

# **Debating Mass Communication During the Rise and Fall of Broadcasting**

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“Information technology has the obvious capacity to concentrate political power, to create new forms of social obfuscation and domination. The less prepared we feel to question the uses to which it is put, the more certain we are to suffer those liabilities.”<sup>1</sup>

Theodore Roszak

## **Introduction**

It seems almost impossible to open a magazine or turn on the television today without being reminded that an Information Highway is about to be paved right into our living rooms, bringing with it almost anything a modern American consumer could desire: hundreds of channels of entertainment, news and financial services, home shopping, even the video phone. These technologies, we are told, will deliver services that will allow us to live better, faster, and stay in touch with the world like never before—all at very reasonable prices.

While media and communication giants like AT&T and Time Warner hype this vision of the Information Highway, an awareness of the broader potential of these technologies has begun to emerge. Some see in these technologies the possibility of renewed political participation, even direct democracy; others see solutions to declining education or health care distribution; and still others see a way to build new kinds of geographically un-bounded, interest-based communities. But these visions demand a configuration (deployment, ownership, usage, and regulation) of new communication technologies very different from the one that corporations like NBC, Pacific Bell, and Telecommunications Inc. have in mind. Predictably, these media and communications firms want to base the new communications infrastructure on the traditional broadcasting model, so that a small number of firms would continue to profit from almost exclusive control over the means of cultural production and distribution. Social activists, computer professionals, and even a few politicians, on the other hand, argue that new technologies render obsolete the technical barriers (namely scarce frequency spectrum) which helped configure the present hierarchical, centralized paradigm of communication, and that an entirely new paradigm of cultural production and distribution could be established on the model of the Internet, a “many to many” structure of communication which places the power to produce and distribute culture (understood here very broadly: art, opinion, information, etc.) in the hands of anyone with a personal computer and a modem.

This debate reminds us that the way our society communicates, the way it produces and circulates culture, is not the result of an ineluctable unfolding of technology but of deliberate choices made by powerful social actors. It also reminds us that the present institutions of cultural production and distribution grew out of such choices, and not from technological innovations alone. It is easy to forget that today's modern, commercial broadcasting system is only one possible way to organize the way our society communicates with itself. And even with this in mind, it is easy to assume that our system has emerged from a social consensus, the result of a publicly debated negotiation between private enterprise, government, and informed citizens. In fact, it has not.

This paper will examine the debate surrounding the rise of broadcasting and commercial television, the heart of our modern broadcasting system. I will argue that while the basic shape of the broadcast system—private, for profit, ad-subsidized, network dominated—had been established during the rise of radio, there was significant opposition to setting up the medium of television along the same lines. I will suggest that television had many possible futures in the early stages of its development, and that its use as a broadcast medium resulted less from public debate and deliberated political choices than from the successful maneuverings of America's largest electronics manufacturer, the Radio Corporation of America (RCA). Finally, I will compare the debate surrounding the rise of commercial broadcasting to today's debate over a new communications infrastructure. I will argue that a number of disturbing similarities exist, and that the present debate remains trapped in ideology that was constructed during the rise of television.

### **Competing Visions: Debating Broadcasting in the Age of Radio**

Commercial television did not arrive in most American homes until after 1950. The decisions that would shape the application of this new medium, however, were made before most people could even imagine staring at moving pictures in their own living rooms. This is because the structures and institutions that would largely define the way American society would use television emerged during the rise of radio, the first electronic broadcast medium. It is therefore to the 1920s and 1930s, the age of radio, that we must first turn our attention.<sup>2</sup>

Before radio transmitters—professional, military, and “amateur,” alike—even began aiming their signals at groups of listeners rather than just at one another, the Federal government

had decided that the narrow frequency spectrum that carried these transmissions had to be regulated. This spectrum could accommodate only a handful of signals in a given area, and so to prevent widespread interference and overlapping of transmissions, in 1912 the government began requiring that all radio operators obtain licenses from the Commerce department. Although the Radio Act of 1912 was widely ignored, especially after World War I, it signaled the beginning of what was to be a long debate about how a scarce public resource—the airwaves—would be managed and regulated.

After the licensing of WBZ, the U.S.'s first official broadcast radio station, in 1921, radio penetrated American homes with astonishing speed. In 1922 over 500 stations rushed to the air. The radio boom had begun, and the federal government soon recognized the inadequacy of early radio law to establish a scheme of frequency allocation that could prevent the growing chaos on the airwaves. From 1922 to 1925 then-Secretary of Commerce Herbert Hoover convened a series of broadcaster conferences to discuss ways of controlling the use of radio frequencies. At one conference Hoover commented: “ I think this is probably the only industry of the United States that is unanimously in favor of having itself regulated.”<sup>3</sup> Hoover tried throughout the 1920s to gain more power to regulate the growing industry, favoring legislation that would effectively make him the “traffic cop of the air,” but both Congress and the courts refused to grant him the role. Though the industry and the public seemed anxious for some type of regulation, Hoover’s initiatives were consistently thwarted, and in 1926 a district court ruling deprived him of any authority to regulate radio frequencies, power, or hours of operation. Shortly thereafter Hoover discontinued all regulation, precipitating, predictably, a period of chaos as over 200 new broadcasters jumped on the airwaves. Congress was forced to move quickly and pass the Radio Act of 1927 to contain the “ether crisis.”

Congress’ hesitation throughout the mid-1920s reflected the uncertainty in wider public debate over the social role, economic base and future of radio. First, we must recall that the nature of broadcasting during this period was markedly different from the system that would emerge after 1927.<sup>4</sup> Most stations were either operated by non-profit organizations, amateur enthusiasts, or small businesses that wanted to promote themselves. Broadcasting in this period cannot be considered a business or even an industry since stations were still struggling (and almost always failing) to make themselves financially self-sufficient. Regular “programming” was considered prohibitively expensive, and was taken up seriously only by stations owned by

radio set producers who wanted to give people a reason to buy their product. Since advertising was not seen as significant source of revenue until the late 1920s, virtually no one expected broadcasting itself to become profit-generating.<sup>5</sup> It was in this context that people debated the social uses of radio, and schemes to finance it.

It is perhaps less surprising, then, that the debate over radio during this period was wide-ranging and conducted mostly in public view. Since no one sensed that huge profits might be at stake, almost any suggestion about how to organize and finance broadcasting was discussed seriously. Foremost on the minds of many was how to finance radio stations. Some hoped that stations might be endowed by philanthropists like Andrew Carnegie. Others suggested that radio stations, like schools and libraries, should be supported by local governments. A popular journal, *Radio Broadcast*, which challenged its reader's to come up with a plan, awarded first prize to a proposal that called for a tax on radio sets that would subsidize non commercial broadcasting.<sup>6</sup> Even David Sarnoff, the man who would later fight for RCA/NBC dominance of the broadcasting industry in the 1930s, at this point advocated a national, nonprofit network that would be financed by the manufacturers of radios.<sup>7</sup>

Amid various proposals such as these, there seemed to be one clear sentiment: broadcasting should not be subject to a monopoly, either by a private corporation or the federal government. Antimonopoly sentiment still ran high in the 1920s, a legacy of the trust-busting Progressive era.<sup>8</sup> Most agreed with Hoover that the government should not control broadcasting, but it should play a significant regulatory role to manage frequency allocation and to insure that a private monopoly did not develop.<sup>9</sup> But since most Americans still felt uncertain as to radio's place in society—how it might be used, by whom, and for what—what shape this regulation would take was not clear. Several models of regulation were suggested, including transportation, public utilities and the newspaper. Much of the language that was used to describe broadcasting was in fact drawn from the first of these models, transportation. Radio frequencies were described as lanes, and, as we have seen, the government as a traffic policeman. Conceptualizing broadcasting as commerce that traveled in between states is in fact what gave Hoover the precedent to regulate broadcasting at all. Many of the discussions also likened broadcasting to public utilities such as water, electricity, or the telephone service. Those who argued for radio's regulation according to this model argued that stations—the means to exploit the airwaves, a public good—should be themselves declared public utilities and financed

accordingly. For broadcasting to be operated “in the public interest,” a phrase that dated back to the first radio convention, meant that the government should insure that everyone had equal access to the airwaves.<sup>10</sup> Though Hoover remained dedicated to diversified ownership until the end of his tenure in 1929, he did not embrace the public utility model of regulation nor, needless to say, this definition of the public interest.

Hoover embraced instead the market model of the newspaper, and it is this model that most profoundly marks the Radio Act of 1927. For many, it seemed a logical comparison since radio promised to deliver information and entertainment similar to what people found in newspapers and magazines. Regulating radio on this model pleased people both inside and outside the government. First, political censorship worries could be largely set aside with private enterprise at the helm. Second, competition in a free market would assure both diversified ownership and that the stations that offered the most to the public would win the right to frequencies. Third, the newspaper model provided clues to how radio could support itself financially (advertising).<sup>11</sup> In view of the high esteem that was accorded to private industry during this period, it is not surprising that there was little resistance to this.<sup>12</sup> Moreover, there was little sense at the time Congress voted on the Radio Act that private control meant broadcasting should be dominated by networks, guided solely by profit motive, and supported by advertising revenue. Some, however, were troubled by setting up radio on the market model from the beginning. They recognized that broadcasters with deep pockets who could support themselves, especially in the short term, would necessarily outlive those that couldn't. It also became apparent within a year that the 1927 Act did not in fact assure diversified ownership since (just as in the newspaper industry) single companies could buy as many stations as they wanted so long as those stations did not broadcast in the same areas. This led to the birth of “chain broadcasting” or modern networks, which Hoover had in fact envisioned as the only possible way that broadcasters could bear the cost of broadcasting.<sup>13</sup> He had perhaps not foreseen that these networks, by supplying advertisers with national audiences, could earn substantial profits from programming, and that with this financial leverage would force many smaller operations off the airwaves.

