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IN NBC WE TRUST:
THE PUBLIC INTEREST, HEGEMONY, AND THE TODAY SHOW, 1952-1958

by
Mary Elizabeth Callie

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A Dissertation Submitted to the Faculty of the

GRADUATE INTERDISCIPLINARY PROGRAM IN
COMPARATIVE CULTURAL AND LITERARY STUDIES

In Partial Fulfillment of the Requirements
For the Degree of

DOCTOR OF PHILOSOPHY

In the Graduate College

THE UNIVERSITY OF ARIZONA

2002
As members of the Final Examination Committee, we certify that we have read the dissertation prepared by MARY ELIZABETH CALLIE entitled IN NBC WE TRUST: THE PUBLIC INTEREST, HEGEMONY, AND THE TODAY SHOW, 1952-1958 and recommend that it be accepted as fulfilling the dissertation requirement for the Degree of Doctor of Philosophy.

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Final approval and acceptance of this dissertation is contingent upon the candidate's submission of the final copy of the dissertation to the Graduate College.

I hereby certify that I have read this dissertation prepared under my direction and recommend that it be accepted as fulfilling the dissertation requirement.

Dissertation Director
Dr. Eileen Meehan
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STATEMENT BY AUTHOR

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ACKNOWLEDGEMENTS

I am writing these acknowledgements on Thanksgiving night, and can think of no better way of spending the evening than to express my deepest appreciation to the special people who have been at my side during this long journey. Most immediately, having just completed El Tour De Tucson Century Ride, I am grateful to the Leukemia Society’s Team-in-Training, especially coach Jen Hermesmeyer, to my honored patient/teammate, Gabbi, and to my cycling teammates. Like the marathon training experience my sister Margie and I shared several years ago, preparation for El Tour provided me with the focus, discipline, and determination that also helped me to reach the dissertation finish line.

I would also like to acknowledge students in my Fall 2002 Media Arts 335 course, “Network Broadcasting and American Democracy.” They have challenged and inspired me as much as I have sought to do the same for them. Thank you to Sylvia Haskvitz and members of the Non-Violent Communication group, and to my new colleagues on the Challenging Corporate Power National Committee of the Women’s International League of Peace and Freedom (WILPF), especially Jan Edwards and Molly Morgan. Already I feel the challenge of putting my dissertation insights and questions into conversation and action. As a writer, I am thankful for the more material comforts of assorted cafes across the country, especially Bentley’s in Tucson, who have welcomed me and my laptop when I could not sit still at home.

Thank you to my advisor, Dr. Eileen Meehan, for her time, care, and support of my work—from when I decided as a non-degree graduate student to pursue media studies, to my defense of a dissertation; to Dr. Tilly Warnock, for her example and insights into the writing process, teaching, and life; to Dr. Marv Waterstone, for his prescient feedback; and to Dr. Adele Barker, Dr. Elisabeth Clemens, Dr. Caren Deming, Dr. Mary Beth Haralovich, Dr. Jerry Hogle, Professor Dalia Tsuk, and Paul Pronze. Thank you to my friends and their families—to John Bormanis and Randa Kutob, Brenda Haas, Zoe Hammer-Tomizuka, Julie Jung, Joe Ianelli, Margaret Keller, Christine Martin, Sean Moynihan, Jane O’Brien, Duska Pearson, Arlene Quaratiello, Maureen Salzer, and Liz Woodall. I am grateful for all that each has taught me about friendship, learning, and growth. Thank you, as well, to Connie de Veer, for her guidance, inquiries, and challenges; and to Al Babbitt, Sara Cohen, the Finn family, Fran and Wally Kniaz, Pat Moynihan, the Subrin family, Jim and Anne Rodda, Nick and Peg Weaver, and to my aunts, uncles, and cousins on the other side of the country.

Finally, thank you to my siblings—Albert and Trina, Tony, John and Violette, Margie, Katy, and Jim, for their humor, insight, and companionship; and to Mariah, Kevin, and Josilynn, for their example of resilience. Special gratitude to my nephew and niece, Ryan and Bryn, for the gift of perspective and everyday joy. Lastly, thank you to my parents, Albert and Joyce Callie. To Dad, who checked out what seemed to be every book on the “Holy Cross 100” (the College’s recommended books) for me to read the summer before I left for college; and to Mom, for instilling a spirit of celebration and care into every season of the year. Thank you to you both for your generosity and sense of social justice, and for granting me the freedom and support to search and grow.
DEDICATION

To my family and

in memory of our sister, Christine
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ABSTRACT

This dissertation considers processes of hegemony, or the construction of consent, in network television marketing practices in the 1950s. Specifically, a case study of the Today show, which premiered in 1952, examines how RCA, and subsidiary network NBC, generated consent for continuing domination of the national television airwaves. In the context of post-World War II concern about the place of the multi-national corporations and the media in American democracy, RCA/NBC constructed its company, programming, and the image of its audience within a nexus of anti-trust, good trust (or legal monopolies/public utilities), and free speech/free press regulations. To understand this regulatory context, the study begins by identifying the deep structural contradictions of liberal democratic capitalism and the political economic conditions which demand that power, privilege, and control be legitimated. These conditions shape rhetorics of common interest through which groups and individuals—empowered by the state with delegated authority—seek to establish and maintain consent. This control is constructed as an exception to the rules of free trade and free speech/press. In the end, the study suggests that processes of hegemony construct market control—and consumer free choice—as natural, preordained, and in the best interests of the public as a whole, while downplaying, denying, or discrediting any other real alternatives or possibilities. The particular findings of this deep historical and case study can inform present day broadcast reform efforts and offer core approaches for re-framing hegemonic corporate rationales.
CHAPTER 1

IN NBC WE TRUST: INTRODUCTION

If upon examination of any application for a station license or for the renewal or modification of a station license the licensing authority shall determine that the public interest, convenience, or necessity would be served by the granting thereof, it shall authorize the issuance, renewal, or modification thereof in accordance with said finding.

