

Remarks by Commissioner James H. Quello
Before the National Religious Broadcasters Association
Washington, DC
February 1, 1994

I'm delighted to be here today to share my regulatory views with this prestigious and perceptive forum of religious leaders.

The last time I addressed you was in 1989. Much has transpired since that time. First, with your active support I was appointed to another five year term as an FCC Commissioner -- setting some kind of a record. It was the very first time in history that a 77-year old FCC Commissioner was appointed for another five year term. I ran on an unassailable populist platform -- claiming I had delusions of adequacy and possessed 70% of my marbles (a good local norm in Washington).

At the reception after the confirmation hearing, I said I appreciated the widespread support from communications industries and the communications bar associations because I had been at the FCC long enough to have voted against everyone at least once. The audience, composed of unruly lawyers and regulatory malcontents shouted "twice." Now, with the controversial implementation of the 1992 Cable Act and dozens of other contentious items, they might shout "three" or maybe "four" times.

Anyway, I'm glad to address the prestigious National Religious Broadcasters annual convention, now as a senior FCC Commissioner rather than interim Chairman, my position during a hectic ten month period that ended last year. It was the busiest, most challenging and most exciting period in my 19-1/2 years of service at the FCC. It validated my earlier definition of the FCC as signifying "From Crisis to Crisis." Actually, I felt that I had served my time at hard labor for 11 months and that I deserved to be paroled, hopefully for good behavior. So I passed the FCC gavel to new Chairman Reed Hundt, an eminently well qualified attorney, with my best wishes and a sense of relief.

One of the fringe benefits of being Chairman and Commissioner during a tumultuous period is that you don't have time to grow old. In this regard, I'm grateful that my physiology has not yet caught up with my chronology. However, from the salutations I receive I realize I'm in the final of the 3 stages of life -- youth, age and you look great! I feel reasonably great, but with most of my life span behind me, I don't buy too many green bananas.

The critical regulatory issues of this past year created plenty of excitement at the FCC and have guaranteed full employment and economic security for communications attorneys.

I'll briefly list the major FCC actions during the hectic past year:

1. Implementation and enforcement of regulations for the complex Cable Act. Implementation of the contentious act has a greater impact on the American public than any in recent history. The cable item was the most resource-intensive issue in recent FCC history. It brought regulation to a previously unregulated monopoly that included 11,000 cable operators, over 30,000 local franchisers and approximately 58,000,000 subscribers. The basic objectives of the 1992 Cable Act were admirable. It provided reasonable rates and better service for consumers, program access for competitors, equity for broadcasters to preserve universal free TV and reasonable rates of return for cable operators. Everyone predicted cable stocks would be depressed by regulation but cable's net asset value and the phone companies' aggressive bids for cable and program acquisitions or joint ventures have maintained a strong cable market. The full story of cable regulation would require a separate speech or entire book. At this juncton it appears that cable rate regulation must be further adjusted to assure lowering more rates to the public in keeping with Congressional and FCC intent.
2. Lifting the outdated restrictions on network financial interest and syndication -- the first time the FCC had a unanimous vote on this longstanding controversial subject. There has also been a 3-0 decision out of the U.S. Court of Appeals, 7th Circuit favoring the networks, plus modification of the consent decrees by the district court in California. The networks are still the principal providers of universal free TV for news, public affairs, major sports and major entertainment programs. They are now in a competitive marketplace with multi-channel cable, VCRs, four networks and an upcoming fifth or sixth..
3. Forcefully and repeatedly warning about TV excesses in glamorized, explicit violence and sex urging self-restraints under threat of regulation or legislation. In response to the public and Congressional outcry, the National Association of Broadcasters adopted a voluntary program guideline stating "The rise of violence for its own sake and the detailed dwelling upon brutality or physical agony by sight or sound should be avoided." The television networks this fall have instituted a system of viewer advisory warnings of violent content in programs. These voluntary steps are helpful but there is no enforcement authority. Several bills have been introduced in Congress. Senator Fritz Hollings' bill (S.1383) would channel violent programs into times when children are less likely to be in the audience -- similar to the statute on

indecenty. This legislation would require the FCC to promulgate regulations to prohibit any person, during these defined times from distributing any violent video programming. The bill would exempt premium and pay-per-view programming and properly allows the FCC to exempt news, documentaries, educational and sports programming.