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This is, of course, precisely what happened. In 1927 NBC and CBS combined owned only 6.4 per cent of all broadcast stations. After four years and a reallocation of frequencies in

1928 that favored more capitalized broadcasters, the networks not only owned more than 30 per cent of broadcast stations, but more importantly commanded 37 of the 40 powerful “clear” channels set aside by the Federal Radio Commission (the commission that had been established and granted broad regulatory powers by the 1927 Act). When hours on the air and levels of power are combined, NBC and CBS accounted for nearly 70 percent of broadcasting by 1931.<sup>14</sup> One study estimated that by the mid-1930s NBC, CBS and their affiliates accounted for almost all evening broadcasting in the U.S.<sup>15</sup>

After the reallocation of the airwaves in 1928, the structure of the network-dominated, ad-subsidized broadcast system stabilized quickly. Within a year, organized opposition to this stunning interpretation of the “public interest” began to coalesce. From 1928 to 1935, a broad reform movement, comprised of several separate groups of educators, labor leaders, religious figures, and social critics, fought to overturn the legislation and FRC decisions that clearly favored commercialization of the airwaves by a powerful few.<sup>16</sup> Representing educators from across the country who feared that the networks would soon monopolize all frequencies, the National Committee on Education by Radio led much of this fight. The NCER argued that education would not be served by the broadcasting system falling into place. Armstrong Perry, one of the strongest voices of the NCER, protested that schools would be flooded with “programs prepared for advertising purposes rather than educational value.”<sup>17</sup>

Two broad sentiments underscored nearly all the criticism of the emerging broadcasting system. First, commercial broadcasting was inimical to the kind of communication demanded by a democratic society. Turning the airwaves over to two large corporations whose only goal was to make a profit violated any sense that the airwaves were a public resource. Regulating the airwaves “in the public interest” meant insuring fair access to them, not insuring that programming by a select few could be construed as in accordance with the interests of a majority of Americans. The NCER pointed out that the FRC and commercial system itself in fact endorsed a dangerous brand of censorship. As Armstrong Perry had once noted, “censorship is inevitable in any broadcasting system because there is never enough time for all the programs that might be broadcast,” and with NBC and CBS running the airwaves, only those programs that would generate profits would make it on the air.<sup>18</sup>

Second, programming in this system would inevitably favor wealthier segments of society and lock out opinions critical of large commercial interests such as advertisers or the

networks themselves. The Chicago Federation of Labor (CFL) in particular protested that with the means of communications almost entirely in the hands of capital, labor would be hard pressed to find a voice. Edward Nockels, the director CFL's nonprofit station, contended that one of the labor movement's top priorities was to secure a single national radio channel: "Whoever controls radio broadcasting in the future," he contended, "will eventually control the nation."<sup>19</sup> The American Civil Liberties Union, also active in this reform movement, similarly argued that non-mainstream opinions were being censored by station managers eager to avoid controversy and threats to advertising revenue. The character of the programming favored by advertisers was itself, of course, roundly criticized by intellectuals for its appeal to "lower sensibilities." This fueled arguments that commercial broadcasting was serving neither the public nor the Republic.

Leaders of the reform movement argued forcefully that the public had not had its say (since the FRC was an unelected body and many of its decisions had been made behind closed doors) and offered a number of alternatives to the existing commercial system. Most reformers, it should be noted, were not hostile to the marketplace as such. They simply rejected it as the best model for regulating broadcasting. Most factions of the reform movement agreed that more regulation of the existing system would not address their grievances and that the organization of broadcasting had to be re-imagined completely. Just as in the mid-1920s, however, virtually no one advocated complete nationalization of broadcasting. Instead, many proposals favored regulating at least one substantial portion of broadcasting on a public utility model. Some echoed suggestions made in the 1920s. For example, one plan called for the government to establish a series of nonprofit stations across the country that would be subsidized through taxes; another for segments of broadcasting to be financed through set taxes or annual fees. All the plans favored a dual system in which commercial and nonprofit broadcasting would co-exist, so some plans sought only to secure a fixed percentage of channels that would be dedicated to nonprofit broadcasting.

In this renewed debate over the purpose and economic basis of broadcasting, the emerging commercial networks fought vigorously (and successfully) to consolidate and justify their position. Their defense relied most heavily on the notion that the commercial system was fundamentally true to American democratic values. In statements to the FRC and the print media the industry's Radio Lobby and National Association of Broadcasters (NAB) even

referred to the status quo as the “American Plan” or the “American System.”<sup>20</sup> They argued that the private, for-profit system was innately democratic since its dependence upon market mechanisms insured that listeners would end up with the programming they wanted most: in the market system, the public in fact “voted” for what it wanted. Network representatives often contrasted the market model of broadcasting to a government owned and operated scheme, presenting them as the only two available ways to organize the electronic media. This enabled commercial broadcast advocates to accuse the opposition of claiming that the government knew better than the market “what the people want.” It also allowed them to capitalize on fears of political censorship. Broadcasting in the hands of the private sector, they argued, promised a “marketplace of ideas,” where freely aired views could compete with one another.<sup>21</sup> During the early 1930s especially, as more and more broadcasting legislation came to the floor in Congress, the networks did all that they could to portray themselves as socially and ideologically neutral, answering only to the demands of listeners. By equating citizens with consumers and democracy with the market, commercial broadcasters could claim that they would in fact defend the public interest better than the government. And, as they had consistently persuaded the FRC, their technical expertise enabled them to provide the best service to the most people. Finally, industry advocates argued that the networks were in fact committed to high-quality programming. To prove it, the networks adopted “advisory councils” to consider programming options.

The Communications Act of 1934 achieved almost wholesale victory for commercial broadcasting interests in the United States, and put to an end, for the most part, organized opposition to private, for-profit, ad-subsidized broadcasting. These early debates remind us, however, that our modern broadcasting system did not emerge “organically” or from a clear social consensus, but out of bitter disagreement about how, by whom, and for what purpose new technologies of electronic mass media should be used. These debates also remind us that the use of communication technology in a democracy is fundamentally a social choice, though that choice has historically been made by and in favor of the most capitalized social actors.

### **Lingering Doubts: Debating Commercial Television in the 1930s and 1940s**

There exists almost no precedent for the speculation, hype and anticipation that surrounded the development of television technology. For RCA and a few other electronics manufacturers the prospect of “visual radio” was particularly tantalizing. Once perfected,

standardized, and mass manufactured, television promised profits that would dwarf those of the radio boom. From the very beginning, consequently, the electronics industry rhetorically positioned television as a technology of reception, a technology for consumers, a magical technology of amusement for the home—that is, radio, only better.<sup>22</sup> Not everyone shared this vision, however. In the mid-‘30s, much of the press received the industry’s promotional hype rather coolly and displayed a distinct ambivalence toward television. Many recalled the claims that had been made in the 1920s about radio, and predicted that television would likewise become a medium dedicated to advertising and (therefore) to hackneyed forms of light entertainment.<sup>23</sup>

Even these early forebodings, however, were contained within the narrow parameters that would generally define the debate over television in the 1930s and ‘40s. After the 1934 Communications Act ratified the private, for-profit, ad-subsidized structure of radio, the industry wanted to make it difficult to imagine that a similar technology would be developed and configured along different lines. Since RCA had convinced the FCC and the public that television was in fact a similar technology, it remained for the networks to transform the 1934 legislation into a seamless ideology. The NAB and industry executives worked hard through the second half of the 1930s to erase from the public’s mind the early controversy over the structure of broadcasting and to depict the commercial system as inherently American. They no longer claimed that the commercial system was the best system, but that it was the only system: its emergence had been inevitable because it reflected the American values of free enterprise, competition, and democracy. In 1937, William Paley, the president of CBS, declared that anyone who attacked commercial broadcasting attacked democracy itself. A year later, David Sarnoff claimed that the commercial broadcasting system was so innately American that no special laws had been passed to bring it into existence.<sup>24</sup>

This campaign to ideologically seal off debate about the structure and use of broadcasting was largely successful. By the time television made its first major public outing in 1939 at the World’s Fair in New York, attention focused primarily on the technological progress of the medium, its novelty, and how much it would cost the consumer. Thanks mostly to the promotional efforts of the networks, the nature of public discourse had shifted from concerns over ownership, control, and access to distinctly consumer-oriented concerns. A survey of articles about television published between 1935 and 1950 in *The New York Times* and major

periodicals such as *Time* and *Newsweek* reveals, for example, an overwhelming preoccupation with the technical viability of the medium and how consumers would respond to it. Many stories simply detailed the experiments and demonstrations at labs such as RCA.<sup>25</sup> Others debated what kinds of programming might be most successful, how audiences would react to visual advertising, and the physiological demands and effects of prolonged viewing.<sup>26</sup> Less frequently, articles discussed what the success of television might mean for other media, politics, and education.<sup>27</sup> Business periodicals such as *Fortune* and *Business Week* followed the jockeying of the major corporations and the legislation that affected their organization and profit potential. Nowhere in these publications do we find the kind of broad concerns over the structure of broadcasting (or its subsequent implications) that surfaced even in the popular press of the early 1930s. Before the 1934 Act, reformers had faced an uphill battle to get their views published, especially given the growing affiliation between broadcasters and publishers, but at least there had been a battle. By 1940 that battle had been won by the broadcasters. Popular discourse no longer questioned the fact that a public resource was virtually owned and run for profit by a tiny group of wealthy companies and investors; instead, it narrowed to issues that took this structure of communication for granted. By the early 1940s, the effects of this ideological victory showed: when the FCC delayed setting technical standards and frequency allocations, many Americans complained that the FCC was abridging their rights—not to access the airwaves, but to receive the entertainment they had been promised by the networks.