United States Congress, The Radio Act of 1927, Section 11

There can be no public without full publicity in respect to all consequences which concern it. Whatever obstructs and restricts publicity, limits and distorts public opinion and checks and distorts thinking on social affairs.


This dissertation considers processes of hegemony, or the construction of consent, in network television marketing practices in the 1950s. Specifically, a case study of the Today show, which premiered in 1952, examines how RCA, and subsidiary network NBC, generated consent for continuing domination of the national television airwaves. In the context of post-World War II concern about the place of the multi-national corporations and the media in American democracy, RCA/NBC constructed its company, programming, and the image of its audience within a nexus of anti-trust, good trust (or legal monopolies/public utilities), and free speech/free press regulations. To understand this regulatory context, the study begins by identifying the deep structural contradictions of liberal democratic capitalism and the political economic conditions that demand that power, privilege, and control be legitimated. These conditions shape rhetorics of common interest through which groups and individuals—empowered by the state with delegated authority—seek to establish and maintain consent. This control is constructed as an
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In the following sections, I will review the theoretical and methodological approach of this dissertation, and then discuss my personal reasons for undertaking a study of the relationship between political economy, cultural hegemony, and media practices.

Review of the Literature

To contextualize and understand the consent-building efforts of network television marketing, this study draws on scholarship across a range of fields:


The sections that follow draw on the above scholarship in order to illuminate the relationship between democratic consent, the concept of a public good or public interest, and public ambivalence toward corporate privilege. This “deep structure” of relationships will provide a context for understanding the constructive processes of network broadcasting. As quoted at the outset of this chapter, the Radio Act of 1927 mandated that broadcast licenses be issued according to “a public interest, convenience, and necessity” standard. From a pragmatic perspective, this concept of a public interest test was derived directly from 1920s common carrier and public utility law (Glasser
1957). However, to understand the notion of a public interest more deeply, we can turn to Antonio Gramsci's theory of hegemony.

The Concept of Hegemony

Although the term "hegemony" has Greek origins, and was used by Marxist thinkers in the late nineteenth century, Italian Marxist Antonio Gramsci placed the concept of hegemony at the core of his political theory (Gitlin 1979, Lears 1995, Litowitz 2000). As a communist revolutionary in 1920s-30s Italy, Gramsci concerned himself with the problem of consciousness—specifically, why the Italian working class consented to rule that oppressed them. From an international perspective, it seems to be more than a coincidence that Gramsci conducted his theoretical and political inquiries in Italy as Americans debated how communications would be regulated in the public interest. As Hawley (1974) and Rothbard (1972) have argued, American political economy in the 1920s was guided by certain assumptions about the relationship between government and economic growth. Whereas popular histories of the period depict a laissez faire economy, with minimal government intervention, Hawley and Rothbard demonstrate that Secretary of Commerce Herbert Hoover developed strong, cooperative relationships between the federal government and private trade associations. Thus, in the United States, as well as in Italy and across Europe, the question is how these relationships were justified and why the laissez faire image persists.

With a focus on habits of thought and consciousness, Antonio Gramsci emphasized the ideological components earlier attended to by Karl Marx's and Frederick
Engels' social theory. Specifically, in the *German Ideology* (1845-6), Marx and Engels stressed that the dominant class secured its power by universalizing its own interests as the common interest: "in order to carry through its aim," the ruling class must "represent its interest as the common interest of all members of society." They explained that capitalism depends on a veil of universality—that all who participate in a particular division of labor mutually benefit from that pattern of social relations. Gramsci built on Marx and Engels' insights with his concept of hegemony.

Because of the harsh prison conditions in which he wrote, Gramsci's theory emerged in bits and pieces, with thousands of pages of insights stitched together for clarity by editors and scholars, such as Perry Anderson. Scholars often cite the following passage as one of the closest explanations of what Gramsci meant by hegemony:

The 'spontaneous' consent given by the great masses of the population to the general direction imposed on social life by the dominant fundamental group; this consent is 'historically' caused by the prestige (and consequent confidence) which the dominant group enjoys because of its position and function in the world of production (cited in Litowitz 2000, 523).

This passage stresses the relationship between the masses and a dominant group: because the dominant group has prestigious position and functions in the world during a particular historical bloc, or time, the masses grant that group consent. Other passages from Gramsci's prison writings also identified processes in which the dominant group constructed its prestige, and in which the masses came to believe that the system of

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1 Litowitz (2000) provides a comprehensive review of the literature in the Critical Legal Studies movement.

relations is in their interest. As Raymond Williams (1977) stresses, this is an on-going, active, and constitutive process enacted in everyday life, thinking, and habits.

Corporate Privilege, Political Legitimacy, and Free Market Liberalism

Marx and Engels' critique of a universal common interest, and Gramsci's theory of hegemony, next leads to questions concerning why and how a dominant class must represent its interests as those of the whole; how a dominant class secures prestige and authority; and why the laissez faire image of a minimalist government and independent private sector persists. One answer to these questions is offered by political sociologist Fred Block. In the late 1970s, Block challenged orthodox Marxist assumptions that the state simply reflected, and enacted, the interests of class-conscious capitalists. Block's rereading of Marx's *The Eighteenth Brumaire of Louis Bonaparte* (1852) demonstrated that Marx recognized that the state had a special power and role of its own. As Frederick Engels (1844) had recognized several years before, and Max Weber and legal realists would later stress, the state authorizes the delegation of monopoly power and special privileges to individuals and groups in the name of the whole. Capitalism not only describes a system of relations that maximizes surplus value by controlling the means of production and wage labor. Capitalist accumulation of wealth also depends on achieving market dominance, or closure, by securing privileges that eliminate competition (Parkin 1982).

