very foreign one.” He noted that Columbia University reputedly “turned down as a free gift what later became NBC’s key network station in New York. In almost no instance had these educational radio stations been accepted as major elements in the administrative structures of their universities—the stations were peripheral to the main business of the institution.”

### **TV ENTERS THE PICTURE**

When Hull was looking back at educational radio, educational television was less than four years old. The first station, KUHT, Houston, licensed to the University of Houston and the Houston Independent School District, went on the air in May 1953. The second station, WKAR, at Michigan State University in East Lansing, took to the air eight months later. Six additional stations were born in 1954, and a year

later nine more. Twenty-four noncommercial educational television stations were on the air (and seven more under construction) by December 1956.

These stations operated, on average, nearly 32 hours per week. Their programming consisted of in-school programs (in 1955 more than 30,000 children in 1,400 central Iowa classrooms regularly watched *Iowa School Time*), formal adult education (in 1954 more than 2000 adults enrolled in WQED's High School of the Air); informal adult instruction (shows ranged from *Today's Farm* to *Transatlantic Televiews*), instruction for home and business (*Parents and Dr. Spock* to *Industry on Parade*), cultural programs in the arts and public affairs, and children's programs (including Fred Rogers' early work).

During 1955-56 National Educational Television (NET), then known as the Educational Television and Radio Center, distributed 775 hours of programming by more than 75 producers, including educational institutions and stations. In late 1956 it was supplying six hours per week and had secured a new \$6 million Ford Foundation grant to help double its output.

A decade later NET had moved from Ann Arbor, Michigan, to New York City. Under John F. White's leadership it vigorously strove "to provide a national program service that tangibly contributes to the knowledge and wisdom of the American people on subjects crucial to their freedom and welfare and to the continuing cultural growth and renewal that are vital in any healthy society."

By late 1964—with the first federal public broadcasting funding law three years from the president's signature—planning that would lead to the Carnegie Commission was underway. In November 1964 NET, which was providing educational TV stations with their core programming, published *NET Program Philosophy and Purpose: A Guideline for Staff Planning*. In practical terms, the document laid out the network's philosophy toward public affairs, cultural, and children's programs.

Public affairs programs aimed "to induce people to think critically about the important national and international issues confronting our society." It gave public affairs producers "test questions" to ask themselves:

- "Is this subject significant for the American people and important to their welfare?"
- "Do the American people have an unfilled need for information on this subject?"
- "If the need does not exist now, will it exist in the future?"
- "Is full information on this subject available elsewhere on television?"
- "Does this subject fit into a current or projected NET series?"
- "Does this subject fit into the overall program pattern?"
- "Can this subject be presented effectively on television?"
- "Can this subject be presented effectively for the money available?"
- "Is this subject worth the money that must be spent to produce an effective program?"
- "Is this the right time to produce a program or series on this subject?"
- "Is this subject too topical for effective presentation through the NET distribution system?" (NET distributed programs to stations by mail.)
- "Would this program or series contribute positively to the NET service?"

The book exhorted producers of cultural, performance, and children's programs to reach to similar heights.

By this time, a program philosophy had evolved for public broadcasting. It was summarized in a 1971 book by Robert Blakely: “The objectives of commercial broadcasting are to get people to listen and to view and to buy. The objectives of broadcasting for public purposes pertain to what happens in the lives of people as a result of the process of programming—the planning, the production, the presentation, the reception, the consequences. Public broadcasting clienteles are made up, mostly, of the same people who make up the audiences for commercial programs, but they are people acting in different roles, with different kinds of concerns, interests and reasons, just as the same person may concurrently read a mystery story for relaxation and a sociological report for understanding; just as he may attend a baseball game with 10,000 other fans one evening and a voluntary organization with 20 or 100 other members another evening. Broadcasting for public purposes may serve a large clientele at one time and a small clientele at another; it must serve a wide array of different clienteles in any one day or week. The members of these clienteles change and shift from program to program, according to interests and objectives. But they are always publics, and never a mass.”

The programming vision of the 1967 Carnegie Commission was a major factor in passing the Public Broadcasting Act of 1967. At the head of *A Program for Action* is this statement by E.B. White: “Noncommercial television should address itself to the ideal of excellence, not the idea of acceptability—which is what keeps commercial television from climbing the staircase. I think television should be the visual counterpart of the literary essay, should arouse our dreams, satisfy our hunger for beauty, take us on journeys, enable us to participate in events, present great drama and music, explore the sea and the sky and the hills. It should be our Lyceum, our Chatauqua, our Minsky’s and our Camelot. It should restate and clarify the social dilemma and the political pickle. Once in a while it does, and you get a quick glimpse of its potential.”

Public television would be, the commission believed, “a civilized voice in a civilized community.”

“Public television is capable of becoming the clearest expression of American diversity, and of excellence within diversity. Wisely supported, as we conclude it must be, it will respect the old and the new alike, neither lunging at the present nor worshipping the past. It will seek vitality in well-established forms and in modern experiment. Its attitude will be neither fearful nor vulgar.”

The Public Broadcasting Act of 1967, the federal law which resulted from the Carnegie Commission’s work, deals gingerly with programming. In its declaration of policy the Congress “finds and declares that it furthers the general welfare to encourage noncommercial educational radio and television broadcast programming which will be responsive to the interests of people both in particular localities and throughout the United States, and which will constitute an expression of diversity and excellence.”

A principal concern of Congress was to set forth the ground rules for public broadcasting’s treatment of public issues. The Corporation for Public Broadcasting, the agency Congress established in 1967 as both heat shield and distributor of federal funding, was forbidden to support “any political party or candidate for public office” and individual stations were not permitted to “engage in editorializ-

ing or . . . support or oppose any candidate for public office.” The station-editorial prohibition was subsequently held unconstitutional.

Congress went beyond the Federal Communication Commission’s Fairness Doctrine and equal time provisions to require of public broadcasting “strict adherence to objectivity and balance in all programs or series of programs of a controversial nature.”