The industry's campaign to remove basic issues of organization, financing and access from debate did not succeed fully, however. Organized opposition, it is true, fell apart quickly after the passage of the 1934 Act, and debate within the popular press began to presume silently an oligopolistic, commercial structure of broadcasting. But important pockets of resistance still appeared in articles published by less-widely circulated periodicals such as *The Atlantic*, *Harper's*, and *The Nation*. Resistance to the emerging system also sprang from the motion picture industry, and, for the first time, from the FCC itself.<sup>28</sup>

The most common type of critique during this period attacked the broadcasting industry only indirectly. These critiques, generally penned by the intellectual elite, disdained the “vulgarization of culture” that radio had already encouraged and predicted that commercial television would only accelerate the trend. Critics writing in this vein most often blamed the advertising-based financial structure of broadcasting for the “low” character of programming,

since sponsors preferred to sandwich their segments in between bouts of insipid entertainment rather than thought-provoking programming. Even Gilbert Seldes, the prominent, long-time defender of popular culture, hoped in the late 1930s that television could escape the mistakes of radio and film and start from their “highest level” and air programming that would elevate the public. By 1950, Seldes’ had to recognize that television had not only made the same “mistakes” but had embraced them, adopting wholesale the programming strategies of radio and the genres of Hollywood.<sup>29</sup> The programming generated by an ad-subsidized scheme of broadcasting also alarmed religious leaders like Ronald Niebuhr, who noted in 1950 that “prize fights seem to be the best subjects for television.”<sup>30</sup> Though these critiques did not generally foreground the source of the “low culture” problem—the commercial structure of broadcasting—they did support efforts to create some “publicly” controlled channels devoted to educational programming. By anticipating and criticizing the effects of commercial broadcasting, these “elitist” critiques indirectly attacked the structure of American broadcasting and carried on the fight of the early 1930s to establish at least some viable public television.<sup>31</sup>

Objections to the emerging shape of the television industry were also lodged by the motion picture industry. Most major publishers in the United States had been convinced by the Radio Lobby in the early 1930s that the interests of broadcasters and the press were the same, that a threat to one (namely government regulation) was a threat to the other, and so rather than fighting broadcasters, they joined them, quickly buying up stations all over the country.<sup>32</sup> The motion picture industry, on the other hand, only became more vulnerable to the encroachment of broadcasters into the entertainment business. In the mid-to late-1930s Hollywood argued strenuously that introduction of television along the lines of the radio industry would threaten the capital structure and very existence of the motion picture industry, which, they did not hesitate to point out, paid a lot of taxes and employed a lot of people. In testimony before the FCC which was later reprinted in *Vital Speeches*, motion picture industry advocate Robert Robins argued that television should not be allowed to finance itself through advertising revenue: “Television must be kept *free* from advertising sponsorship. . . [it] must be offered to recipients on a service charge basis.” It would be unfair, he contended, to allow the networks to accrue huge profits from advertising when these profits derived not from success in laissez faire competition but from the exclusive control of the “choice channels given by this body.”<sup>33</sup> Robins, of course, understood, just as the networks did, that advertising would be the engine that would drive

television, and that the only way to neutralize its threat to Hollywood was to challenge ad-subsidized broadcasting. Hollywood's objections to television, clearly, did not originate in a noble effort to grant citizens more access to the airwaves or elevate the character of cultural production: the motion picture industry was after all itself organized on a broadcast model, where a handful of studios fought to dominate both production and distribution of films. But the objections are important because they raised once again the issue of the basic structure of broadcasting and reminded the FCC and (via published testimony and press coverage of the hearings) the public that a small number of powerful networks were profiting from their exploitation of what was supposedly a public resource.

The FCC did, of course, ultimately sanction a commercial, ad-subsidized, network-dominated television industry. But not before the industry waged battle with an unlikely foe—its traditional rubber stamp, the FCC itself. In 1941, the agency issued its famous "Report on Chain Broadcasting," which showed that networking affiliates together through leased AT&T lines allowed three large companies—NBC, represented by its red and blue networks; CBS; and Mutual Broadcasting—to account for 97% of evening radio programming.<sup>34</sup> The FCC's new commissioner, James Lawrence Fly, drafted a set of chain broadcasting rules which aimed to cut down on network influence over the programming of their affiliates. Among other provisions, the rules forbade any network-affiliate contracts that did not allow the affiliate to broadcast material from other networks or forced the affiliate to accept network programming. In addition to the new rules, the FCC stipulated that no licensee would be allowed to own two stations in any one community, and recommended that NBC divest itself of one of its two networks. These rules and the directive of divestiture were both challenged by an outraged broadcast industry, but the Supreme Court backed the Commission by a 5-2 vote.<sup>35</sup> Ultimately, even this challenge to the oligopolistic character of the broadcasting industry had only a short-term and limited effect, and it left untouched the financial basis of the industry and the control of the airwaves by large, private corporations.

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In addition to these critiques and challenges to the structure of broadcasting, many alternative arrangements were discussed and proposed between the early 1930s and 1950. Outside the popular press, for example, broadcasting critics like Bernard Smith continued to

offer alternative ways of organizing broadcasting so that more people could access the airwaves. Alternatives to ad-subsidized television, generally along the lines of what we today call pay-per-view, were also discussed seriously, and one such system was even set up by Zenith in the mid-'40s. By following the development of the television industry in other countries (especially Britain, where broadcasting was managed by the government-owned BBC), even the popular press exposed many readers to alternative systems.

We must first recall that while the technology of television (converting moving images into electronic pulses that could be reconstructed on a small screen) was still being developed, inventors, critics and even the principal corporations engaged in research had very different ideas about how the technology might eventually be utilized. The popular press speculated that television would be used in everything from aviation to medicine.<sup>36</sup> Some predicted that the technology would allow doctors to perform diagnoses on patients in remote locations; diving teams to search for treasure; and scientists to observe dangerous tests from safe distances. Others argued that the technology would be most useful to airlines and air traffic controllers. And before broadcast television arrived, department stores already used closed circuit television technology to advertise products.<sup>37</sup>

Perhaps the most interesting alternate vision of how television technology might be used, however, was presented by AT&T in the early 1930s. From the mid-1920s into the early 1930s, AT&T was a leader in the race to develop “tele-vision” that could be deployed in the home. In the early 1920s, AT&T had hoped to cash in on the radio boom by claiming radio was simply a wireless version of the telephone, and therefore fell under its jurisdiction. To configure radio along the common carrier model of the telephone, they planned to build studios, linked by AT&T lines, in every town in the U.S. for people to lease on an hourly basis for a nominal fee (a system AT&T called “toll broadcasting”). By 1926, however, AT&T had lost important legal and patent battles with its competitors RCA, General Electric, and Westinghouse, and conceded to an organization of broadcasting where AT&T would confine itself to leasing its lines to the newly created National Broadcasting Corporation (NBC).<sup>38</sup> But by the end of the decade AT&T once again hoped to exploit a new medium: they proposed, again along the telephone model, “two-way television.” In a promotional guide published by Bell Laboratories in 1930, its inventors described two-way television as “a system of communication supplemental to the telephone. . . in which parties not only speak with each other but at the same time see each

other.”<sup>39</sup> AT&T’s leadership role in television research ended abruptly in the early 1930s, however, when it became clear that mechanical methods for scanning images—AT&T’s strong suit—would be replaced by more efficient electrical methods adopted by RCA. Without any technological advantage in manufacturing receivers, AT&T once again resigned itself to supplying the lines that would help Columbia and NBC build powerful networks of broadcasting.<sup>40</sup> And once again visions of a new form of communication organized along the common carrier model dimmed. The idea of two-way television reappeared briefly in the early 1940s as equipment became less expensive and amateurs experimented with short range transmissions of video signals, but by that time television had been firmly positioned as a broadcast technology—a receiver of transmissions from just a handful of sources.<sup>41</sup>