During the Progressive and New Deal periods, American legal realist scholars exposed the core issue of privilege, power, and legitimacy. In the landmark *Lochner v.*
*New York* decision (1905), the Supreme Court held that a New York statute, regulating the maximum working hours of bakers in the name of health and safety, unconstitutionally violated freedom of contract (Fried 1998, Horwitz 1992). After that decision, and others that followed its precedent, it became the mission of legal realists to demonstrate the underlying fallacy of *Lochner*. Thus, to refute the non-intervention, laissez faire arguments of classical legal thinkers and corporate lawyers, Robert Hale (1923) and Louis Jaffe (1937) stressed that in the past and present the state delegated law-making powers and authority to private groups and individuals. Hale—an institutional economist specializing in public utility regulation—argued that the coercive power of the state was always needed to enforce property ownership. Building on the work of Jeremy Bentham and Wesley Hohfeld, Hale contended that property ownership was a privilege, granted and coercively enforced by the state. Property ownership, moreover was less about exclusive ownership of a thing than about relationships between people. It was the role of the state to determine if property was being used to harm other persons; it was also the role of the state to evaluate and balance competing claims (Fisher et al 1993, Fried 1996).

Louis Jaffe (1937) drew on similar critical assumptions to challenge the Supreme Court’s holding that a number of Congressional statutes unconstitutionally delegated power. Jaffe contended that the state routinely delegated power to associations to establish rules, codes, and regulations; the state then agreed to enforce those arrangements with its coercive, binding power. It is also important to note that to challenge contemporary assumptions about absolute property rights and laissez faire freedom of

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3 198 U.S. 45
private interests, Hale, Jaffe, T.H. Green, other legal scholars returned to John Locke’s writings on private property. In rereading Locke, they found a primary concern with the appropriation of common resources and the problem of consent. At first, Locke argued that because every person had the right to self-preservation, they had the right to appropriate only that which is necessary for comfortable living. Yet, he also contended that some individuals could justifiably appropriate more of the commons, i.e. enclose or privatize common use land, if it would be put to productive use. Extending that combination of trustee and utilitarian logic, in the late nineteenth century, Andrew Carnegie (1900) contended that, “today the world obtains commodities of excellent quality at prices which even the preceding generation would have deemed incredible... The poor enjoy what the rich could not before afford.” Moreover, according to the new laws of accumulation and distribution, “the millionaire will be but a trustee for the poor,” administering wealth for the community. Thus, the industrialist supposedly served the nation in two ways: by producing and distributing inexpensive commodities and by then by administering wealth in order to benefit the community.  

The Commonweal

After World War II, liberal pluralist theory—which dominated the social sciences and humanities—tended to assume widespread consensus. However, awakened by New Deal policies that challenged laissez faire thinking about minimalist government, historians Oscar Handlin and Mary Flug Handlin (1947) examined the role of

---

4 See Andrew Carnegie, The Gospel of Wealth and Other Timely Essays (New York: Century,
government in the post-revolutionary American economy. Instead of a minimalist
government, the Handlins identified broad “commonwealth” assumptions about the
relationship between government and a larger public good. Thus, they stressed that the
preambles of the Massachusetts state Constitution (1780) and federal Constitution (1787)
foregrounded the “common good” and “general welfare.” Subsequent scholars would
identify a civic republican line of assumptions that began with Aristotle and Cicero,
extended through the seventeenth century Scottish Enlightenment thinking of James
Harrington, David Hume, and Frances Hutcheson, and then to revolutionary and post-
revolutionary American republican thought (Appleby 1985, Bender 1995, Noble 1988,

Most recently, political philosopher David Sandel (1996) considers how
Republican concern with a larger public good shaped post-revolutionary economic
policy. In sum, Sandel contrasts a political economy of citizenship, advocated by
Jeffersonian Democratic-Republicans, with a political economy of economic growth,
advocated by Hamiltonian Federalists. In the Jeffersonian republican vision, a political
economy of citizenship sought economic arrangements that fostered the possibility of
self-government and active citizen participation; in short, self-government depended on
economically independent and self-sufficient citizens. In the Hamiltonian republican
vision, on the other hand, the end goal was an economically independent nation, capable
of producing its own goods and resources.


\text{\textsuperscript{5} Sandel draws on the scholarship of Lance Banning (1978) and Drew R. McCoy (1980).}\]
After considering the findings of commonwealth and republican ideology histories, one core question still remains: how and why do the assumptions of laissez faire/free market rhetoric still have so much persuasive power in American politics and culture? To understand that process, we can turn to studies of Western Liberal thinking. Liberalism is the umbrella structure for the range of political assumptions that inform modern political thinking, from the left to the right. Western Liberalism can be conceptualized as a body of ideas that revolve around a core concept: individual freedom. As the opposite of a fixed feudal structure, liberalism’s freedom of movement, choice, and thinking facilitated the rise of early agrarian capitalism (Noble 1988, Wood 1999). Liberalism tends to oppose the individual to society, and sees government as

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6 See the works of M.M. Postan, including *The Medieval Economy and Society: An Economic History of Britain, 1100-1500* (Berkeley: University of California Press, 1972) and *The Cambridge Economic History of Europe* (Cambridge University Press, 1989); Also, John Day, "Medieval Merchants and Financiers," in *The Medieval Market Economy* (Oxford, Basil Blackwell, 1987). In a feudal system, each manor is a self-sustaining center of agrarian and craft production. According to Noble (1988), drawing on the scholarship of French historian Marc Bloch, the first rupture in feudal associations was sparked the Norman invasion of the eleventh century, which greatly increased the European population. Surplus populace, considered "free labor" in the sense that they were not bound to a manor, flocked to cities and burgs. Nonproductive military and church settlements serviced by itinerant merchants began to specialize in craft production while the countryside provided a regular supply of food and raw materials.