Much of the Congressional debate behind the act centered on the importance of educational programming, with “educational” subdivided into formal instruction and informal “material to be presented in the home for credit or improvement of specific skills.” There was a considerable, albeit minority, feeling that the educational potential of broadcasting had been given too little attention by the legislation’s authors.

The House report which accompanied the bill struck a middle course concerning programs CPB would finance: “Educational television or radio programs are defined . . . as ‘programs which are primarily designed for educational or cultural purposes and not primarily for amusement or entertainment purposes.’ Notwithstanding the difficulties of defining ‘entertainment,’ the committee deems such a provision advisable in order to preclude the corporation from granting funds for programs which are designed primarily to amuse and for no other purpose. Education is often entertaining as well as enlightening; indeed it is often more palatable if it is. For example, Shakespeare, Toscanini, Gilbert and Sullivan, and Will Rogers have all been great teachers as well as absorbing entertainers, and their works would, of course, not be excluded by this definition. In short, section 397(9) is not intended to inhibit programs which coat the philosophic pill with innocent merriment.”

In the bill’s final version, section 397(9) reads simply: “The term ‘educational television or radio programs’ means programs which are primarily designed for educational or cultural purposes.” The House committee’s addendum “and not primarily for amusement or entertainment purposes” did not survive.

The second Carnegie Commission devoted most of its attention to structural issues and made no profound statements about programming. The commission generally used a wide definition of appropriate programming. Its proposed “program services endowment” would have had “the sole objective of supporting creative excellence and will underwrite a broad range of television and radio productions and program services, including public affairs, drama, comedy, educational and learning research, and new applications of telecommunications technology.”

The second commission also recommended increased emphasis on education, encouraging more research in the use of media for instruction and urging the endowment to “finance and stimulate the development of quality programs that both test and demonstrate the potential of telecommunications for learning.”

The issues of public television programming have been set forth in the Public Broadcasting Service’s statement of “Programming Goals and Objectives,” adopted in 1982, reaffirmed in 1984, and reviewed in 1985:

- “Programs that foster American creativity and new talent”
- “Innovative programs of quality and imagination for children”
- “Major programs and series portraying the concerns and achievements of women

and minorities”

- “The use of public television programs for life-long learning, in school and at home”
- “Public affairs programs that dig into the major issues and problems of our time”
- “Programs and series that provide service to specialized audiences, including the handicapped and the aged”
- “Coverage of high-quality cultural and performing arts festivals and events, throughout the nation, including, where practical, the capability of multi-channel (stereo) sound”

Through nearly seven decades of public broadcasting, there have been established by consensus, practice, or law a number of fundamental principles of programming:

- Public broadcasting programs are intended to address specific interests of specific audiences. They are not intended to generate mass audiences for sale.
- Public broadcasting has special responsibilities to certain audiences, particularly children and other groups not likely to be well served by commercial broadcasting’s economic imperatives.
- Public broadcasting has its roots in education, although formal instruction has always been a relatively small part of the schedule.
- Public broadcasting programs are intended as alternatives to commercial programs.
- Public broadcasting’s traditional program categories are public affairs, cultural programs, programs for children, programs for other special audiences, programs for informal education and self-help, and instructional programs.



*Robert MacNeil (standing) and Jim Lehrer host the MacNeil/Lehrer NewsHour, the nation's only hour-long nightly television news broadcast.*

## CHAPTER 8.

# The Purpose of Public Programs

**T**he relationship between public broadcasting and education is integral. Most of the early noncommercial radio stations were associated with universities, and radio's potential for instruction was recognized immediately. In 1931, with broadcasting barely a decade old, the editor of the *Journal of the National Education Association* said: "It is now an established fact that radio may be used effectively as a supplementary method of teaching children the common branches even as low as the third grade; that it can be used to enrich and vitalize many school subjects; that it can be made the means of bringing children in the classroom into closer contact with the actual processes of citizenship and government; that it has large possibilities in training for music appreciation; and that it is the most powerful tool so far devised for reaching large numbers of adults."

Since at least the mid-1970s, the percentage of broadcast hours devoted to instruction has declined. Public radio stations licensed to states or local authorities devoted more than 10 percent of their 1978 schedules to instruction. In 1984 the local authority stations (often the local authority is a school system) reported that instruction accounted for 1.5 percent of their broadcast hours. Other radio licensee categories reported .2 percent or less.

In 1974, 17.1 percent of public television stations' broadcast hours were devoted to instruction. In 1984 stations reported that instruction accounted for 13 percent.

But one must be cautious about raw percentages. In public television, for example, instruction's percentage dropped by four points, but the stations' total number of broadcast hours increased by nearly a third. Furthermore, it is important to look at individual cases. While some stations broadcast little formal instruction, others offer a major schedule. Moreover, broadcast hours don't tell the whole story. Stations use alternative technologies, such as the instructional-television fixed service (ITFS) or cable TV systems, to provide more material and increased schedule flexibility, sometimes at lower cost.

The Corporation for Public Broadcasting began exploring its educational role soon after it was organized. At first CPB's educational mission was ambiguous. The interests of education had been retarded somewhat by the Carnegie Commission's relative lack of attention and the fact that the Public Broadcasting Act provided the legislative equivalent of a fourth-down punt: It mandated a study. Furthermore, the resulting study became diffuse and, at least from public broadcasting's standpoint, its report was ineffective.

Even before the congressionally mandated report was issued, CPB began to consider its future course in education. By summer 1969 CPB staffers gave President John Macy suggestions for possible initiatives. During the fall an informal committee composed of a few education-oriented public broadcasters considered the problem. That was followed by a six-month International Council for Educa-

tional Development study, which recommended a focus on television and radio courses toward a high school equivalency certificate. The study also recommended that CPB work with other institutions concerned with non-formal instructional services. For the formal education system, it was said that CPB should fund high-quality, broad-appeal programs on specific important subjects. The report's priority list was ageless: It was headed by drugs and sex.