Although the commercial, network-dominated structure of broadcasting already seemed unassailable by the mid-1940s, a handful of critics continued to offer alternatives. One of the most visible of these critics was Bernard Smith, who, writing for *Harper’s* magazine in the mid- to late-1940s, argued that television was unlikely to succeed where radio had failed: “The history of radio . . . raises the question whether television can succeed in contributing markedly to raising the levels of entertainment, information, and education in America if its operations are to be governed by the same rules and regulations, the same licensing principles, as radio.”<sup>42</sup> Smith doubted that the television industry, structured as it was, could fulfill its mandate to serve the public. He argued, first, that the existing system would unfairly restrict access to receiving broadcasts. Since the broadcasting industry was not required (as a common carrier like AT&T was) to provide universal access, rural and low income areas would not be served. Just as in radio, advertisers were interested in reaching only those people who might spend money on their products—which meant that stations would go up in affluent metropolitan areas but not in, say, the rural south. Second, Smith argued that the existing system would unfairly restrict access to producing programs for broadcast. “The basic problem with the FCC’s present licensing system,” Smith wrote in 1946, “is that it prevents anyone from going into television broadcasting unless he has the money and the technical ability to build a very costly studio and transmitter. If this concept were carried over into other fields, no one could publish books or magazines unless he owned a printing plant. . . .”<sup>43</sup>

Smith, like many, was apparently reluctant to see the government intervene in free-market competition, but believed that, “if television is to serve not simply as source of casual

entertainment but as an instrument of public information, enlightenment, a forum, then we must adopt a national policy for guiding its development.”<sup>44</sup> He rejected government ownership of broadcasting, just as did critics in the early 1930s, but at the same time did not believe that a broadcasting industry operating on the free market model would necessarily serve the interests of the public. Therefore he offered a third choice: an industry that would be strongly regulated by the government. This third choice was not (as Smith readily admitted) revolutionary, especially since the public utility model of regulation had been applied to communication industries since the telegraph. But Smith’s unique contribution was to lay out schemes for exactly how the government could regulate the industry without imposing on it a stifling bureaucracy.<sup>45</sup>

Smith proposed, for example, a licensing scheme that would de-couple the two roles that broadcasters had assumed—program production and program transmission. Smith suggested that the FCC issue two kinds of licenses: one, to be known as a franchise license, that sanctioned the operation of a broadcast station in a given area at a given frequency; the other, to be known as a telecasting permit, that licensed anyone who wished to produce television programming. Under this system, television stations would operate as common carriers, as franchises in a vast public utility. No person or corporation would be allowed to hold both kinds of licenses, and stations would have to be locally owned. Profits would not be restricted, but revenues would be split between those who owned and operated the stations and those who produced the programming. Finally, in awarding franchise licenses, preference would be given to stations that agreed to use some of their overall profit to extend service to all areas. In this scheme, broadcasting would remain privately owned and ad-subsidized, but not monopolistic or oligopolistic: access to the spectrum would be democratized, and advertising revenue would be spread out geographically and among many different service providers. Though Smith was concerned over the concentration of power that was clearly developing with the rise of national networks, he did not aim to eliminate “chain broadcasting.” He knew that the national networks would play a large role in providing programming in television just as they had in radio; he only hoped that by regulating the transmission side of the industry as a public utility, network programs would not be the only programs available.

Other critics similarly considered this “third choice” of regulating all or part of the television industry as a public utility. In *Television: A Struggle for Power*, a book that then-member of the FCC George Henry Payne called courageous and “one of the few which have

been written from the point of view of the public to whom the ether actually belongs,” Frank Waldrop and Joseph Borkin argued that the problem of monopoly was the greatest challenge facing the FCC.<sup>46</sup> Though they stopped short of recommending any particular way of regulating the industry, they believed that neither the free market model nor government ownership would in the end serve the public. In their concluding chapter, “Public Policy,” they consider a variety of alternate arrangements, including non-ad subsidized broadcasting on the “service charge basis” that Robert Robbins had suggested. They also take up the idea that television could be regulated “as a public utility. . . comparable to telephony.”<sup>47</sup> Waldrop and Borkin argue that the issue was, after all, not *whether*, but rather *how much*, the government should be involved in the broadcasting—since the broadcasting industry already depended on the government for frequency licenses and protection in the form of patents. In their view, the government should involve itself in the industry enough to prevent monopoly concentration.

Regulation along the lines proposed by critics like Smith, Waldrop and Borkin, and by lobbyists like Robbins, were never considered seriously by the FCC or Congress. But a few companies, fighting for a piece of the broadcasting pie, devised alternatives to ad-subsidized television on their own. In the late 1940s, for instance, Zenith devised “phonevision,” a system similar to the pay-per-view service now offered by many cable companies.<sup>48</sup> Billed as a happy marriage between television and Hollywood, phonevision promised to bring first-run Hollywood films into living rooms all over the country. Viewers simply ordered over the phone the film they wanted to see, and a special device on their TV then activated to decode the broadcast. The \$1 per movie charge would later appear on the viewer’s phone bill. The plan was supported by many who argued that this “box office” financing of programming would permit television to “march to far higher goals” than it could operating according to ad-based financing.<sup>49</sup> Zenith’s project stumbled badly, however, when Hollywood, AT&T, the networks, and the FCC all resisted the plan. By late 1951 phonevision had died.

The above examples of lingering doubts, alternate visions and corporate challenges represent only eddies in the powerful current that brought America private, for-profit, ad-subsidized, network-dominated television. For the most part, lingering doubts about the structure and use of broadcasting were drowned by the steady rush of promises about the wonders that the networks would deliver. Alternate visions were washed away like fragile dams. Competition was driven into the embankments almost unnoticed. As we have seen, discussion

of the organization of broadcasting almost never appeared in the popular press. Even in its coverage of Britain's television industry, the *New York Times* generally confined itself to British technical advances, aesthetic approaches, and audience responses to programming; the public ownership of broadcasting, if ever mentioned, was referred to derisively.<sup>50</sup> Of those who were aware that the structure of broadcasting was open to debate, many probably perceived these ripples and eddies more as spoilers, as the second-guessings of elitist malcontents. For when they were addressed at all, that is how broadcasters often framed critiques. But most Americans probably never even realized there was a debate. In popular discourse, issues of access, finance, organization and monopoly had disappeared altogether. The emerging structure was taken for granted and the debate narrowed to issues of TV set costs, false advertising and (undesired and desired) censorship.<sup>51</sup> As the networks tightened their grip on the public airwaves, positioning themselves to win millions, the most pressing demand of the American public was that some public body "look into such controversial matters as cleavage, the time permitted for a kiss, and the proposed editing of wrestling matches to eliminate 'suggestive positions.'"<sup>52</sup>

But the pockets of resistance that appeared in the late 1930s and in the 1940s remind us once again that private, for profit, ad-subsidized broadcasting was not received with unanimous enthusiasm, and that it was not given by the state of technology, but rather by the financial leverage and influence of corporations like RCA and by the action and inaction of public institutions like the FCC and the Congress.

### **Debating Mass Communication in the 1990s**

Since the late 1980s, it has become increasingly clear that emerging information technologies can offer not just new communication services, but an entirely new communications paradigm. These technologies allow us to overcome, for example, the technological restraints that gave us the genre of communications known as "broad-casting." Since the 1920s, the relative scarcity of channels that could carry video or audio signals meant that a few transmitters broadcast to thousands, even hundreds of thousands, of passive receivers; today, this scarcity is evaporating as both new wire and wireless technologies permit the simultaneous exchange of thousands of signals. New digital, broadband, two-way networks, for instance, create a "spectrum" large enough to accommodate thousands of signals. Anyone connected to one of these networks could not only receive and choose among all of these

thousands of signals, but could also transmit his/her own signal. Thus a Broadcast paradigm of communication, in which a few produced for many, could eventually give way to a Network paradigm of communication, in which many would produce for many. This could, obviously, constitute a near revolution in the structure of cultural production and distribution—that is, in the way American society communicates with itself.<sup>53</sup>

As we have seen, however, technologies do not engender their own application. Radio and television technologies did not dictate their use nor the structure of the broadcasting industry—laws and profit incentives did. In the last decade, we have witnessed stunning breakthroughs in digital, compression, microchip, and switching technologies. Together, these technologies offer radically new ways to exchange, store and manipulate information (information here understood very broadly—anything from bank records to TV sitcoms). But these technologies may be put to any number of uses. When combined to create the next “National Information Infrastructure” they may be configured in a variety of ways, and it is this configuration (deployment, ownership, usage, and regulation) that will determine how, and for whom, their potential will be exploited. Just as in the first decades of broadcasting, the drive for profit will powerfully shape the application of developing technologies. But, again, just as in the 1920s and ‘30s, regulatory law will define the context within which companies operate, and thereby exert a strong, if indirect, influence on the structure of mass communications.<sup>54</sup>

As information technologies “converge,” what kinds of challenges will policy makers face in the U.S.? Let us consider one of the most foreseeable dilemmas. A national, digital broadband network could eventually deliver through one wire all the services, publications, and information that are currently delivered to Americans through very different media. Telephony, movies, newspapers, television programs, mail, banking services, local news and weather, voting, book borrowing, video games—all of these, traditionally distributed through a variety of mechanisms and institutions, could be delivered over a single (or multi-layered) electronic infrastructure. If we concentrate just on the convergence of media—movies, newspapers, telephony, television, etc.—one problem is immediately evident: these media, having developed independently of one another, operate and are regulated according to utterly different principles. Telephony is a point-to-point communication industry that is regulated as a common carrier so that everyone has access at reasonable rates. Publishing is a one-to-many form of communication that operates on the free market model with very little regulation. Broadcasting,

as we have seen, operates as a government mandated oligopoly with tremendous barriers to entry (one must have a license, large amount of capital, etc.). In telephony and publishing, content is regulated very little or not at all. In broadcasting, content is regulated according to specific guidelines. As these three broad forms of communication become part of a single electronic infrastructure, what principles will structure this delivery system? How will it be regulated? Should regulation favor an extension of the broadcast model of communication, or encourage a wholly new network paradigm of communication?