As you know, there is an alarming epidemic of violence in America. Television cannot be entirely blamed. But broadcasters who are licensed to serve the public interest and who hold licenses to use the public airwaves as public trustees cannot stand by, doing nothing to help combat America's most pernicious problem. TV is the most influential and pervasive of all media. Public trustees should volunteer to use it for the public good. Excessive sex on TV is probably a more fascinating, more pervasive subject, but here too, warning alarms are being sounded and broadcasters and cablecasters better take heed. Suffice it to say that I'm not against sex, I'm here as a result of it. But I have stated that our founding fathers -- very moral Englishmen, did not grant First Amendment freedom for objectionable repulsive purposes. I warned broadcasters in a speech last spring "A word to the wise should be superfluous." Broadcasters seem to be taking constructive steps toward self regulation.

4. Recommending and supporting telco entry into cable and vice versa (The Inouye-Danforth and Boucher-Oxley Bills) (The Bell Atlantic court decision, forerunner of many more) paving the way for two competitive broadband super electronic highways of the future with a mind boggling array of new services. Supporting the Brooks-Dingell bill for advanced telecommunications.

I have commented that the recent rash of mergers, acquisitions and joint ventures (viz: Bell Atlantic-TCI; US West-Time Warner; Paramount-Nynex-Viacom-QVC; Bell South-Prime Cable; Southwest Bell-Hausser; Southwest Bell-Cox Cable, and possibly a Bell Company and ComCast) have the positive potential of acting to expedite the initiation of competitive super electronic highways envisioned by the Clinton-Gore administration with multi-channel, multi-faceted service to the public. The key active word here is competitive service and reasonable safeguards against cross subsidy. We cannot have one monopoly buying another in the same market. The government and the public cannot tolerate a superhighway marketplace monopoly, a sole provider of phone, video, paging, interactive, computerization, data processing and a dazzling array of other services made possible by a broadband fiber optic service. But competition between two or more broadband electronic superhighways with competition from DBS and eventually an

AT&T cellular and PCS nationwide wireless communications service could bring better service and reasonably competitive pricing to consumers and reduce the need for complex cable regulation.

I have often been asked about future prospects for broadcasters, cable and program producers in the upcoming world of advanced technology.

I believe the prime beneficiaries in the multi-channel world will be program producers and suppliers where an insatiable demand will exceed the program supply for an unprecedented number of program outlets -- 5 networks competing with each other, TV stations, multi-channel cable and phone broadband services, pay per view, DBS, MMDS and VCRs. Programmers are in the most advantageous position. Remember that people tune in programs and personalities, not distribution systems.

5. A fifth and the most significant item was expediting the allocation of spectrum and initiation of service for personal communications service (PCS). I consider this the most momentous FCC decision in recent history with great impact on future advanced communications and increased gainful employment, an estimated 300,000 jobs. PCS is an exciting new service that will change the way Americans and people of the world will communicate with each other.

The advanced technologies and the upcoming telecommunications electronic superhighways are being currently developed by private capital rather than by government funding. I believe it is the most efficient and expeditious way to develop advanced telecommunications. However, we must not lose sight of what I believe is the most important challenge facing the Commission in the next five years and that is to assure that our policies do not erode one of our nation's most valuable assets: universal free local broadcast service for all Americans.

Television, the most influential and pervasive of all media, is essential to a well informed citizenry and electorate in a democracy. I believe stations licensed by the government must have guaranteed access to the public they are licensed to serve. No monopoly or semi-monopoly transmission pipeline should have the power to prevent or obstruct that service, particularly when it becomes a competitor in advertising sales of stations that support free TV.

However, broadcasting today, more than ever, needs the moral force of religious broadcasters and responsible citizens groups to offset the effect of excessive glamorized violence and explicit sex flooding the airwaves today.

Of course, there is also a need beyond broadcast and print media for constructive indoctrination of youth and adults by parents, schools and churches. However, I believe the power of religious and moral forces may be grossly underestimated by broadcasters, cable, program producers and even some print media.