The corporation's now-defunct Advisory Committee of National Organizations, originally established as a broadly representative advice and support group, studied CPB's educational role. It provided a status report, probed some principles of education and broadcasting, and pointed out the changing context of American education and public broadcasting.

Given the enormous scope of American education and the relative limitations of the corporation's financing, how could CPB best make a difference? CPB had undertaken some useful initiatives, and some distinguished programs had been produced, but they didn't constitute a strategy for making a difference.

After starting to develop a coherent educational program under Douglas F. Bodwell's direction in the mid-70s, the corporation in 1981 completed negotiations with Ambassador Walter F. Annenberg and the Annenberg School of Communications to establish the Annenberg/CPB Project. Backed by annual grants of \$10 million for 15 years, the project is a major effort for using telecommunications in higher education, particularly for the off-campus, non-traditional learner.

The corporation now follows two well-defined paths in its educational work. The Annenberg/CPB Project is devoted to higher education, and the corporation's office of educational activities focuses on elementary/secondary education.

The Public Broadcasting Service distributes college-level telecourses through its Adult Learning Service, and in 1987 started a nationwide ITFS-based distribution system, the National Narrowcast Service, to deliver video-based professional training to workers across the country.

Formal radio instruction has been very limited for several years, but the Annenberg/CPB Project may reverse that trend. Audio telecourses were among its early contract awards, and in 1985 the University of Wisconsin-Extension was commissioned to produce a set of core general education courses for distribution by audio cassette, with modules also to be produced for national broadcast.

### **PROGRAMS FOR KIDS**

Public television has considered children's programming a special mission since its earliest days. Programmers from the 1950s will recall *Buckskin Bob* and the *Friendly Giant*. The *Children's Corner*, produced by WQED, Pittsburgh, might also come to mind. The program's host, Josie Carey, became a favorite with children and their parents. The producer, a young newcomer named Fred Rogers, also handled a puppet character, Daniel Striped Tiger. When Daniel invited viewers to stop by the studio on his birthday, hundreds circled the block on a rainy day.

A decade later Rogers appeared in a new program on the Eastern Educational Network stations. When Boston station WGBH held an open house for the creator of *Mister Rogers' Neighborhood*, they made provisions for a crowd of 500. The event attracted 10,000 children and parents, and outdrew that day's Red Sox game.

*Sesame Street*, produced by the Children's Television Workshop (CTW), debuted in 1969. It was an instant success, and during 1984 claimed a regular audience of nine million children under the age of six. Since then CTW has produced other series in language, science, and math, plus numerous specials and a magazine. In 1984 the company had a budget of \$54.7 million, with more than half derived from magazine sales and product licensing. (But it should not be imagined that CTW has struck it rich: it forecast a \$3 million deficit for the year.)

Perhaps CTW's most important contribution to children's program production is the integration of research and studio production. Before a *Sesame Street* segment is broadcast, the producers know that it will achieve its educational objectives.

Herman W. Land, engaged to analyze CTW's structure and products, wrote: "As conceived by the CTW, research should be used as a program building tool from the earliest stages. This view is characteristic of the empirical orientation of the Workshop. It seeks to be guided pragmatically by what objective experience points to as that which will be most effective in reaching and educating its audience. This results in a process of production, testing, feedback and revised production which is, in effect, a self-regenerative process of improvement always in motion. It results, too, in an open-ended attitude toward production as a continuing process, rather than as a system with fixed limits. Research directed toward program development is termed 'formative' research. At CTW it consists of two main parts: that designed to test the ability of a program to hold the viewer's attention; and that designed to see how much of the educational objective is being achieved."

In 1985 the Central Educational Network and WTTW, a public TV station in Chicago, hosted the first American Children's Television Festival. There were 100 entries from public and commercial producers; 25 of these were nominated for the festival's Ollie Awards. Half of the 10 awards went to public television producers. They were: *Mister Rogers' Neighborhood*, *The New Image Teen Theatre*, *Reading Rainbow*, *Sesame Street* and *WonderWorks*.

CPB figures show that "general children's and youth" programming accounted for about eight percent of public TV stations' schedules in 1984. This is in addition to 13 percent devoted to instruction. CTW, one of public stations' largest single sources of programs, accounted for 16.4 percent of the average station's schedule. In 1978 children's shows accounted for less than one percent of public radio stations' schedules. New programs like *Kids America*, however, may help revive the production of radio programs for children.

### MINORITY AUDIENCES

The Public Broadcasting Act of 1967 includes a mandate to provide alternative programming that is responsive to the nation's entire citizenry. Public broadcasting responds to this mandate by including programs for minorities; targeted groups, such as the elderly and children; and the handicapped. Black, Latino, Native American, Asian, and Pacific Islander program groups are also active in public broadcasting.

Two National Public Radio programs illustrate a national response to minority needs. *Horizons* is a weekly half-hour documentary intended for special audiences and *Enfoque Nacional* is the only national Spanish-language public radio program

in the United States.

It should be acknowledged that station managements, scrambling to attract funding and recognizing the need to increase audience numbers, have been caught in a dilemma about such programming. On the one hand, no one questions the mandate; on the other hand, how does one honor it, take the consequences of attracting very small audiences to specialized programming, and survive?

Public television's major venture in programming specifically for the elderly was the series *Over Easy*, produced by KQED, San Francisco. A 1980 CPB report said that "special or target audience programming in 1978 showed an increase of 130 hours per year to 424 hours per broadcaster over 1976, and the percentage of all air time it represented jumped from 6.5 percent to 8.7 percent. Much of this increase was accounted for by the single program for older viewers, *Over Easy*, which constituted nearly one-third of the 1978 target programming."

PBS was a leader in developing closed-captioning for the hearing impaired. It began in 1972 with a program of testing underwritten by the U.S. government's Bureau of the Handicapped. In 1976 the Federal Communications Commission granted to PBS and other broadcasters experimental authority to begin service. Closed-captioning became a regular service in 1980.