Thus, for the first time in over half a century America must make basic decisions about the structure, finance, and even purpose of mass media. As information technologies converge to offer new ways of structuring mass communication, Americans have before them a tremendous opportunity to reconsider and perhaps recast the way we experience mediated communication. We have the chance to reflect on the successes and failures of the privately-owned, for profit, ad-subsidized system that was established in the 1930s. We can address long-standing problems that have defied marginal solutions—lack of educational programming, the unsatisfactory division between commercial and public broadcasting, unequal access to the means of cultural production and distribution, etc. We can, in fact, choose an entirely new system, a new way of arranging the way we communicate with one another on a large scale. This at a time when Americans are increasingly concerned about the growing impact of the mass media on politics, culture and values; when everyone from politicians to literary theorists claim that the mass media have become the needle that weaves the fabric of our society. In short, at a time when mass media appear to be achieving new heights of influence over our culture, we have an opportunity to examine and reshape the way they operate and the purposes they serve.

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What do today's debates about mass communication look like? Unfortunately, more like the media discourse of the late 1930s and 1940s than of the 1920s and early 1930s. It may even be inaccurate to describe popular discourse about the media as a "debate." For, as much attention as the popular press has lavished on the approaching communications "revolution," it has for the most part failed to recognize (or perhaps just discuss) how profoundly these technologies could transform the way American society communicates with itself. Today's discourse, like most discourse after the 1934 Communications Act, concentrates on what new

technologies promise consumers, which companies will bring us which services, and whether we will have to pay a lot for them. Set aside is any discussion of why these technologies would be used, say, to supply us with more sitcoms and home shopping rather than to give all of society the power to share information widely. This is because most discussions in the popular press about mass communications remain frozen in the terminology, metaphors, and suppositions of the commercial broadcast system created over half a century ago.

Beyond the mainstream press, however, debates that strive to overcome old ways of thinking about mass media have emerged. In the discourse of the computer community in particular, there is a renewed interest in the structure, financial basis, and social role of mass communication. This is perhaps because they have seen in the Internet—a digital, two-way, global computer network—a new way of organizing electronic communications. The Internet is a “peer-to-peer” system of communication with no real center, where anyone connected can distribute information as easily as they receive it. This structure of communication effectively levels the hierarchy of cultural production and distribution found in broadcasting and publishing. In fact, the very dichotomy of producer/consumer virtually disappears. Since the Internet is also a publicly funded infrastructure, the exchange of culture, information, and opinion is not governed by advertising dollars.<sup>55</sup> Given the strengths of this form of communication, many computer professionals have argued in the pages of magazines like *Wired* or even *Byte* that, at least to some degree, the National Information Infrastructure proposed by the Clinton Administration should be modeled on the Internet.<sup>56</sup> A host of new handbooks for the Internet begin or end by stumping for a Network paradigm of communication, and Howard Rheingold’s *Virtual Communities* builds a book-length case for an Internet model.<sup>57</sup> Many of the most impassioned arguments to replace broadcasting with a Network paradigm are found in discussions or articles posted on the Internet itself.<sup>58</sup> Recently, articles by Internet enthusiasts have also begun appearing in publications like the *Nation* and *The New Republic*.<sup>59</sup>

Outside this discourse, however, there remains only a dim awareness that a paradigm shift in communications is possible. This is partly because gauging the potential of new technologies is often very tricky. But for the most part, their potential goes unrecognized (or undiscussed) because of the mind-set about mass communication that formed in the late-1930s. It was during those years, as we have seen, that popular discourse abandoned issues of access, ownership, and control and began to presume a network-dominated, commercial structure of

broadcasting. It was during those years that debate shifted to issues that took this structure of communication for granted. The legacy of this shift is evidenced by the limited scope of today's discussions of new communication technologies. When set side by side, today's debates are in fact remarkably similar to the media discourse of the late-1930s and 1940s. Four general similarities are striking.

First, new media technologies are contemplated almost entirely from the consumer's point of view. That the technologies might democratize the production and distribution of information is rarely considered. By the 1940s, as we have seen, public discourse concentrated on what television promised consumers, and how consumers might respond to it. Few continued to imagine that broadcasting could be organized to allow these same consumers to act as producers, as they had in the early days of radio. Today, the potential of new media technologies is likewise conceived from the point of view of the consumer. Business people, politicians, and even media scholars look at the new technologies and envision electronic yellow pages, telebanking, the proliferation of "shopping networks," and hundreds of channels of entertainment. The civic-minded look forward to new access to libraries, data banks, government records and news services like the Associated Press wire.<sup>60</sup> The liberating value of the new technologies is taken to be their ability to bring to consumers more products, more streams of information, right into their living room. An interactive capability is perfunctory; it simply allows the consumer more power to choose among the proliferation of new products and services.

The metaphor "Information Highway," intentionally or not, has become emblematic of this consumer-orientation. In the popular press, the metaphor has become tightly linked to the commercial services promised by the warring and merging telephone, broadcasting, and cable companies: AT&T promises faxing from the beach, Time Warner promises on-line video libraries, QVC promises interactive shopping, cable companies promise 500 channels of programming.<sup>61</sup> This term, with all its consumer connotations, has reached almost mantra status in the press. According to a Nexis survey, "Information Highway" or "Information Superhighway" appeared just 26 times in major news and business publications in 1991; in 1993, these phrases appeared over 4,000 times; in 1994, they have so far appeared over 10,000 times.<sup>62</sup> The highway metaphor has become so commonplace that in 1993 a *Village Voice* columnist

could place the action of his plot, “between the first time you heard the words *information superhighway* and the first time you wished you never had.”<sup>63</sup>

Second, it is largely assumed that the public is served best by a mass medium organized and regulated by the free market. That is, virtually all discussions proceed from the conviction that the conduits of mass communication should be owned and operated without constraint by private corporations. We have seen how, in the late 1920s, Congress was persuaded not to regulate broadcasting as a public utility or on the common carrier model, but instead to cede regulation to the market. And we have seen how in the second half of the 1930s the NAB rendered the commercial system beyond reproach (and debate) by arguing that it reflected the American values of free enterprise, competition, and democracy. Today, the assumption that mass communications should be organized by market forces is deeply embedded within our mass media discourse. In a sense, debate about the basic structure of electronic mass media was closed off so effectively in the 1930s that it is now difficult to imagine that it could be organized or regulated in any other way. In today’s popular and business press, for example, it is rarely even intimated that the infrastructure of the Information Highway could be operated as a common carrier, a public utility, or something in between. We find instead increasing pressure to commercialize the Internet—the closest thing to a non-profit, public communications system we have ever had.

In assuming that a mass media organized by the market serves the public best, a deeper, even more powerful assumption is made: consumers and citizens are the same thing. In the debates of the 1930s, broadcasters maintained that a private, for-profit system was innately democratic because the public “voted” for the programming it wanted. They argued that broadcasting in the hands of the private sector promised a marketplace of ideas, where freely aired views could compete with one another. Thus the consumer became equated with the citizen, and the market with democracy. This equation persists today, despite an awareness that in serving consumers, broadcasters by no means necessarily serve the public. Despite their claim and mandate to serve the “public interest, convenience and necessity,” broadcasters in fact serve themselves; that is, they air the programming that generates the most advertising revenue.<sup>64</sup> Advertisers, of course, pay the most for programs that attract certain segments of the population, namely those that watch the most television and have significant purchasing power. Low-income and occasional-viewer demographics register little or no influence on program

selection.<sup>65</sup> Thus only part of the public “votes” for programming. Even at that, “voting” is a misleading analogy since programming reflects not just the tastes of these viewers, but also the influence of advertisers. Producers are constrained by advertiser’s desire to sponsor programming that is not only popular, but popular with as many people as possible and not offensive to any significant segment of potential consumers. When producers aim at an audience as big as middle-class consumers, content becomes to at least some extent homogenized; it also tends to remain safely within the traditional boundaries of American political and social ideology. Thus there is at least some constraint exercised on programming on the production side, independent of viewer’s “votes.”<sup>66</sup> Despite these facts, the popular press continues, for the most part, to assume that commercial programming is entirely “democratic”—that broadcasters simply “give the people what they want.” The equation of consumer and citizen therefore remains intact.<sup>67</sup>

Third, free-market rhetoric disguises an essentially monopolistic or at least oligopolistic market. Broadcasters (and now cablecasters) resist regulation by claiming that it would stifle competition, distort market forces, and thereby hurt the consumer—yet their industry bears little resemblance to the kind of free, open market that passes the benefit of competition on to consumers. In the debates surrounding the Communications Act of 1934, for example, the networks (especially NBC) regularly countered proposed regulation with the benefits of unfettered competition. But “unfettered competition” really meant the status quo—a regulatory environment that favored the ascendant networks and in fact helped them stamp out competition. Thus, in a strategy rife with irony, networks defeated regulation that would have promoted diversification of ownership by claiming it would do just the opposite. As a number of critics pointed out in the 1930s, the networks did not despise regulation per se—since they in fact owed their profits and very existence to the way the airwaves were regulated—just regulation that threatened their position. But they always fought unfavorable regulation the same way—by claiming it would inevitably hurt the consumer.