Early government action can be seen in the efforts of town officials to develop policies that would ensure reliable and cheap access to those goods. For example, they forbid dealers to buy goods from peasants before they arrived in town, and demanded inspection of goods. Likewise, craft guild associations protected artisans from competition by standardizing technical processes, labor hours, prices and wages. By limiting available supply of a good, local producers could retain monopoly control in their market. In the thirteenth century, these guild associations expanded into larger town leagues and international trading cartels (Day 1987), and would provide the precedent for protective mercantilist capitalism.

The Black Plague of the fourteenth century, in which it is estimated that half of the population of Europe died, created the second rupture in feudal associations. With inadequate labor supply, and no methods for increasing productivity, English lords had to make concessions to resistant peasants after the rebellion of 1381. They also looked to attract peasants who took refuge in the "freedom of the city." Peasants were offered land on a copyhold basis: granted long term leases, an independent "yeoman" class in gradually arose in England. The crown’s support of this class, through the enclosure of feudal common lands enabled the emergence of the three tiered system of agrarian capitalism: affluent yeoman and aristocratic landowners rent land to tenants who in turned hire day laborers; the crown benefited from land
constraining the natural liberty of the individual. Thus, liberalism advocates minimal
government intervention in a presumably separate private sphere (Wood 1981, Weintraub
1997). For liberal Democrats, then, government should limit its intervention in issues of
personal privacy and morals, but have the power to intervene in the economic realm. For
conservative Republicans, on the other hand, government should limit its interventions in
the market, but have the power to intervene in moral issues.

Impact of Adam Smith: Political Economist and Rhetorician

In understanding of the relationship of government to the market, one ultimately
has to contend with the legacy of Adam Smith’s *The Wealth of Nations* (1776). In *The
Wealth of Nations*, Smith attacked the power of monopolies in eighteenth century
England and proposed an alternative political economy that facilitated a free commerce
ideal. In general, Smith’s concerns about corporate power and privilege were part of
tradition that extend well before, and long after, Smith. From England’s Statute on
Monopolies (1634), to the English Bubble Act (1720), through Adam Smith’s anti-
monopoly rhetoric two centuries later (1776), to the anti-charter movements of post-
revolutionary America and the Sherman Antitrust Act (1890), English and American
leaders and citizens have taken an ambivalent stance toward the role of monopolies and
corporations in liberal, democratic capitalism (Maier 1993, Sklar 1988).

The fundamental American ambivalence towards monopolies is rooted in liberal
democratic, republican, and radical critiques of absolutist rule and concentrations of

sale and tax revenues. The goal of agrarian capitalists was to produce surplus goods that could be exported
economic and political power. Liberalism celebrates freedom, and the free movement of resources, labor, and ideas in particular; Republicanism centers on the mechanisms and character traits necessary for self-government. Democratic theories stress equal opportunity, access, and participation in rule; radical theories call for redistribution of resources and leveling of power hierarchies. Given these multiple rationales, beginning in the seventeenth century, antitrust and free trade movements sought to abolish or limit corporate and monopoly privileges. In general, monopolies were thought to concentrate economic and political power, which threatened democratic participation in the market and the political process. For economic liberals such as Adam Smith, monopoly control stifled innovation and competition, and raised prices for consumers. For democratic republican critics such as Thomas Jefferson and Louis Brandeis, on the other hand, monopoly control of the economy had grave political consequences: concentration of wealth and power translated to domination of the political process. As Sandel has argued, Jefferson and later republicans advocated a political economy that supported the demands of self-government, and gave citizens the economic self-sufficiency to participate in the political process (Sandel 1996).

Smith, commonly celebrated as the father of free market theory, contended that freedom of commerce—or a system free of all preference and restraints—would bring

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7 Since the mid-nineteenth century, Adam Smith has become the patron saint of the free market. The splitting of political economy into two separate academic departments—Political Science and Economics—enabled Smith to be selectively read as a pure economist who believed in the invisible forces of the market and saw no place for the meddling of government. In the twentieth century, as Lubasz points out, Nobel prize-winning economists such as Fredrich von Hayek (1944), Paul A. Samuelson (1947) and Milton Friedman (1962) have continued to selectively extract bits and pieces of The Wealth of Nations in order to support unrestricted, free market policies. Countering this trend, however, have been attempts by
about abundance for all consumers.⁸ Throughout *The Wealth of Nations* Smith repeatedly attacked the sophistry of merchants who controlled the market by claiming that their interests corresponded with that of the nation. Yet, despite this diatribe, he also recognized that national defense necessitated monopolies and that temporary monopolies could promote risk-taking and innovation. Thus, Adam Smith's main rhetorical strategy involved constructing monopolies, or virtual monopolies, as exceptions to the rule of free trade. In general, Smith denounced the evils of the mercantile system, and the monopolizers that restrain trade and choice of occupations. Yet, in specific, when it came to the goal of promoting economic expansion, Smith retained core mercantilist tactics.

