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Special TPR Reprise Feature Memorandum

Re: An [Earlier] Conversation With FCC Commissioner Quello.

Foreword

Over New Year's, newspapers were filled with reports that FCC Commissioner Quello had announced he'd leave the agency this June. Recipient (justifiably) of virtually every known communications industry award -- his "pre-posthumous awards," as he puts it -- the Commissioner has served on the FCC since the Nixon Administration. No one person's thus has had more of an impact on more of the changes and quite extraordinary developments which have reshaped the communications world over the past quarter century.

Well, in 1993 your Review ran an interview-conversation with the Commissioner (then serving as FCC Chairman).¹ And, while we're not entirely persuaded the Commissioner will ever actually retire from the FCC, we thought this issue we'd do the highly unusual and re-run that feature. For as one of the Vice President's principal domestic advisers (Mr. Greg Mon) has said, in telecommunications, it's not just "one damned thing after another, it's usually the same damned things after another." Four years old, Commissioner Quello's comments would still fit in quite well today, right? So:

"A Conversation With Commissioner James Quello

[Published Jan. 11, 1993]

Appointed to the Federal Communications Commission (FCC) by President Nixon and sworn into office in 1974, Commissioner James H. Quello, a former Detroit, Michigan, radio executive has been reappointed subsequently by Presidents Carter, Reagan, and Bush, and may be named Interim FCC Chairman by President-elect Clinton. [He was so designated on February 5, 1993, and is now serving as FCC Chairman: Eds.] Dean of Washington regulators, Commissioner Quello is an individual of considerable wisdom, informed perspective, and, importantly, counts among the most personable of Washington officials. He also works hard,

¹ At the time, your Review ran an interview with a personage each week -- a practice which was test-marketed for two years and altered, for a variety of reasons.

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spending significantly more time in his office than most. He was interviewed recently, and his comments are set forth below:

Q: What should be the Commission's priorities for the next five years?

A: I believe the Commission's highest priority in the next five years will be the orderly, compatible implementation of the advanced technological services of "telecomputing," fiber optics, digital audio broadcasting (DAB), high-definition television (HDTV), cellular, and personal communications services. We should encourage continued development of nationwide wireless communications as well as providing incentives for further development of a nationwide broadband infrastructure providing voice, data, video, and other advanced services.

Advanced technology often outstrips society's ability to integrate it into our already complex, sometimes expensive communications systems. The rate and extent of technological development will be impacted by consumer acceptance and affordability, commercial practicalities, legislative and regulatory actions, and by the service's beneficial contribution to total public interest. I believe preservation and enhancement of the all-important free universal broadcast service will continue to be the mainspring of American mass communications for at least the next five years. In their deliberations, Commissioners should apply the simple principle of the best service to the most people at the most reasonable practical cost.

Q: What Commission decisions over the past five years do you believe have had the greatest positive impact on the communications industry?

A: I believe the decisions over the past five years which had the greatest positive impact were: (1) practical management of the AT&T divestiture; (2) initiation of price caps for both AT&T and the Bell companies; (3) reaffirmation of the public interest by this Commission; (4) implementation of the TCAF (Temporary Commission on Alternative Financing for Public Telecommunications) committee recommendations for enhanced underwriting for public TV and radio; (5) development and management of advanced technologies such as DAB, HDTV, cellular, PCS, fiber optics, and telecomputing; (6) deregulation of cable and broadcasting, with substantial reduction in paperwork and reporting requirements; (7) initiation of the fourth network (Fox); (8) enforcement of obscenity-indecency laws; and (9) Supreme Court validation of FCC minority preference policy.

I believe we have made notable progress in industry and Government working together in a constructive spirit of mutual cooperation. In this spirit, we assure that Americans continue to be the best informed, most gainfully employed, and best served in the world.

Q: You've seen a lot of Presidents, a lot of FCC Chairmen, and a lot of FCC staff come and go over the past 20 years. So what do you think will happen this time? Do you expect there will be any major changes, radical shifts in national communications policy under the Clinton Administration?

A: I think you'll see some changes at the margins, but the basic policies we've been pursuing over the past two decades -- more competition, less regulation where there's sufficient competition, and more opportunity for more people to participate in the communications business -- will probably stay the same. One thing I'd like to see is more attention paid to broadcasting, free, over-the-air broadcasting, and some of the commercial pressures stations face competing with cable in particular. I've always been a strong defender of free, universal broadcasting, available to everyone. Broadcasting -- the most persuasive and influential of media -- is essential to a well-informed citizenry and electorate in a democracy.

Q: Which the FCC is going to do about Howard Stern and "shock radio"?

A: I don't want to discuss the particulars of the Howard Stern case, because I expect I'll eventually have to make a final ruling on the various complaints against him and Infinity Broadcasting. Incidentally, I've been listening to him just about every morning now, and it seems to me that he's cleaned up his act quite a bit. He is a gifted "outrageous" talent. I think he could attract a large audience without violating indecency rules and jeopardizing his licenses.

As far as shock radio is concerned, some of it probably is a result of stations chasing after advertising dollars in more and more competitive markets. But some of it also reflects the changing social values of today. All you have to do is go to the movies. Heck, if they were rating the complaints we get at the FCC against broadcasters, they'd all probably be "PG-13," or occasionally even plain "PG" -- though, of course, movies are not public trustees and don't invade the households like radio or TV. I think you also have to say that 99 percent of the broadcasters in this country don't personally like this indecency stuff any more than I do. But that's one of the things that happens when you have changes in the public's attitudes. Also, the Government has to comply with the First Amendment. In the meantime, the FCC has to enforce indecency laws. Broadcasters are licensed to serve the public interest, and the public interest isn't served by broadcasting desensitizing society to violence and explicit sex.

Q: How do you think the FCC is going to cope with the new cable law, and do you think there's a chance Congress will appropriate more money?

A: Well, we'll certainly comply with this Congressional statute and enforce the new cable law -- but without more resources, we can't do that very well. And, that's too bad because sensible cable regulation is being demanded by the public at large. At the same time, I think Chairman John Dingell and others in Congress appreciate the additional pressures that have been placed on the FCC, and they've already indicated they're prepared to help.

Q: You chaired the TCAF that Congress set up in 1981, and you've always been a strong supporter of public broadcasting. What do you think the role of public broadcasting ought to be in the future -- do you think they need to stress their educational mission, for instance. And, what do you think about the complaints that they getting "too commercial"?

A: We've got some \$3 billion invested in public radio and television facilities in this country, plus better than 50,000 of the best broadcasters working in the system. I think public broadcasting will continue to be a vital service. Look at Ken Burns's Civil War series. That made a major contribution. And, I agree that the education part of their operations is important. I think most of the 300 or so public TV stations are already broadcasting many hours of educational programs every day, every week. I believe public broadcasting particularly must stress further educational programs for children.

Are they getting "too commercial"? I don't think so, but maybe some public stations get carried away. I think, by the way, that the public broadcasters do a good job policing themselves. And, this is an area where the FCC isn't the only Government agency involved. NTIA is also involved, because they make equipment grants only for noncommercial purposes. And, the IRS gets involved, too. So, I don't think there's anything happening here that can't be addressed and resolved.

Q: Finally, Commissioner, how's your tennis? You used to beat just about everyone except, maybe, Dick Wiley and Nino Scalia?

A: I used to beat both of them, and still can -- but only at doubles, with a good partner.

Q: Commissioner, Quelle, thank you very much."