Today, free-market rhetoric has reached dizzying heights: deregulation has almost become the business press’s chant. With the Information Highway around the bend, firms from every related industry are clamoring for deregulation, anxious to take a bite out of each other’s markets and get in on the ground floor of new ones. Of course, many firms play both sides of the fence, shouting for deregulation of industries they wish to enter while quietly fighting off

deregulation of their own industry. Congress has for once responded rather quickly: in June of 1994, the House of Representatives passed a package of legislation that would significantly deregulate the telephone and cable industries.<sup>68</sup> But will all this deregulation—this embrace of the “free market”—really increase competition and diversify ownership? In the short term, it seems certain to. But in the long-term, this same deregulation could sanction a tremendous concentration of ownership and control.<sup>69</sup> If recent mergers and increasing cross-ownership are any indication, this deregulation could spawn another, even more expansive oligopolistic market with concentrations of economic power that would make Time Warner look like an independent film company by comparison.<sup>70</sup> Thus, will free-market rhetoric once again disguise the incubation and then operation of an essentially monopolistic or oligopolistic market?

Fourth, there is a strong fear that, if given the opportunity, the government will attempt to abridge the Constitutionally-protected right to free speech. On the other hand, there is little concern about how private ownership of the means of communication constrains the exercise of that right. In the 1930s, for example, commercial broadcasters invoked the specter of political censorship to justify private ownership and control of broadcasting. Fighting off the reformers, the broadcasting lobby called any change in regulation more regulation, and then successfully equated increased regulation with increased government control over content. They could then accuse reformers of advocating policies that would encourage political censorship. Though several critics urged people to recognize that a network-dominated commercial broadcasting system would introduce a system of “private” censorship (the power of broadcasters or advertisers to censor items that show them in a bad light) as dangerous, and perhaps more insidious, than government censorship, fear of the latter overwhelmed their arguments.<sup>71</sup> Broadcasters were successful in diverting attention away from both “private” censorship and what might be called “economic” censorship (only what generates the most profit is broadcast) to strictly “political” practices of censorship largely because most Americans could identify the threat of political censorship more easily. American, if not the dominant West European, political tradition pits the individual against the state; its archetypes are the upright, god-fearing citizen and the invasive, tyrannical overlord. Democracy represents the victory of the citizen. Thus the threat of political censorship strikes a deep and resounding chord. Had American political tradition pitted class against class, the laborer against the capitalist, the public might have responded more critically to the prospect of complete, private control of broadcasting.

Not surprisingly, fear of government censorship still eclipses concerns over the constraints that private ownership of telecommunication places on free speech. For example, both the popular and business press have tracked the debate surrounding the government's proposed "clipper chip," a technology that would maintain the government's ability to tap phone or data lines. Yet the press largely ignores how commercial ownership and control of communications limits free speech in crucial ways—in who gets to have a say, what gets said, and how it gets said. Even with the Internet as a conspicuous model of non-commercialized communication, the press still does not discuss the substantial impact of economic censorship. Of course, the press cannot be scolded too harshly given that mass media scholarship has likewise emphasized political rather than economic constraints on speech; for the most part, it has failed even to theorize economic censorship satisfactorily.<sup>72</sup> It must be noted, however, that today the more blatant private censorship has received increasing attention in the press. For example, soon after several commercial services providing access to the Internet instituted censorship rules, a number of stories began appearing in major periodicals about this "new" form of censorship practiced not by the government but by corporations. Private ownership had not seemed to pose a threat to free speech in either telephony (content was unregulated) or broadcasting (the public voted for what it wanted), but in this case the power of companies to censor information shared among subscribers seemed to affront the right to free speech.<sup>73</sup> It is possible that this concern will spark a broader inquiry into the consequences of private ownership and control of the means of communications.

### **Conclusion: Re-imagining Cultural Production and Distribution**

What are the media for? This question has been posed in one form or another since Gutenberg began turning out books in the mid-15th century. Ben Jonson satirized the profiteering of fledgling newspapers as early as 1626. By the middle of the eighteenth century critics like Dr. Addison were complaining regularly about the new invention of advertising ("puffery") and the political bias of reporting.<sup>74</sup> In the nineteenth century, intellectuals of almost every ideological persuasion in Europe and America began to worry about the role of the emerging mass market press and its effect on a growing readership. With the rise of powerful, electronic media in the early part of our century, this deceptively simple question has become more urgent for industrialized nations, particularly democracies. America asked the question as

broadcasting emerged in the 1920s and early 1930s. Today, as new technologies offer us new ways of communicating, the question deserves to be asked again.

But it is not being asked. This is because today's debates continue to accept unconsciously the answer made in the 1930s: mass media is for profit and entertainment. This answer was not made explicitly, but simply flowed from Congress's decision that the mass media should be organized and regulated by the free market. This decision has become an assumption thanks largely to the ideological victory the networks achieved after their legislative success in 1934. As we have seen, the networks closed off debate over broad issues such as access, finance, and purpose by steering popular discussion toward issues that took the commercial system of broadcasting for granted. The network's efforts quickly marginalized opposition, consigning it to the corners of the mainstream press. By the end of the decade, popular discourse had all but forgotten that there had been a debate over the use of broadcasting, or that there could even be such a debate. Popular debate about the mass media has been amnesiac ever since. Today is no different. Even at the crossroads of the Information Highway, even at a time when the shortcomings of the mass media could not be more glaring, the market model is assumed.

This assumption is profoundly dis-empowering because it disguises the fact that a distinctly social choice is being made. As this discussion has made clear, "letting the market decide" is as consequential a choice as handing the mass media over to government control. Letting the market decide means that media technologies will be configured to maximize their profit-earning potential. It means that cultural production and distribution will be concentrated in the hands of few. It means that content will be designed to appeal to the "lowest common denominator" of an audience and to avoid subject matter that might alienate any significant segment of that audience. It does not mean that the public determines how and for what purpose media technologies will be used. It does not mean that the public decides what kind of content fills the media. It does not mean that the public's best interest is served. Letting the market decide has, if anything, privileged the consumer's interests over the citizen's, the market's over democracy's. The American political process, for example, has been transformed for the sake of this model of communication. Today, politicians are reduced to the status of advertisers, forced to raise enormous sums of money just to get their views—sandwiched in between soft drink ads—to the American public. The candidates with the most money therefore have an

unprecedented advantage—an outcome hardly consistent with the 1930s’ claim that mass media on the market model serves the public best.

The decisions made on the public’s behalf in the 1920s and ‘30s had profound consequences for the way Americans have used and experienced communication technologies. Today’s decisions about the National Information Infrastructure will have perhaps even greater consequences, since the NII may serve as the single delivery mechanism for dozens of previously distinct, and distinctly regulated, services. The danger is that the choices America faces will go unrecognized, that the market model will be presumed as it has been for over half a century, and that alternatives will not be explored. Congress, for instance, is already making momentous decisions about the shape of communications with little public consciousness of what is at stake. Technology has become the means of speech in large modern societies, and at this crossroads Americans must once again ask themselves serious, broad questions about how it is used: What are the media for? To what extent should the communications infrastructure be considered a public good? How should communications be regulated to promote the common good, serve democracy, and preserve individual liberty? What logic and rules should shape the discourse that travels over this infrastructure? As this paper has illustrated, telecommunications can be configured in a variety of ways, to promote a variety of goals. What needs to be remembered is that in a democracy these goals may be set by the public, to serve the public in any way it chooses. Technology will always, continuously change the way we live, but policy will determine just how.

