Remarks by Commissioner James H. Quello Before the International Radio & Television Society Foundation, Inc. May 20, 1997 - New York, NY

Heartfelt thanks for this distinctive and prestigious addition to what I humorously call my pre-posthumous awards. As you have heard, I ascribe my awards and citations to the venerability associated with advanced age. With venerability, you get credit for virtues you never had and I'm grateful.

Also, as a fugitive from the actuarial law of averages (I have now outlived my normal life expectancy by ten years -- a source of annoyance to some.), I'm delighted to hear these "living" eulogies while I am still here to enjoy them and to enjoy your company.

It is a special honor to receive this award from a respected organization like IRTS representing all facets of communications and to be on the same award podium with such established national leaders as Dan Rather, Dick Clark and Mel Karmazin.

But I am especially honored, and it makes this award particularly meaningful, that Tom Murphy, my former bosses' boss and an all-time great broadcast executive, made the presentation.

This is heady stuff for me -- an ordinary working stiff manager with an underdeveloped sense of economic self-preservation.

Murph and Dan Burke believed in giving management employees a proprietary interest in Capital Cities with stock options. I sold what was once considered a modest stock option when I was confirmed in 1974 for the FCC. The stock split two or three times and quintupled in price. I thus failed my sole lifetime opportunity of becoming a substantial multimillionaire.

Some time ago, I told empathetic Murph, "The Lord did not ordain me to be a wealthy man. He wanted me to be a beleaguered, besieged S.O.B. and that is what I am in this job!"

But I take some consolation that I have been a voting Commissioner for twenty-three years in a now 2500-person agency responsible for regulating the telephone, television, radio, satellite and wireless industries that account for almost 10 percent of the gross national product. Also, the FCC is one government agency that raised over 24 billion dollars for the Treasury with 12 auctions and more are being conducted, incidentally with reduced expectations. It was on my shift as interim Chairman that we received auction authority from Congress and issued the initial spectrum allocations and PCS licensee qualifications.

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I also like to gloat that I haven't missed an official meeting or an award in my twenty-three years.

Incidentally, when I became an FCC candidate in 1974, my Congressional Godfather, Chairman John Dingell, warned: "Jim, why do you want the damn job -- you'll get beat up by Congress and overruled by the Courts." Some truth in that, but it is still the most intriguing and important job I ever had and we are confirmed to exercise independent judgment and some of the FCC decisions are awesome. Also, it is not all bad being a regulatory "kissee" rather than a higher paid "kissor" for 23 years.

As many of you know, Big John had the capability of making "beat up by Congress" a self-fulfilling prophecy.

When asked by a reporter last month about my most memorable experience, I admitted "Probably the record breaking 8-day initial controversial confirmation hearing 23 years ago and the 12-1/2 minute fourth confirmation hearing in 1991." The hearing stories should make an intriguing chapter in my book -- if I ever get it completed. (Quote Red Quinlan's letter.) About the book, I'm overloaded with amusing anecdotes about the foibles, trials and tribulations of FCC survivorship along with my World War II revelations. Incidentally, it is simply not true that my war exploits get more heroic with every passing year as claimed by some of my friends -- or I should say acquaintances.

As for my present position, I'm a happy camper, particularly after this prestigious award today. It is relaxing to be in the position of really <u>not</u> seeking reappointment during these contentious times.

And, I'm gratified that performing my duties in accordance with the campaign platform of my last reappointment of "delusions of adequacy and 75% of my marbles -- a good Washington norm" has found such charitable widespread acceptance.

Now brace yourself for the rest of the story.

One of the foibles of government regulation is that an appearance by a Commissioner before any fundraising foundation, regardless of how vague the premise or how worthy the cause, must impart some <u>substantive</u> words of wisdom to justify his (or her) presence at the presentation.

If that doesn't convince you that government has no business regulating program content, nothing will.

So, I agonized over this part of the speech, so now it's your turn.

Anyway, let's substantively discuss the challenges facing the multi-channel, multi-faceted communications industry today.

Basically, I believe the substantive challenge facing all multi-channel, multi-faceted, more computer-oriented, communications industries is consumer acceptance and consumer affordability.

I mentioned these consumer challenges at my fourth Senate confirmation hearing in 1991. The very first question posed by the distinguished war hero, Senator Daniel Inouye in June 1991 was "What should be the Commission's highest priority for the next five years?"

My reply now seems prophetic. I can't resist the temptation to quote it because it so aptly applies to the subject matter today.

My reply was, "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 optic, direct-broadcast satellite TV and radio, digital TV, cellular and personal communications 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."

The orderly, compatible implementation of telecommunication technology is now a major FCC undertaking and is requiring the best of our dedicated staff's expertise and the Commissioners' judgment.

I believe the government should encourage industries to achieve their goals by working with industry in a progressive spirit of mutual cooperation to encourage growth and innovation with minimal regulatory intrusion. In this regard, it is significant to note that President Clinton has cited "reduced regulation" as one of the mainstays of his presidency and of his re-election platform. And the Republican leadership in Congress is aggressively pursuing deregulation, preferring competition to regulation. These regulatory philosophies -- deregulation and competition -- are the twin touchstones that underlay the sweeping changes of the Commission's enabling act that are embodied in the Telecom Reform Act of 1996.

Twenty years ago, I regaled audiences by reciting the three biggest lies in the world: quote. "The three biggest lies are: (1) The check is in the mail; (2) It is great to be poor, it builds character; and (3) We are from the FCC and we are here to help you. I am now considering replacing No. 3 with "The era of big government is over at the FCC." I hope it won't be necessary but...