It may be well to remind everyone that the largest mail count in FCC history or of any agency was caused by a religious-citizenry uprising against a mistaken belief that the FCC had received a petition from atheist Madalyn O'Hair to keep religion off the air. The National Religious Broadcasters started the campaign and was soon joined by mainline religious denominations and by millions of concerned citizens. The FCC received over 22 million letters and cards opposing atheism and Madalyn O'Hair. In 1987 alone we received 1.2 million letters and cards.

Believe me, we God-fearing Commissioners saw the light! We were impressed that by 1990 Jesus Christ, supported by thousands of evangelists, gospel ministries and mainline churches, was by far broadcasting's No. 1 super-star with an unbelievable all-time high mail count. We had to counter-plea, and this comes unnaturally to a former broadcaster like me to plead "Please don't keep those cards and letters rolling in. The FCC is not administratively equipped to handle that unprecedented volume of mail." I also reminded religious groups that those wonderful but misinformed letter writers had spent over \$4 million in postage alone. This doesn't count the paper, envelopes, time and effort in mailing. I also pointed out that this significant expenditure of money and manpower could have been better utilized for productive work and live religious issues. Nevertheless, this impressive all-time high mail count acts as a reminder of the power of an aroused citizenry -- a citizenry that is growing more and more outraged by the flood of excessive sex and violence available to young people on TV, cable and radio.

The NRBA is a powerful nationwide group. You have the responsibility to maintain the highest professional theological standards to merit continued respect and support. Like many other organizations, you have a small percentage of strays and deviants. The overall inspirational and positive influence of the great majority of religious broadcast services must not be judged by the indiscretions of a few -- usually a highly visible and publicized few.

Broadcast electronic ministries are sometimes suspect due to the unethical conduct of the few. Above all, religious programming must maintain its integrity if its message is to be believable. It must not prey upon religious emotionalism to extract the last dollar from the faithful. It must self police against the cultists and greedy charlatans. Religious programming must remember its roots, its focus, its purpose. In short, religious programmers must remember they are spreading the word of God. This is a tremendous responsibility. Remember, religious broadcasters must account not only to the FCC licensing authority, but to an ultimate higher regulatory authority.

The FCC generally welcomes the constructive efforts of the National Religious Broadcasters. We, too, strive to encourage constructive social values and maintain reasonable decency in the most accessible and pervasive of all media --TV and radio -- all in keeping with First Amendment sensitivities. As I mentioned, the FCC has broad discretionary authority from Congress to regulate broadcasting in the public interest and to enforce indecency and obscenity laws.

However, sometimes our broadcast indecency enforcements have the effect of the old "banning the book in Boston" which made it an instant best seller. I read with consternation that shock jock Howard Stern raised his rates 25% after being fined by the FCC. His reasoning seemed to be that the controversy increased his publicity and public visibility!

In my opinion, the ultimate test for evangelical, gospel or any religious entity is its ability to inspire positive religious, moral and social values. Does it inspire a loyal following to have faith in God and a belief in religious virtues that result in a better way of life? Does it make for a more decent citizenry and a better and stronger America?

I believe evangelists and gospel ministries are attracting millions of Americans to religious faith and a better way of life. They are bringing religion to millions in their homes who might not otherwise be reached or influenced. As most of you know, Dr. Schuller transformed an agnostic son into a true believer years ago. Broadcast religion had a positive effect on a member of my own family! The same is true of citizen groups who exercise their own First Amendment rights to fend off social moral decay.

Broadcast religion in all forms is a force for good. It counters the barrage of sex, violence and vile language on the airwaves. It is the ultimate purveyor of morality in media and social-religious values in citizenry. It now has strong allies in thousands of Americans participating in concerned citizens groups like Morality in Media, the Decency Forum and Americans for Responsible Television. All of you are playing a vital role in turning the tide and in curbing excesses on TV and radio. America needs to hear the positive NRBA messages to strengthen our moral and religious fiber. God and the overwhelming majority of the American citizenry are on your side. Keep up the good work. May your tribe increase and God Bless You!

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