## Notes

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- <sup>1</sup> Theodore Roszak, *The Cult of Information* (U. of California Press, 1994) p. xvi.
- <sup>2</sup> William Boddy, *Fifties Television* (Chicago: U. of Illinois Press, 1993) pp. 16, 21. Erik Barnouw, *Tube of Plenty* (New York, Oxford U. Press, 1990), chapter 2. Much of this section's sketch of radio's emergence and regulation is indebted to this chapter in Barnouw and to the following works: Ithiel de Sola Pool, *Technologies of Freedom* (Cambridge, MA: Belknap, 1983); Susan Smulyan, *Selling Radio: The Commercialization of American Broadcasting 1920-1934* (Washington: Smithsonian Institution Press, 1994); Erwin G. Krasnow et al., *The Politics of Broadcast Regulation* (New York: St. Martin's Press, 1982), chapter 1; and Jennifer Fleissner, *The Federal Communications Commission* (New York: Chelsea House, 1991), chapter 1.
- <sup>3</sup> Cited in Krasnow, p. 11.
- <sup>4</sup> Robert W. McChesney, *Telecommunications, Mass Media and Democracy* (New York: Oxford U. Press, 1993) chapter 2.
- <sup>5</sup> Susan Smulyan, "The Rise of the Network Radio System: Technological and Cultural Influences on the Structure of American Broadcasting" *Prospects*, vol. II, (1987), p.115.
- <sup>6</sup> Barnouw, p. 43.
- <sup>7</sup> McChesney, p. 15.
- <sup>8</sup> Douglas Kellner, *Television and the Crisis of Democracy* (Oxford: Westview Press, 1990), p. 31.
- <sup>9</sup> It should be remembered that at this point the company most feared would monopolize the airwaves was not one of the emerging networks, but AT&T. After all, AT&T seemed already to control much of the country's electronic communication. This fear of an AT&T monopoly may help explain why Hoover favored the free-market, newspaper model over the common carrier model.
- <sup>10</sup> Mary S. Mander, "The Public Debate About Broadcasting in the Twenties: An Interpretive History," *Journal of Broadcasting*, 28: 2, Spring 1984, pp. 170-178.
- <sup>11</sup> Mander, p. 180.
- <sup>12</sup> James Patterson, *America in the Twentieth Century* (New York: Harcourt Brace, 1994) pp. 143-7.
- <sup>13</sup> Smulyan, "The Rise of the Network Radio System: Technological and Cultural Influences on the Structure of American Broadcasting," pp. 107-109; Mander, p. 179.
- <sup>14</sup> McChesney, p. 29.
- <sup>15</sup> Boddy, p. 36.
- <sup>16</sup> Barnouw, p. 73-77. The following account is also heavily indebted to McChesney, chapter 5 and Robert McChesney, "The Battle for the U.S. Airwaves, 1928-1935," *Journal of Communication* 40 (4), Autumn 1990, pp. 29-57.
- <sup>17</sup> McChesney, p. 93.
- <sup>18</sup> Ibid. For more general remarks on the relationship between the FRC and educators at this time see also George Gibson, *Public Broadcasting: The Role of the Federal Government, 1912-76* (New York: Praeger, 1977), pp. 9-22.
- <sup>19</sup> McChesney, "The Battle for the U.S. Airwaves, 1928-1935," p. 36.
- <sup>20</sup> *Broadcasting in the United States* (Washington D.C.: NAB, 1933), pp. 7-8.
- <sup>21</sup> For more on the battle over notions of censorship in the 1930s, see de Sola Pool, chapter 6. For a useful discussion of the "marketplace of ideas" concept, see Robert Entman and Steven Wildman, "Reconciling Economic and Non-Economic Perspectives on Media Policy: Transcending the 'Marketplace of Ideas,'" *Journal of Communication* 42 (1), Winter, 1992.
- <sup>22</sup> For more on the positioning of television as a technology of amusement for the home, see Lynn Spigel, *Make Room for TV: Television and the Family Ideal in Postwar America* (Chicago: U. of Chicago Press, 1992), chapter 1, especially pp. 30-35.
- <sup>23</sup> For a survey of attitudes toward television during this period, see James L. Baughman, "The Promise of American Television, 1929-1952," *Prospects*, vol. II, 1987.
- <sup>24</sup> McChesney, "The Battle for the U.S. Airwaves, 1928-1935," p. 47.
- <sup>25</sup> *The New York Times* followed the development of television technology faithfully, if un-reflectively, between 1935 and 1945, publishing almost weekly reports on progress issued by RCA and Dumont. *Newsweek* also ran frequent stories on technical gains, usually marked by a tone of impatience. See for instance: "Field Tests shows Progress but still not Perfect," August 22, 1936; "Television an Actuality," May 8, 1939; "Video Jitters," March 1949; and "The Hectic Year," November 21, 1949.

- <sup>26</sup> See for example: “Now what can we do with Television?” *The Saturday Evening Post*, May 20, 1939; “The Age of Television,” *The New Yorker*, July 27, 1940; “Futures in Television,” *Newsweek*, March 13, 1944; “Hisses and Cheers,” *Time*, January 10, 1949; “Rumblings: Television Survey,” *Time*, February 7, 1949; Edgar Jones, “How about Television?” *The Nation*, April 6, 1940.
- <sup>27</sup> On competition with other media, see for example: “The Future of Television: The Effect on Cinema and Wireless,” *World Review*, January 1944; “Is Television going to put a Crimp in Book and Magazine Sales?” *Saturday Review of Literature*, June 5, 1948. On effect on politics, see for example: “E.F. MacDonald on Prospects for Political Use,” *The New York Times*, August 30, 1936, IX 10:3; “Has a New type of Political campaign Arrived?” *Christian Century*, November 22, 1950. On education, see for example: “National Advisory Council on Radio in Education reports on use of Television,” *The New York Times*, September 20, 1936, 13:7; “Educators on FCC ruling on Commercial Sponsorship,” *The New York Times*, June 2, 1940, IV 8:3; “Televsity,” *Time*, August 21, 1950.
- <sup>28</sup> Here I agree with William Boddy’s contention that compared to the free ranging debates of the 1920s, the debates in the 30’s and 40’s over the social uses of television technology were “narrow and muted.” However, there was significantly more opposition to the status quo and suggestions for other arrangements than Boddy accounts for, both in the press and from the FCC itself. See Boddy, p. 17-18.
- <sup>29</sup> See the following by Gilbert Seldes: “The Errors of Television,” *The Atlantic*, May, 1937; “TV: The Golden Hope,” *The Atlantic*, March, 1949; and “Can Hollywood take over Television?” *The Atlantic*, October, 1950, p. 52.
- <sup>30</sup> Quoted in “Rumblings: Television Survey,” *Time*, February 7, 1949.
- <sup>31</sup> For other examples of this line of critique, see: E.B. White, “One Man’s Meat,” *Harper’s*, October, 1938; “The Television Gold Rush,” *Journal of Education*, March-April, 1951.
- <sup>32</sup> It worth noting that the affiliation between the press and broadcasting only grew stronger during the 1930s and ‘40s. In fact, *The Milwaukee Journal* filed the very first application for a commercial TV license.
- <sup>33</sup> Robert Robins, “Television: One View of its Development and Control,” *Vital Speeches*, July 15, 1936, pp. 663-4.
- <sup>34</sup> Fleissner, p.11.
- <sup>35</sup> *Ibid*, p. 12.
- <sup>36</sup> See for instance: “Doctors may diagnose by television,” *Science Digest*, November, 1945; “Videognosis,” *Newsweek*, October 9, 1950.
- <sup>37</sup> See for instance, “Bloomingdales Brothers Inc. telecasts described,” *New York Times*, April 27, 1939, 28:8.
- <sup>38</sup> Barnouw, pp. 37-57. See also de Sola Pool, chapters 1 and 6.
- <sup>39</sup> *Two Way Television*, Bell Telephone Laboratories, 1930, p. 27 (publishing location n/a).
- <sup>40</sup> See Robert Stern, “Television in the Thirties: Emerging Patterns of Technical Development, Industrial Control and Governmental Concern,” *American Journal of Economics and Society*, 23 (1964), especially pp. 294-296.
- <sup>41</sup> See for example: “Two-Way Television demonstrated by Amateurs,” *Scientific American*, December, 1940; “Two-Way Amateur Television,” *Popular Mechanics*, March, 1941.
- <sup>42</sup> Bernard Smith, “Television—There ought to be a Law,” *Harper’s*, September 1948, p. 34.
- <sup>43</sup> Bernard Smith, “Television for More of Us,” *Harper’s*, April 1946, p. 322.
- <sup>44</sup> Smith, “Television—There ought to be a Law,” p. 34.
- <sup>45</sup> Since Smith’s aim was in large part to diffuse monopoly control of the industry, it is perhaps not surprising that his plans promoted competition, efficient markets and entrepreneurial initiative. This kind of regulation would most likely have made the industry more efficient, more productive, and more responsive to consumers, not less (as the NAB would regularly claim about any kind of regulation).
- <sup>46</sup> Payne quoted in his introduction to Frank C. Waldrop and Joseph Borkin, *Television: The Struggle for Power* (New York: William Morrow & Co., 1938), p. v.
- <sup>47</sup> *Ibid*, p. 266.
- <sup>48</sup> See: “Proposed phone-TV system,” *Popular Mechanics*, October, 1947; “Television on your phone Bill? Phonevision,” *Science Digest*, October, 1947; “Phonevision,” *Time*, January 8, 1951, p. 48; “Again, Phonevision,” *Newsweek*, June 12, 1950, p. 54; “Phonevision,” *Life*, February 5, 1951, p. 33.
- <sup>49</sup> See, for example, the “socio-economic analysis” of the Fought Co. (“Public policy consultants to Enterprise”), *Some Billion Dollar Questions about Television* (New York: The Fought Co., 1949), pp. 62-79. In the report’s conclusion it is argued that a box office scheme--a “sell-and-collect-for-value-received distribution medium”--would provide television with “two economic legs to stand on.”