It is important to note that with *The Wealth of Nations*, Adam Smith extended and applied ideas first presented in his lectures on rhetoric and writings in moral philosophy. Smith lectured on rhetoric and belle letters in Edinburgh in 1748, and in Glasgow in 1752 and from 1762-3 (Engres 1991).¹ Although he never published a book on rhetoric, Smith is still considered an important figure in the history of rhetoric studies. In place of the sophist idea of rhetoric as persuasion, and the Aristotelian theory of rhetoric as practical

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⁸ Smith divided *The Wealth of Nations* into five books. Books I and II celebrated the modern division of labor and proposed that an open market could best provide the nation with wealth. Book III discussed stages of economic history, Book IV compared the mercantile and agricultural systems of political economy, and Book V described a political economy in which the sovereign, or state, provided basic defense, administered justice, and facilitated commerce. In sum, throughout Books I—IV Smith repeatedly characterized the undesirable effects of regulation and privilege while Book V assigned an administrative and facilitating role to government. Throughout Books I—IV, Smith celebrated the
action, Smith considered rhetoric as the communication of ideas (Miller 1997). In this context, we can read *The Wealth of Nations* as an attack on rhetoric as persuasion and a model for an apparently unbiased communication that claims to know the true common interest. Specifically, with his book on moral philosophy, *The Theory of Moral Sentiments*, Smith had offered the image of an “impartial spectator” who is capable of seeing the common interest. *Wealth of Nations* extended that ideal, with Smith assuming the persona of impartial spectator. From that vantage point, Smith called merchants and manufacturers “sophists” who misrepresent their private interests as those of the whole in order to win privilege and protection from government. In contrast, as a professor without apparent political interests, Smith projected apparent objectivity. In *The Origins of Scientific Economics*, William Letwin (1963) contends that this persona gave Smith’s proposals more authority than those of early merchant economists, such as Josiah Child or Nicholas Barbon.

In the context of widespread ambivalence toward government-granted privileges and protection described above, Adam Smith provided a rhetorical solution to an ongoing debate. As a rule, government facilitated and administered the free market; only in exceptional cases did it extend corporate privilege or temporary monopoly protection. Yet by idealizing a free market of buyers and sellers, supply and demand, Smith obscured the reality of corporate privilege and monopoly control. It is little wonder that Smith would be heavily quoted by lawyers challenging state and federal regulations\(^9\), and

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positive social effects of a free market, without any preferences or restraints that artificially raise prices or that put the interests of producers over the interests of consumers.

\(^9\) See, for example, *Holden v Hardy* 169 U.S. 366.
government lawyers advocating antitrust laws, in the late nineteenth and early twentieth century.

Exceptions to the Rule: Legitimating Monopolies

With the idea that monopolies and corporations should be exceptions to the free commerce rule, Adam Smith actually tapped a tradition that had sought to limit monopolistic grants and corporate privileges to special purposes. Since the fourteenth century, English monarchs had exercised their royal prerogative by granting letters patent, or charters, to individuals and corporate organizations. These charters granted monopolistic, and sometimes corporate, privileges to their recipients. By the sixteenth century, Edward VI and then Elizabeth I issued letters patent to encourage the development of domestic manufacturing by luring foreign manufacturers to England. Letters patent were granted to those who imported new trades to England; thus, they were offered to encourage innovation without injuring existing craft and manufacturing trades. From 1561 through 1603, Elizabeth granted 55 letters patent; advocates of free trade, however, claimed that in doing so Elizabeth abused her royal prerogative. The controversy over royal grants of monopoly and corporate privileges continued during the reign of James I, climaxing in the Playing Cards Case, or Darcy v. Allen, and then Parliament's Statute of Monopolies in 1624. Although ostensibly outlawing all monopolies, the Statute actually limited the conditions under which monopolies would be granted—just as earlier charters had done. This 1624 statute is widely recognized as the precedent for American patent and copyright law (Mosoff 2001).
In foreign trade, monopoly and corporate privileges were implicitly linked, with the crown granting a group of merchants and investors the privilege of forming as a corporate entity and exclusive control of a particular trading route. Charters to trading corporations were justified as rewards for risk-taking and effort, and as serving the common interest, by providing a nation with abundant goods. For example, a 1618 charter from King James granted corporate power and privileges to a group (of lords, knights, and merchants) that had discovered, "by their long travel and industry and at their great charges and expenses," a trade route to Africa. The charter declared that allowing the Company of Adventurers of London to establish "an orderly traffic and trade of merchandise unto that continent will not only be beneficial to our said Realms and Dominions but also profitable to Us in advancement of our customs" (Carr 1970). The king made it clear that the commodities were necessary for the subjects of England and its dominion, just as other charters to public works and manufacturing companies asserted the same appeals to necessity. After the Statute of Monopolies, subsequent charters to trade and manufacturing corporations stressed that jobs would be created, or that the company promoted the public interest by providing necessities for defense or livelihood. A 1692 charter to a salt production company, for instance, claimed that the company, which had found new ways to process salt, would promote both the public interest and its own private advantage by providing salt at a set rate and by paying a sum towards the support of "maimed aged and decayed seamen their wives and children." Thus, in exchange for exclusive power and privilege, the company promised to redistribute wealth to the needy (Carr 1970).
In the eighteenth century, free trade rhetoric continued to intermingle with the reality of government regulation through royal charters. For example, amidst the South Seas Company speculative disaster in 1720, Parliament passed the Bubble Act. Although it is often understood that the Act prohibited joint-stock ventures, the Bubble Act did not render joint-stock endeavors illegal; rather, that Act declared that joint-stock companies needed a royal charter, which would ostensibly allow Parliament to better monitor securities activities. In the eighteenth century, letters patent also began to be associated not with royal prerogative, but as a reward for individual labor and invention. In the sixteenth and seventeenth centuries, letters patent were understood to be contracts between crown and recipient, in the name of the public good of encouraging new trades in England. However, as the regulation of those patents shifted from Parliament to common-law courts, judges began to draw on emerging natural rights and social contract philosophy which conceptualized patents as property right, grounded in the labor of the inventor, rather than royal privilege. Patents were now seen as a contract between inventor and society, not crown and inventor (Mosoff 2001).