The familiar musical service or "aural wallpaper" heard in professional offices and elevators is often transmitted by a second channel, or subchannel, of FM radio stations. Many public radio stations use this channel, inaudible to conventional radio receivers, to provide extensive information service for print-handicapped people. For example, KPBS-FM, San Diego, transmits 15 hours a day of readings from newspapers, books, and magazines, plus other features of particular interest to people who can't see well. For several years a team of sighted and blind producers covered the annual Rose Parade, describing the flower-decked floats from the perspective of a blind "viewer."

People in public telecommunications also have an equal employment opportunity mandate. In addition, the corporation plays a mandated training role.

The issue of minorities in public broadcasting has been difficult, and progress has never been fully satisfactory. In 1978 a task force called upon Congress, CPB, and the other national organizations to increase participation by minorities in public broadcasting and to increase the number of minority-oriented programs.

### WHO'S OUT THERE?

In spite of its tenuous beginnings, public broadcasting has become an everyday part of the media diet for a large number of Americans.

Public radio obtained the first "fairly reliable" estimate of its national audience in 1973: 2.2 million persons per week. The number of CPB-qualified stations grew rapidly in the years following, and the national audience grew even more rapidly. From 1973 to 1980 the number of listeners increased 136 percent, to 5.1 million persons per week. Between 1980 and 1983 the audience rose another 65 percent, to 8.5 million per week. At the same time, the amount of time listeners spent with public radio was also increasing dramatically. Audience growth leveled off in 1984; the following year public radio stations launched a drive to double their national audience by the end of the decade. As always, the dilemma is to attract ever larger

audiences without diluting program standards.

PBS reports that its network coverage can reach 96 percent of all U.S. households, and that during an average week of the television season in 1983, 52.7 percent of U.S. households actually watched public television. That translates into approximately 44 million homes or 87 million persons weekly, with the average household viewing PBS more than three hours per week. The PBS demographic figures show a tilt toward upper-income households, those with more education, and those with a professional/managerial head of household. However, PBS reaches all demographic groups. More than half the households public TV reaches, for example, are in the occupation categories of "clerical and sales," "blue collar," and "not in labor force."

### **MAKING PROGRAMS**

Public broadcasting is the world's most decentralized broadcasting system. Nowhere is this illustrated more clearly than in the processes for choosing programs.

The Station Program Cooperative (SPC) is how most public TV stations assemble a large part of their program schedule. In October 1972, fresh from the trauma of the Nixon veto and the change of command at CPB, the National Association of Educational Broadcaster's *Educational Broadcasting Review* published an article by PBS President Hartford Gunn. The article described a new approach to how funds could be distributed and how public TV program decisions could be made.

Gunn proposed that most of CPB's public TV funds go directly to the stations. Then a sort of programming marketplace would allow stations to choose which programs they would support. The idea had surfaced earlier in a variation called the "Market Plan for PTV Programming."

"Under such an arrangement," Gunn wrote, "programming would be, and would be perceived to be, the result of station and community needs rather than political expediencies. CPB would be seen to be facilitating those station decisions, rather than be suspected of controlling programming for its own purposes."

The idea was controversial. CPB was not sure it could meet its programming mandate by such a mechanism. Nevertheless, the idea clearly had appeal in that beleaguered time, and the SPC was born. It since has become public TV's major program-financing mechanism. In 1985, stations spent \$39 million in the SPC, funding programs such as *Sesame Street*, *Great Performances*, *American Playhouse*, and the *MacNeill/Lehrer NewsHour*. Typically SPC funds are mixed with CPB grants, corporate underwriting, and foundation or government support to make up a program's cost. An individual station's share of the cost is based on the number of stations making a commitment and a formula based on the station's total non-federal financial support.

Public radio also moved toward decentralization when it adopted a "new business plan" for NPR in 1985. Under the plan, most of CPB's radio funds now go directly to stations, which buy programs from NPR or elsewhere. In fiscal 1986, CPB began funding national radio programs through national program grants to public radio stations to produce their own more-than-local programming or acquire them from suppliers such as NPR and American Public Radio.

In 1979 the second Carnegie commission proposed replacing CPB with a "public

telecommunications trust," which would contain an insulated semi-autonomous "program services endowment." Neither Congress nor the president picked up on the idea, but CPB President Robben Fleming was intrigued with the idea of an insulated, semi-autonomous program unit. In August 1979 he proposed that CPB's board reorganize the corporation and establish a program fund headed by a director empowered to make final decisions about programs CPB supports.

The proposal "is experimental in nature and will be reviewed for possible modification and change at the end of a two-year period," Fleming said. "The fund will be independent in matters of individual program decisions but will rely upon the board for guidance and upon the management services division for administration and other support." The board would appoint the fund's director from candidates selected by CPB's president. Nominations would originate with a search committee from outside the board. The fund's structure would emphasize political independence.

The board accepted the idea. Here's how the program fund operates: The fund's director reports quarterly to the board and once a year proposes program priorities which the board may accept or modify. In establishing categories and judging program proposals the director is assisted by a complex advisory structure now mandated in CPB's enabling legislation. He must also assure that of the funds budgeted for television programs, "a substantial amount shall be reserved for distribution to independent producers and production entities for the production of programs."

In addition to the TV program fund, in May 1986 CPB and the nation's public TV stations committed to funding an additional \$24 million, three-year program fund. The corporation committed half of this, provided it receives its full, authorized federal appropriation and the stations contribute an equal amount each year.

The corporation also has established a radio program fund to "support programming to supplement that purchased or produced by public radio stations." CPB also will "ensure programming for and about specialized audiences, and from independent producers."

### **FIRST AMENDMENT**

The Carnegie Commission made the political insulation of public broadcasting a major point of its recommendations. The ensuing federal law and its successors admonish CPB to assure the freedom of the system from undue external influence. Public broadcasting's stations and national organizations have adopted codes to assure that programs meet the standards required, including "objectivity and balance in all programs or series of programs of a controversial nature." It has been demonstrated, however, that the system can be penetrated at several points, and potentially serious attempts at inappropriate influence can occur. Sometimes it's from an agency of government, and sometimes it's from a funder or underwriter. The threat has been a continuing point of concern for public broadcasting managers and trustees.