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- <sup>50</sup> See among many examples in the *New York Times*: “Two Years of Television in London Give Americans Practical Pointers,” November 27, 1938, IX, p. 12; “New York and London Approach Television from different Angles,” August 28, 1938, X, p. 10; “Late news about Sight and Sound,” April 9, 1944, II, p. 5.
- <sup>51</sup> Americans worried more about the cost of a set than they did about their own access to and use of the airwaves. A poll conducted by the Institute of Public Opinion in 1939 showed that there was a large “customer audience awaiting the new television industry,” and that the only “limiting factor” at that time was the cost of TV sets: “Eager for Television,” *New York Times*, April 30, 1939, p. 36.
- <sup>52</sup> There was such anxiety and calls for censorship at both the state and local level that sixty members of the Television Producers Association appointed a committee to examine and address complaints: “Censorship: the Nude in the Living room,” *Time*, March 7, 1949, p. 66.
- <sup>53</sup> The effects of such a paradigm shift would of course not be limited to the United States. The more a country’s cultural production and distribution is electronically mediated, the more its cultural exchange would be reorganized. Some have argued that a paradigm shift in this direction would in fact create a new, world-wide regime of communication that would render traditional national borders less and less important. Some see in this the development of a truly global community; others see another step toward the global domination of capitalism. (For more on the Network paradigm of cultural production, see below and footnote 55.)
- <sup>54</sup> Any industry, telecommunications included, operates within a context of broad (and sometimes narrowly targeted) national policies (tax, real estate, trade, and environmental laws, for example). Business strategy and the very shape of markets are therefore circumscribed by political decision making. For more on the way governments define patterns of constraint and opportunity for domestic industries, see, among others, John Zysman, *Governments Markets and Growth* (Ithaca: Cornell, 1983).
- <sup>55</sup> Visions of a Network paradigm of communication vary, but could be fairly summarized as follows. Instead of a television or a telephone or a computer, we would saddle up to what George Gilder calls a “telecomputer” that links us as both consumer and producer directly, instantaneously, to any other user or to anything in between (a BBS, for example). (Gilder, George, *Life after Television* [W.W. Norton: 1992]) In a sense, each household would have its own “channel,” and every telecomputer could act as a local archive that others could access by tuning to that household’s channel. The “in between” (such as BBSs, newsgroups, databases, or what Howard Rheingold calls “virtual communities”) could, with the telecomputer’s resident processing or storage power, be created by any individual or group of like-minded individuals. For instance, a BBS—in this case, say, a conversation about bumblebees that could be accessed by anyone interested—would simply reside as a file on someone’s home telecomputer.
- <sup>56</sup> See, for instance: “Where is the Digital Highway Really Heading?” Mitchell Kapor, *Wired*, vol 1.3; “Building the Data Highway,” Andy Reinhardt, *Byte*, March 1994; “Life on the Net,” Stephen Steinberg, *Technology Review*, July 1994. See also articles by Joe Abernathy in *PC World*: “Highway Robbery: Selling the Net,” v. 12, n5 (May, 1994), p. 56; “A Manifesto for the Information highway,” v. 12, n6 (June, 1994), p. 58. Several less-widely circulated computer-related journals, such as *Intertek* and *Interpersonal Computing and Technology*, have also published many articles arguing for an Internet model of communication.
- <sup>57</sup> Dozens of guidebooks complete with impassioned prefaces or epilogues have appeared over the last few years. See for instance: Ed Krol, *The Whole Internet User's Guide & Catalog* (Sebastopol, CA: O'Reilly & Associates, 1992); Brendan Kehoe, *Zen and the Art of the Internet: A Beginner's Guide* (Englewood Cliffs, NJ: Prentice Hall, 1993); Sharon Fisher, *Riding the Internet Highway* (Carmel, Ind.: New Riders Pub. 1993). Howard Rheingold’s *Virtual Communities : Homesteading on the Electronic Frontier* (Addison-Wesley: 1993) is perhaps the best introduction to the forms and potential of network communication.
- <sup>58</sup> On the Internet, specifically Usenet, see for example discussions in “alt.culture.internet” or “alt.politics.datahighway.” Also try groups created by the leading Internet/computer advocacy groups, the Electronic Frontier Foundation (EFF) and Computer Professionals for Social Responsibility (CPSR): “comp.org.eff.talk” and “comp.org.cpsr.talk.”
- <sup>59</sup> See for example Herbert Schiller’s pieces in *The Nation*: “Highway Robbers,” v. 257, n. 21 (December 20, 1993), p. 753; “Public way or Private road? The 'Information Highway’,” v. 257, n. 2 (July 12, 1993), p. 64. See also “Who will own the information highway?” Kevin Cooke and Dan Lehrer, *Utne Reader*, n61 (Jan-Feb, 1994), p. 107; and a somewhat skeptical “Voice of America: Overhearing the Internet,” Robert Wright, *The New Republic* v209, n11 (September 13, 1993), p. 20.
- <sup>60</sup> See, by way of example, the “map” of the information highway in *Time*, April 12, 1993, p. 52.

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- <sup>61</sup> See, for example: "Interactive: Eyes on the Future," Bill Powell, *Newsweek*, May 31, 1993; "Electronic Superhighway," Philip Elmer-Dewitt, and "When the Revolution Comes, What will happen to?" Richard Zoglin, *Time*, April 12, 1993.
- <sup>62</sup> Figures cited in *The Recorder*, June 16, 1994, p. 8.
- <sup>63</sup> Julian Dibbell, "A Rape in Cyberspace," *The Village Voice*, December 21, 1993, p. 36.
- <sup>64</sup> Since the 1927 Radio Act, the FRC/FCC has been directed to issue licenses to stations that best served the "public interest, convenience, and necessity," a phrase taken from public utility law. By the late-1930s, even FCC members admitted that licenses were awarded not according to this criteria, but on the basis of whether the station would make money. As George Henry Payne put it in 1938: "The little significance that this collocation of words has come to have in the practical affairs of radio is astonishing." See Waldrop and Borkin, op. cit., p. vii.
- <sup>65</sup> On this point, see Eileen Meehan, "Who Counts?" in *Logics of Television: Essays in Cultural Criticism*, Patricia Mellencamp, ed. (Bloomington Indiana University Press 1990). Meehan argues that Nielsen ratings, the index that prices advertising spots, do not measure mass popularity but rather the popularity of programming with distinct segments of the population--generally those segments that advertisers want to reach.
- <sup>66</sup> In the 1950s, the influence of the advertiser over the content of programming was even stronger, mainly because a single advertiser often sponsored an entire show. Advertisers regularly used that control to insist on only "up" programming and to reject "realistic" programs. For more on the structure of sponsorship in the 1950s, see Boddy, ch. 6.
- <sup>67</sup> This equation was never formulated in most European broadcast settings since, from the first, broadcasting was conceived as a means to serve citizens in communities (rather than consumers in markets). For a revealing discussion of how differently Americans and Europeans have come to view the role of broadcasting in their societies, and the issues this has provoked in U.S.-European trade agreements, see Duncan H. Brown, "Citizens or Consumers: U.S. Reactions to the European Community's Directive on Television," *Critical Studies in Mass Communication*, v. 8, n. 1 (March 1991) p. 1.
- <sup>68</sup> Three bills were passed almost unanimously: HR 3636, HR 3626, and...CITE
- <sup>69</sup> Many editorials in the *Wall Street Journal* and *Business Week* argue that the realization of the Information Highway depends on the concentration of the telecommunications industry. See, for example, Paul Craig Roberts, "Information Highway Robbery," *Business Week*, March 21, 1994, p. 26.  
All other things being equal, high barriers to entry (e.g., high fixed costs to enter the market) tend to foster a high degree of concentration in an industry. Increasing concentration in the telecommunications market is all the more likely if high barriers to entry continue to dominate significant segments of it. The airline market, for example, has tended toward greater concentration since the deregulation of 1979-80, although upstarts like Southwest and America West occasionally enter the market to upset the oligopoly of the established carriers.
- <sup>70</sup> For a brief look at recent mergers, see Andrew Kupfer, "New Bedfellows on the Information Highway," *Fortune*, June 13, 1994, p. 13.
- <sup>71</sup> Morris Ernst, of the ACLU radio committee, for example, argued that unless monopoly ownership of the airwaves was headed off, the right to free speech would be meaningless. For accounts of other reformers who identified "private" censorship as a pivotal issue, see McChesney, *Telecommunications, Mass Media, and Democracy*, pp. 80-84, 93-95, and 245-248.
- <sup>72</sup> In mass media scholarship, the continued emphasis on political rather than "economic" censorship is reflected by a number of recent works. See for example: Ithiel de Sola Pool, *Technologies of Freedom* (Cambridge, MA: Belknap Press of Harvard U.P., 1983); Jonathan Emord, *Freedom, Technology, and the First Amendment* (San Francisco: Pacific Research Institute for Public Policy, 1991); Lucas Powe, *American Broadcasting and the First Amendment* (Berkeley: U. of California Press, 1987).
- <sup>73</sup> "Censors Become a Force On Cyberspace Frontier," *New York Times*, June 29, 1994, p. 1; Stephen Steinberg, "Life on the Net," in *Technology Review*, July 1994, p. 21.
- <sup>74</sup> Ben Jonson, *The Staple News*, (1626; Lincoln: 1975); James Wood, *The Story of Advertising* (New York, 1958), Blanche Elliot, *A History of English Advertising*, (London, 1962), John Feather *A History of British Publishing* (New York, 1988).