Status of Trusts in America

Revolutionary Americans feared the corrupting effects of special privilege and of industrialization. Given that concern, American political structure was organized to prevent abuses of concentrated power and privilege. The Constitution spread authority horizontally, through a separation of powers into three branches and a free press, and vertically, through federalism, or government at the local, state, and national levels.
(Skocpol 1986). Like those early provisions to prevent concentrated power and privilege, earliest state Constitutions (such as Massachusetts and Virginia) granted this authority to their respective legislatures, with provisions that special privileges be used solely for the public good (Handlin 1946, 1993). In post-revolutionary America, state Constitutions specified that special privileges and power could only be used for the public good. State legislatures delegated privileges and autonomy to corporations formed to manufacture wartime necessities and to build public works, such as canals and turnpikes. Because of fears that power and privilege would be abused, however, many of the late eighteenth and early nineteen-century charters included strict provisions and limits on the activities of companies and the length of charter. Some charters also set rates and limited rates of return. Moreover, after anti-charter movements in Pennsylvania and other locales challenged the overall legitimacy of granting exclusive privileges (Maier 1993). Amidst widespread opposition to special privileges, President Andrew Jackson advocated a general incorporation process, which enabled any group to apply for a standardized corporate charter and made no special service demands on companies.

The general incorporation process, along with the federal support of industries such as the railroad during the Civil War, gave rise to vast economic growth and cutthroat competition. As industry after industry formed cartel associations in order to control that competition and maximize profits, coalitions of those negatively affected by that control

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10 As Article VI of the Massachusetts Constitution (1780) made explicit, "no man, nor corporation, or association of men, have any other title to obtain advantages, or particular and exclusive privileges,"
began to emerge. Workers, farmers, and consumers challenged low wages, high prices, and poor service. In 1887, Congress passed the Interstate Commerce Act as its first attempt to regulate railroads as common carriers; in 1890 the Sherman Antitrust Act attempted to manage trust combinations at the federal level. Similarly, at the state and local levels, governments began to offer exclusive franchise privileges to what political economist Richard Ely (1887, 1901) labeled as “natural monopolies”; water, gas, and electric companies were regulated by local and state commissions that established service and rate-of-return standards. Many cities also experimented with municipal ownership of utilities.

In general, the antitrust movement in the United States was rooted in a fear of concentrated economic and political power (Hofstafter 1967). In the Jeffersonian tradition, progressive reformers such as Louis Brandeis feared that corporate bigness destroyed civic foundations. For these reformers, a core project was to create conditions that fostered economic self-sufficiency and enabled citizens to participate in self-government. But to others, such as Theodore Roosevelt, the Supreme Court, and Woodrow Wilson, trusts were also a necessity of modern life and of economic growth. “Good trusts” used economies of scale to produce and distribute commodities at low prices, serve national security interests, and create job opportunities. Because of this distinct from those of the community, than what arises from the consideration of services rendered to the public.”

ambivalence toward trusts, the threat of antitrust prosecution has become more of a tool for managing the behavior of corporations (Berk 1994, Hofstadter 1967, Sandel 1996).

Regulating the Free Flow of Ideas

As with disputes over market regulation, the twentieth century also brought debates over the regulation of free speech and press—which impacted the consent-building strategies of network broadcasting. Scholars and legal commentators regard the 1919 dissent opinion of Supreme Court Justice Oliver Wendell Holmes, Jr. as marking a significant emergence of First Amendment Law (Menand 2001, Sunstein 1993). Like several other World War I cases, Abrams v. United States (1919) concerned indictments under the Espionage and Sedition Act, which Congress passed after America entered World War I in 1917. After the Court, in Schenck v. United States (1919)12, disposed of the defense that the Act was unconstitutional under the First Amendment, the task of the Court was to determine if the evidence was sufficient to prove that defendants had conspired to violate the Act. In Schenck, Justice Holmes developed the “clear and present danger” test to evaluate if there was sufficient evidence of intent, proximity, and danger. Several weeks later, in Abrams, Justice Holmes dissented from the majority when he applied the “clear and present danger” test and found insufficient evidence of a threat. Holmes famous dissent warned that it was in the interests of the social good to vigilantly protect free speech. As Menand explains, Holmes’ defense was grounded not

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12 249 U.S. 47.
in the belief that each individual had an absolute right to free speech, but in the belief that
democracy depended on the participation of all speech. Holmes described this process as
"the free trade of ideas—that the best test of truth is the power of that thought to get itself
accepted in the competition of the market." Thus, Holmes tapped into antitrust
assumptions about the ultimate value of a free market to justify the protection of free
speech. It was not until after World War II that Holmes' reasoning entered mainstream
Constitutional Law and free flow of information doctrine.

In 1919, when Holmes delivered his famous dissent, propaganda campaigns
conducted by the federal government's Committee on Public Information (CPI) openly
sought to manufacturing support for United States participation in the war. Thus, despite
Holmes' free trade ideal, widespread control of speech and the press was accepted as a
national security imperative. After the post-war dismantling of the CPI, Edward Bernays
and others created private public relations firms to apply the strategies they had
developed at CPI. Public relations efforts by government and the private sector were
justified as necessary in a complex, modern age. As expressed by progressive journalist
Walter Lippmann, in Public Opinion (1922) and Phantom Public, average citizens no
longer had the knowledge to participate in government—now democracy depended on
the efforts of expert policy makers to manufacture consent from the masses (Ewen 1996,

In 1927, the Supreme Court was called upon to evaluate whether a California anti-
syndicalism statute violated the due process and equal protection clauses of the
Fourteenth Amendment, as a restraint on the rights of free speech, assembly, and
association. Although the Court upheld prosecution under the California statute, Justice Louis Brandeis' concurrence incorporated Holmes' free speech ideal into a majority opinion. Brandeis concurred with the majority's holding, but added that the freedom of speech must be vigilantly protected. Instead of drawing on a free trade metaphor like Holmes, Brandeis tapped into a civic republican tradition that "public discussion is a political duty; and that this should be a fundamental principle of the American government" (Sunstein 1993).