In November 1984 a group of trustees and managers, plus invited speakers and discussion leaders, met at the conference center of the Johnson Foundation in Racine, Wisconsin. Their purpose was to discuss public broadcasting and editorial

integrity and to start creating principles that could serve public broadcasting. They proceeded from five major principles:

- “Public broadcasting responsibilities are grounded in constitutional and statutory law.”
- “Because public broadcasting is a public service, it should be responsive to diverse public views and opinions.”
- “Public broadcasting can be justified only by offering a consistent range of good program choices.”
- “Public broadcasting must assure credible public service programming by creating programming which meets the needs and stimulates the interest of the audience; ensuring that programming will be free of undue external influence from all sources; basing programs on their value in the marketplace of ideas, not on financial considerations or pressure.”
- “Public broadcasting must conduct its financial affairs in order to assure its supporters and its audiences that their time and resources are used efficiently and effectively.”

The group’s “Statement of Principles of Editorial Integrity in Public Broadcasting” was subsequently endorsed by the boards of PBS and the National Association of Public Television Stations and commended to all public TV licensees. Here is the statement’s full text:

- “*We are the trustees of a public service:* Public broadcasting was created to provide a wide range of programming services of the highest professionalism and quality which can educate, enlighten, and entertain the American public, its audience and source of support. It is a noncommercial enterprise, reflecting the worthy purpose of the federal and state governments to provide education and cultural enrichment to their citizens.

“As trustees of this public service, part of our job is to educate all citizens and public policymakers to our function, and to assure that we can certify to all citizens that station management responsibly exercises the editorial freedom necessary to achieve public broadcasting’s mission effectively.”

- “*Our service is programming:* The purpose of public broadcasting is to offer its audiences public and educational programming which provides alternatives in quality, type and scheduling. All activities of a public broadcasting licensee exist solely to enhance and support excellent programs. No matter how well other activities are performed, public broadcasting will be judged by its programming service and the value of that service to its audiences.

“As trustees, we must create the climate, the policies and the sense of direction which assure that the mission of providing high quality programming remains paramount.”

- “*Credibility is the currency of our programming:* As surely as programming is our purpose, and the product by which our audiences judge our value, that judgment will depend upon their confidence that our programming is free from undue or improper influence. Our role as trustees includes educating both citizens and public policymakers to the importance of this fact and to assuring that our stations meet this challenge in a responsible and efficient way.

“As trustees, we must adopt policies and procedures which enable professional

management to operate in a way which will give the public full confidence in the editorial integrity of our programming.”

- *“Many of our responsibilities are grounded in constitutional or statutory law:* Public broadcasting stations are subject to a variety of statutory and regulatory requirements and restrictions. These include the federal statute under which licensees must operate, as well as other applicable federal and state laws. Public broadcasting is also cloaked with the mantle of the First Amendment protection of a free press and freedom of speech.

“As trustees we must be sure that these responsibilities are met. To do so requires us to understand the legal and constitutional framework within which our stations operate, and to inform and educate those whose positions or influence may affect the operation of our licensee.”

- *“We have a fiduciary responsibility for public funds:* Public broadcasting depends upon funds provided by individual and corporate contributions; and by local, state, and federal taxes. Trustees must therefore develop and implement policies which can assure the public and their chosen public officials alike that this money is well spent.

“As trustees, we must assure conformance to sound fiscal and management practices. We must also assure that the legal requirements placed on us by funding sources are met. At the same time, we must resist the inappropriate use of otherwise legitimate oversight procedures to distort the programming process which funding supports.”

### **PROGRAMS AND THE FUTURE**

Programs are our only purpose. Statements of principle, mechanisms for decision-making, and arrangements for funding are only steps toward serving that fundamental mission.

Public broadcasting has every right to be proud of its programming record. Public television has become America’s medium for presenting constructive programs for children. While *Sesame Street*, *3-2-1 Contact*, and *Mister Rogers Neighborhood* come immediately to mind, they are in distinguished company with the work of the instructional television organizations, at-home programs from earlier seasons such as *Zoom!*, and from the first days of NET, the *Friendly Giant*, *Buckskin Bob*, and the early work of Josie Carey and Fred Rogers. Now, with work like *Kids America*, public radio may be reviving the tradition of radio programs that children find both educational and compelling.

Public broadcasting has, to a greater extent than generally recognized, contributed to the forms of broadcast programming. *An American Family*, and *Trial: City and County of Denver vs. Lauren Watson*, presented by NET many years ago, broke new ground in documentary production and captured the attention of the country at a time when public television was in its youth. *The Great American Dream Machine* is sometimes remembered for its controversies but its contributions to program production are seen on everything from topical revues to *60 Minutes*. The *MacNeill/Lehrer NewsHour* and *All Things Considered* are major developments in the presentation of news, and they in turn owe a debt to *The Advocates*, the work of The National Public Affairs Center for Television in the ’70s, and programs like

*Kaleidoscope* from the pioneering Educational Radio Network. The WGBH crew that produces the programs of the Boston Symphony and the Boston Pops have set the national—perhaps world—standard for televising major concerts. It was *Nova* and its association with the BBC that explored America's growing taste for programs about science and nature. Programs like the *National Geographic Specials* and William F. Buckley's *Firing Line* began in commercial television and found a natural home with public broadcasting. A combination of economics and program quality led to importing the series which constitute the venerable *Masterpiece Theatre*, its trailblazing predecessor *The Forsyte Saga*, and Jacob Brownowski's stunning *The Ascent of Man*. And, on a less profound note, it was public television that broke with the conventional wisdom of the day and demonstrated that people will indeed watch tennis on television.

The constant problem, however, is to assure that new program ideas will be developed and that producing organizations can afford to turn the best of these ideas into programs. Successful new programs seem to require equal amounts of money, marketing, and magic. Anyone who has tried it knows how difficult it is to attract and maintain the creative spark, sell the idea and then the program, promote it so it will be watched and heard, and then find a way to pay for the whole complex effort. The work of public TV's major producing stations has proved difficult to sustain, and teams capable of top-quality work cannot be casually disbanded and reassembled. An elegant California department store once used the slogan, "Good taste costs no more." Public broadcasting sage Frank Norwood once paraphrased it: "Bad taste costs no less."

### TECHNICAL CHOICES

As telecommunications technology advances, public broadcasting must constantly examine its programs and its relation to its audiences. Options become more numerous, and the problem becomes more complex. Cable television's growth tempted PBS to launch a cable-based program service in the mid-70s, but the temptation was resisted. CBS Cable, on the other hand, was a major though short-lived commercial attempt to exploit the success of public television, and some programs which might otherwise find their way to public television today are found on cable's Arts and Entertainment channel.

Public television was a leader in developing closed captioning for the hearing-impaired, and conversely has long been interested in the development of high-quality stereo audio for television.

Public television stations are now approaching highly specialized audiences through participation in the PBS National Narrowcast Service, which provides multiple channels of training and information, primarily for business clients, through satellite and microwave distribution services.

More options are appearing, such as downloading television programs to videocassette recorders in schools, offices, and homes; and downloading computer software and databases.

High definition television, with all its programming opportunities and technical difficulties, is on the way. It may arrive by yet another difficult opportunity, direct-broadcast satellites.

The machinery is essential, fascinating, expensive—but incidental. The play—the program—is the thing. For those engaged in the work of public broadcasting, its institutions, ground rules, budgets, hardware, meetings, and personalities can seem to be ends in themselves. But to the only people who finally count—the audiences—public broadcasting consists of useful, challenging, satisfying, even exhilarating programs. Ultimately, nothing else matters.

## APPENDIX I

# The Key Organizations in Public Broadcasting's Past

**Association of College and University Broadcasting Stations (ACUBS):** Recognizing the unique position of educational broadcasters and the need to organize to further their cause, representatives from college- and university-owned radio stations met at the fourth Washington Radio Conference and formed the *Association of College and University Broadcasting Stations*. Membership in the early years was low, and the association suffered from economic woes. Despite these difficulties, ACUBS held its first annual convention in 1930. There it identified three goals: to seek official channel reservations for educational use; to establish a national headquarters (preferably in Washington, D.C.); and to develop a mechanism for program exchange. The goals were designed to establish a place for educational broadcasting in a heavily commercial industry and to begin building a foundation for enhancing programming.

As a step toward its first goal, the ACUBS approached the annual State Governors' Conference and urged the governors to support congressional legislation that would reserve radio channels for state, college, and university operated stations.

Neither this, nor any of the ACUBS' other goals seemed within reach in the early '30's. The prospects for educational broadcasting looked bleak. As Donald Wood and Donald Wylie wrote in their 1977 book, *Educational Telecommunications*, "Money problems were increasing, membership was decreasing, the Federal Radio Commission did nothing to encourage noncommercial radio, and educators themselves were turning more frequently to commercial broadcasters for the opportunity to present their programs over adequate facilities."

In 1934 ACUBS regrouped and changed its name to the *National Association of Educational Broadcasters*.

**Advisory Committee on Education by Radio (ACER):** The *Advisory Committee on Education by Radio* was formed in 1929 and disbanded only a year later. Nevertheless, it had a significant impact on educational radio.

Secretary of the Interior Ray Lyman Wilbur appointed the committee in June 1929 to conduct a national survey of instructional radio's potential. With funding from the Payne Study and Experiment Fund and the Carnegie Corporation, the committee was comprised of representatives from education, broadcasting, manufacturing, government, and the public.

Its report to Secretary Wilbur recommended reserving "air channels" for educational use. The ACER also recommended establishing an educational radio division in the Interior Department's Office of Education; establishing an advisory committee of educators, commercial broadcasters, and the public; securing funding for

educational programs; and alerting the president and the Federal Radio Commission of the importance of educational programming to the American public.

But it was the recommendation to reserve channels for educational use that stirred the interest of the ACUBS, which requested channel reservations that same year.

**National Advisory Council on Radio in Education (NACRE):** The council was one of the more controversial organizations in the development of educational radio. It was established after the ACER concluded that educational radio's growth would benefit from an advisory committee representing a variety of interests. It sought consistent funding for educational broadcasts from the secretary of the interior and the commissioner of education.

With financing from the Rockefeller Foundation, the NACRE was organized in July 1930 and lasted for eight years, during a time when college and university broadcasters were struggling to find their place in the broadcasting industry. NACRE included commercial broadcasters as well as educators, and concerned itself primarily with getting educational programs on commercial stations rather than encouraging educational stations to develop. Many educators objected to this, saying the commercial sector was co-opting them.

The NACRE conducted research, convened conferences, and supported development and airing of educational programs. It also attempted to unify educational broadcasting by identifying common goals. One of its most notable accomplishments was arranging for NBC to carry a series of educational broadcasts.

NACRE folded in 1938 when the Rockefeller Foundation stopped funding it.

**National Committee on Education by Radio (NCER):** Educational broadcasters created the *National Committee on Education by Radio* in 1931 at least partly because they were apprehensive about the mingling of commercial and educational interests in the *National Advisory Council on Radio in Education*. Although NCER did not oppose cooperating with commercial stations, it was more committed to seeing educational broadcasting grow as its own entity. Its members were committed to helping existing educational radio stations survive, and encouraging new ones. The committee advocated legislation to reserve 15 percent of the radio channels for education. Senator Simeon D. Fess introduced a bill based on this recommendation in three consecutive years. The bill never left committee.

Financed by a grant from the Payne Fund, the NCER was an "organization of organizations" with representatives from many national education associations as members. These were: the National Education Association; the National Association of State University Presidents; the National Council of State Superintendents; the ACUBS; the National University Extension Association; the National Catholic Education Association; the American Council on Education; the Jesuit Education Association; and the Association of Land-Grant Colleges and Universities. It was a precursor to the *Joint Committee on Educational Television*, which was instrumental in achieving television channel reservations 20 years later.