It was not until the end of World War II that First Amendment principles became acceptable justifications for Supreme Court decisions and public policy doctrine. As Schiller (1991) and Ewen (1996) describe, the rise of free flow doctrine at the end of the War enabled the United States to distinguish itself from fascist and communist regimes. In *Associated Press v. United States* (1945), Justice Black declared that the First Amendment "rests on the assumption that the widest possible dissemination of information from diverse and antagonistic sources is essential to the welfare of the public." In line with those principles, the Court found that by violating the Sherman Antitrust Act, Associated Press publishers had impeded the free flow of ideas. Likewise, free flow of information doctrine was used to justify American expansionism: the flow of ideas opened foreign nations to American communications, but had little to say about the reverse. In 1947, Edward Bernays framed the engineering consent principles—which he had advocated since the 1920s—according to free flow doctrine. Thus, while the First Amendment protected freedom of speech, times of national crises demanded that public
relations officials quickly engineer consent through national channels of communication (Ewen 1996).

Broadcasting and the Production of Consent

In the 1960s, sociology of knowledge studies began to draw on Antonio Gramsci's theory of hegemony to shift focus away from assumptions about post-war ideological consensus and toward studies of the conscious production of consent. Thus, rather than take consensus for granted, theorists began to grapple the media’s role in producing consent (Hall 1982). In critical studies of wireless/broadcast history (Douglas 1987, Spigel 1992, Bernhard 1993, 2000) and public relations history (Fones-Wolf 1994, Marchand 1998), and political economy of the media (Herman and Chomsky 1988; Schiller 1969, 1973, 1981), scholars offer studies of the social construction and production of consent by multi-national corporations and government agencies.

It is also important to note that while scholarship such as the above has examined the manufacturing of consent, the field of media studies has also turned toward textual case studies that emphasize counter-hegemonic processes, with audiences actively participating in meaning-making. Political economist Robert McChesney (1996) contends that television tends to be analyzed through a postmodern frame of analysis. In line with the Bakhtinian social theory, programs are read as postmodern texts, or multivalent remnants of an unfolding and ongoing social process. Stabile (1995) for example, argues that ABC’s domestic comedy, Roseanne, which premiered in the early 1980s, has been mistakenly interpreted as a particular instance of more general
"ideological" progress. In bringing the perspective of a working class Midwestern woman and her family to the television screen week after week, some scholars find that what was once unspeakable in dominant culture is now being voiced and embodied, creating a new hegemony. This type of text-centered "postmodern" case study provides evidence that objective structures can never fully contain the life experiences and subjectivities of viewers.

From a political economic perspective, however, the structures and imperatives of industrial production must be deeply examined and characterized before one makes conclusions about representation and agency (Gitlin 1982, McChesney 1996, Meehan 1986, Mosco 1982, Slack 1984). Rather than see audiences as independent agents or active participants in a meaning-making process, it is first important to first recognize the contradictory relationships and structures of a broader cultural process. Still, as Enzenberger (1974) theorizes, because of its constant need for new product, advanced capitalism must not only leave room for, but also foster the very creativity and critical reflection that its industrialized processes seem to stifle.

Methodology

To understand the trust relationship between the federal government and multinational corporations, and RCA/NBC in particular, this study examines public interest rhetoric and arguments articulated in congressional testimony and reports, FCC policy statements, Supreme Court rulings, promotional booklets, press coverage, and advertising. To understand how NBC marketed and promoted the Today show, and
processes of consent-building, the study examines NBC archival records, advertising, trade news, popular press coverage, and prestige news commentary.

Today, scholars use the concepts “ideology” and “discourse” to describe those systems of thought and habit that rationalize, legitimate, universalize, and/or naturalize power relations (Eagleton 1991, Weatherall and Potter 1992). As explanatory tools, both concepts enable us to examine how human beings use language in patterned ways, in order to produce certain effects, to enact power, and to motivate action. Despite the overlapping usage, social theorists such as Michel Foucault made conscious decisions about why and how they choose one concept over the other. Foucault found the term “ideology” too associated with falsity, repression, and the formal political sphere. Instead, Foucault's study of discourse examined diffuse, productive enactments of power across multiple cultural and institutional arenas. Emphasizing productive and positive processes, Foucault provided a method that looked for deeply embedded statements of truth (1969, 1977). Critics of Foucault’s approach, however, claim that by stressing broad dispersals of power, Foucault risked downplaying the particular shaping influence, strategic uses, and intended effects of political discourse and institutions, especially that of the state authority and coercion (Eagleton 1991, Giddens 1985). This study identifies core public interest arguments that work to actively construct consent, and to legitimate private power in terms of public authority and legitimacy.

The case study portion of this dissertation applies the insights of a deep structural and rhetorical analysis to the marketing of one particular program, NBC's Today show, in the 1950s. The Today show, which premiered on January 14, 1952 to twenty-six
affiliated stations in the Northeast and Midwest, was broadcast live on weekday mornings from a studio set on the ground floor of the RCA Exhibition Hall in Rockefeller Center. Hosted by established entertainer Dave Garroway with the help of right hand man Jack Lescoulie and news reader Frank Blair, the program included hard news summaries, soft features, and banter. I chose to focus on the *Today* show for three main reasons. First, the program combined an entertainment style with hard news summaries and soft features, and I wondered if this format was a precedent for present day infotainment-type programs. The second reason for focusing on *Today* related to the program’s place in academic broadcast history. *Today* is often recognized as the first “magazine concept” program—NBC owned and editorially controlled the program, and then sold small segments of time to advertisers. The third reason for examining *Today* evolved over time, as the marketing materials began to suggest that *Today* was one of NBC’s most high profile programs.