Before its demise in 1940, NCER succeeded in focusing educators on a common goal: safeguarding a place for education in radio.

**Institute for Education by Radio (IER):** The *Institute for Education by Radio*—later radio and television—held annual conferences, sponsored by the Ohio State University, from 1930-1953. The record of its conferences provide a comprehensive record of educational radio and TV's early development. The conferences served as forums for educators, commercial broadcasters, and others to discuss the current status and future possibilities for educational broadcasting.

**National Association of Education Broadcasters (NAEB):** From its meager beginnings, the NAEB became the most significant association in the overall development of educational broadcasting. The courage, stamina, and sheer fight of many of its leaders and members over the years made it for more than 50 years one of the toughest and most effective organizations in the industry.

In an effort to gain more members, the new NAEB broadened its membership requirements and rewrote the old ACUBS constitution.

Critics of educational broadcasting continued their complaints, among them that even if the government reserved radio channels for educators, the educational community lacked the wherewithal to activate them. Still, the NAEB trudged on. In 1938, it achieved its first big victory when five channels were set aside for noncommercial educational stations. By 1945 the FCC had allocated a total of 20 radio frequencies for educational use. In 1952, the NAEB mobilized the educational community and convinced the FCC to allocate television channels for noncommercial educational TV stations.

But educational stations still suffered from a lack of programming resources. In 1950-52, with funding from the Kellogg Foundation, the NAEB inaugurated a national, noncommercial tape network. It was called a bicycle network because program tapes were "bicycled"—mailed—from station to station. The new network brought educational programming from the British Broadcasting Corporation, the Canadian Broadcasting Corporation and from domestic stations and production centers, to more than 50 NAEB member radio stations from coast-to-coast.

**Federal Radio Education Committee (FREC):** The FCC appointed the *Federal Radio Education Committee*, chaired by Commissioner of Education John W. Studebaker, in 1935 as another attempt to unite educational and commercial broadcasters. During its brief existence, the committee—which included both educational and commercial broadcasters—launched research projects, compiled reports, distributed newsletters, and held conferences. It faded from existence in the early 1940s without accomplishing any tangible compromise between the two camps.

**Joint Committee on Educational Television (JCET):** The ad hoc *Joint Committee on Educational Television*, like the NCER, included representatives from prominent educational organizations and associations including the American Council on Education, the Association for Education by Radio, the Association of Land-Grant Colleges, the Association of State University Presidents, the NAEB, the National Association of State Universities, the National Education Association, and the National Council of Chief State School Officers. The committee selected as chairman I. Keith Tyler, director of the Institute for Education by Radio-Television.

The JCET resolved basic differences in the educational community, raised funds for coordinating the testimony of more than 70 educators, cosponsored a commercial television monitoring study which bolstered the educational community's testimony, and providing the cohesion and force that the educational community needed in order to make an effective argument for channel reservations before the FCC.

**Fund for Adult Education (the Fund):** C. Scott Fletcher, an Australian-born businessman and recent director of Encyclopedia Britannica Films, headed the *Fund for Adult Education*. It adopted three major goals: to persuade the FCC to reserve channels for educational television, to encourage educators to develop and operate them, and to create a "national educational television center for the exchange of programs, ideas, information and the providing of services." The strategies for accomplishing these goals were threefold: first, the Fund would seek out and support existing agencies committed to these goals; second, it would provide monetary support to agencies when needed, and finally, new agencies would be created as needed.

**Educational Television and Radio Center:** In late 1952 the *Fund for Adult Education* collaborated with the NCCET and the JCET and provided financing to create the *Educational Television and Radio Center*. The center's first, temporary, president was C. Scott Fletcher, also president of the *Fund*. The center played a key role for almost 20 years as a national exchange for educational television, providing programs, services, ideas, and information to educational broadcasters. Harry K. Newburn, a former president of the University of Oregon, ran the center in Ann Arbor, Michigan for many of its early years.

In 1958 John F. White became the center's president. White had become interested in television while vice president of Western Reserve University and was one of the first developers of telecourses for credit; more recently he had been general manager of WQED in Pittsburgh. Under White the center changed its name to the *National Educational Television and Radio Center* and moved to New York. In 1962 the center added instructional television services. But by 1963 cutbacks forced the center to abandon its radio and instructional television services. The center then changed its name to *National Educational Television*.

**First National Conference on the Long Range Financing of Educational Television Stations:** Unlike other conferences on the fate of educational broadcasting, this one included an endorsement from the president of the United States. Chairman C. Scott Fletcher shared with conferees a letter from President Lyndon Johnson in which Johnson alluded to educational broadcasting's place in his "Great Society" and encouraged representatives of the industry to "find new sources of financial support."

The conference's most significant result was a proposal to establish a commission to study and make recommendations for strengthening, expanding and financing educational television. The conferees sent a letter to Johnson in June 1965 proposing the establishment of such a commission. The President endorsed the proposal, and in November 1965, the *Carnegie Commission on Educational Television* was formed.

## APPENDIX 2.

# A Public Broadcasting Timeline

1917

Radio station 9XM begins broadcasting from the University of Wisconsin under an experimental license.

1921

Latter Day Saints University in Salt Lake City is the first educational institution issued a broadcast license.

1925

Association of College and University Broadcasting Stations forms (Nov. 12).

1927

Radio Act of 1927 signed into law establishing Federal Radio Commission (Feb. 23).

1934

ACUBS changes its name to National Association of Educational Broadcasters (NAEB), broadens requirements for members, and rewrites its constitution.

Communications Act of 1934 signed into law, Federal Communications Commission replaces the Federal Radio Commission (June 19).

1938

FCC establishes new type of high frequency non-commercial broadcast station to be licensed to non-profit educational institutions (Jan. 26).

1940

FCC reserves five channels in the high frequency broadcast band for non-commercial educational broadcast stations and designates FM as the mode of transmission.

1945

FCC reserves 20 channels, from 88-92 megahertz, for non-commercial educational broadcast service.

1948

FCC begins freeze on television licenses.

FCC adopts rules permitting educational FM stations to operate with 10 watts or less power.

1949

FCC authorizes 50th non-commercial FM radio station.

NAEB establishes a “bicycle” tape network with funds from the Kellogg Foundation.

### 1950

Iowa State College opens the 100th television station and the first non-experimental educationally-owned television station in the world. (WOI-TV was educationally owned and commercial.)

The ad hoc Joint Committee on Educational Television organizes (Oct. 16); becomes a permanent body in April 1951; changes name to Joint Council on Educational Television in December 1955; reconstitutes as the Joint Council on Educational Broadcasting in 1961 and as the Joint Council on Educational Telecommunications in April 1966.

### 1952

FCC authorizes 100th non-commercial FM radio station.

FCC issues its Sixth Report and Order allocating television channels; reserves 242 channels for non-commercial educational television stations (April 11).

Educational Television and Radio Center incorporates in Illinois; moves to Ann Arbor, Michigan, December 1953; changes name to National Educational Television and Radio Center in 1958, and to National Educational Television in 1963.

### 1953

KUHT-TV Houston, Texas, the first non-commercial educational television station, begins operation.

### 1960

December: Eastern Educational Network incorporates (held organizing session October 1959).

### 1962

Educational Television Facilities Act signed into law. Evolved into the Public Telecommunications Facilities Program.

### 1963

Eastern Public Radio Network incorporates.

### 1964

FCC authorizes 100th non-commercial educational television station.

### 1965

Carnegie Commission on Educational Television formed with a grant of \$500,000 from the Carnegie Corporation (November).

### 1967

Public Broadcasting Laboratory launched over NET stations with a \$10 million appropriation from the Ford Foundation.

Carnegie Commission releases its report *Public Television: A Program for Action* (Jan. 26).

Central Educational Network incorporates.

Southern Educational Communications Association incorporates.

Public Broadcasting Act of 1967 signed into law (Nov. 7).

### 1968

*Mister Rogers' Neighborhood* debuts on NET (although it began broadcast regionally on the Eastern Educational Network in 1965).

The Corporation for Public Broadcasting incorporates.

Rocky Mountain Corporation for Public Broadcasting incorporates.

### 1969

General Support Grants (later Community Service Grants) established to aid stations.

Regular national interconnection begins (Jan. 5, service five days a week, two hours each evening).

Advisory Council of National Organizations (ACNO) to CPB established.

*The Forsyte Saga*, *The Advocates*, and *Sesame Street* debut.

Public Broadcasting Service incorporates (Nov.3).

### 1970

National Public Radio incorporates (Feb. 26).

National Educational Television and WNEDT merge (November).

### 1971

*The Great American Dream Machine* and *Masterpiece Theatre* debut.

NPR goes on the air with a live broadcast of the Senate Foreign Relations Committee Hearings on the ending of the Vietnam War (April 20).

*All Things Considered* debuts (May 3).

National Educational Radio Network (of NAEB) and NPR merge.

National Public Affairs Center for Television (NPACT) established.

### 1972

Nixon vetoes Public Broadcasting Act (June 30).

Nixon signs S-3824 (Aug. 30).

Formation of public TV's Adult Learning Program Service.

### 1973

Association of Public Radio Stations (APRS) forms.

Public TV carries Senate Select Committee hearings on Watergate, *Gavel to Gavel* coverage provided by NPACT (May 15).

CPB-PBS Partnership Agreement (May 31, Resolution before the PBS and CPE boards).

PBS announces reorganization (September).

## 1974

*Nova* debuts.

Station Program Cooperative established; Station Independence Project established.

## 1975

Festival 75 launched as first nationwide public TV fund raiser (April).

CPB Board accepts ACNO Education Study.

First meeting of Public Radio in Mid-America (July 14).

National Federation of Community Broadcasters incorporates (Sept. 15).

*The Robert MacNeil Report* debuts (Oct. 20); changes to the *MacNeil/Lehrer Report* in September 1976 and to an hour format as the *MacNeil/Lehrer NewsHour* on September 5, 1983.

Public Broadcasting Financing Act of 1975 signed into law (Dec. 31).

## 1976

Organizing session for Rocky Mountain Public Radio (Aug. 19).

## 1977

NPR and APRS merge (May 4).

Carnegie Corporation establishes the Carnegie Commission on the Future of Public Broadcasting (Carnegie II).

ACNO dissolves.

## 1978

Satellite service begins for television (March 1).

Pacific Mountain Network incorporates (June 26, operations begin July, 1978).

Public Telecommunications Financing Act of 1978 signed into law (Nov. 2).

## 1979

National Association of Public Television Stations incorporates (January).

Carnegie II releases its report entitled *A Public Trust* (Jan 30).

PBS Program Fair established.

Resolution passed by the CPB Board to create the CPB program fund (Aug. 23).

*Morning Edition* debuts (Nov. 5).

## 1980

Resolution passed by the NPR Board to create the Satellite Program Development Fund (Jan. 15).

*Prairie Home Companion* makes its national debut.  
NPR completes nationwide satellite system (June 20).

## 1981

American Public Radio incorporates; begins operation in 1982.

NAEB dissolves.

Annenberg/CPB Project announced.

Temporary Commission on Alternative Financing holds first meeting (Oct. 2).

## 1982

Program Consortia launched with the debut of *American Playhouse* (Nov. 4).

## 1983

NPR financial crisis surfaces (April).

## 1984

Organizing Session for West Coast Public Radio (April 7).

NPR Board resolves to have a nationwide fund raiser to help retire its debt (July 17).

## 1985

NPR business plan gets approval from member station representatives (May 22).

*Weekend Edition* debuts (Nov. 2).

## 1986

CPB establishes \$3.15 million radio program fund.

Hartford Gunn, first PBS president, dies (Jan. 2).

NPR makes final payment on its \$7 million debt (Sep. 30).