When I first started this study, I hoped to be able to find and view as many original programs as possible. Yet, because many live programs that were broadcast daily or weekly are lost to us today, or are not made available to the public, I shifted my attention to the body of documents that constellated around *Today*: advertising, publicity, trade news, and critical commentary. Close study of these materials suggests what the morning news looked and sounded like—its core, defining elements (i.e. cast, format, set, and subject matter). Even deeper, analysis of marketing materials and press commentary demonstrates how the broadcast industry and print press worked together to construct the
meaning and value of those core elements, to characterize an audience, and to generate consent for the commercial network system.

**Overview of Chapters**

This introductory chapter has identified a deep structural context for examining the development of broadcast regulation and network programming from the 1920s through the 1950s. A deep structural analysis attends to the ambivalent place of monopolies, corporate privilege, and first amendment constraints in American democracy. The chapter has argued that Adam Smith's influential construction of monopolies as exceptions to the rule of free market capitalism has helped the free market ideal to persist. In the past and today, multinational corporations espouse free market rhetoric to challenge government regulation of their activities. The chapter has also suggested that multinational corporations construct their monopoly, or virtual monopoly, status as a socially beneficial right—akin to a patent for risk-taking, invention, and expertise—rather than as a privilege, akin to a state granted charter or franchise. While the patent-like construction that has taken a hegemonic hold on public policy-making in the United States, multinational corporations also justify corporate privileges in terms of the public's interest in national security and consumer access. Finally, the chapter described how courts and policy makers have evaluated corporate monopolies in terms of antitrust and public utility law.

Chapter 2 examines the emergence of broadcast regulation in the 1920s in relation to the deep structure described above. To do so, the chapter builds on revisionist broadcast histories (Douglas 1987, McChesney 1993) and critical public relations
histories (Marchand 1998, Ewen 1996), and examines congressional hearings and press coverage. In 1922, as the Federal Trade Commission (FTC) investigated the Radio Corporation of America (RCA) for restraining competition in equipment manufacturing, RCA was also actively developing its broadcast operations. The chapter argues that, as Congress debated bills for regulating broadcasting, RCA justified its control of frequencies and network development in terms of the company’s ability to serve the public interest. RCA defined the public interest in terms of listener demand, suggesting that a private, profit-maximizing company had the incentive to respond to listeners. In serving listener demand, moreover, RCA served a specific concept of democracy. By comparing the claims of RCA in the 1920s to those of the 1930s, the chapter also demonstrates that RCA officials constructed listener demand to suit the political and economic ends of the company.

Chapter 3 discusses RCA’s justification for corporate expansion in the 1930s and 1940s in relation to antitrust challenges and public utility concepts. To do so, the chapter examines five documents: RCA/NBC's publicity booklet, Broadcasting in the Public Interest (1939), the FCC’s Report on Chain Broadcasting (1941), the National Economic and Social Planning Association’s National Policy for Radio Broadcasting (1940), the Senate Committee “Development of Television” hearings (1940), and the FCC’s Public Service Responsibility for Broadcast Licensees (1946). The chapter concludes by considering how this regulatory context shaped the emergence of RCA’s television network, NBC-TV, and particular programming plans in the late 1940s.
Chapter 4 examines the emergence of NBC's morning news program, the *Today* show, in relation to the regulatory context established in chapter 3. As broadcast historians have recognized (Boddy 1991, Kepley 1990, Spigel 1992), with the *Today* show, NBC-TV introduced its "magazine concept." This chapter begins by considering how the magazine concept enabled NBC-TV to own and editorially control the program, akin to a sustaining program, while also constructing the program for commercial participation. The chapter next draws on the scholarship of Stewart Ewen (1996), Todd Gitlin (1979), William Roland (1983), and Christopher Simpson (1994) to describe three mass communications research paradigms of the period. A case study of the marketing for *Today* then considers how NBC selectively tapped the assumptions of that research, as NBC programmers, publicists, and salespeople constructed the image of the program and its audience to serve political and economic imperatives.

Chapter 5 considers the development of the *Today* show within the context of network expansion, federal antitrust concerns, and public information campaigns. Building on the work of William Boddy (1991) and James Baughman (1985), the chapter examines marketing materials, press coverage, and government documents to understand the place of RCA/NBC in the 1950s. In 1953, NBC constructed the *Today* show as a vehicle for flexible commercial participations and merchandising, and expanded its magazine concept to a Participating Programs department. At the same time, on the institutional level, government officials had an ambivalent relationship with the network trusts. As Congress, the Department of Justice, and Federal Trade Commission investigated RCA/NBC and CBS for monopolistic practices, President
Eisenhower and many others recognized the value of network programming for manufacturing public opinion. In that context, NBC constructed the Today show as a prestigious vehicle for engineering consent in a time of Cold War urgency.

Chapter 6 concludes by proposing how the findings of this study can inform present day broadcast reform efforts. After considering the deep structure of broadcasting, and the ambivalent role of monopolies in liberal, capitalist democracy, the chapter identifies several approaches for re-framing hegemonic corporate rationales.

Rationale for the Study

I was born on the fourth of July at Cooper Hospital in Camden, New Jersey. When I was five, my family moved to Tucson; on the cross-country journey I proudly celebrated my birthday with my parents and two younger brothers at a Big Boy-type restaurant, with candles on my stack of blueberry pancakes. Over the next several years, my family spent several vacations on the East Coast visiting relatives and landmark historical sites, such as Philadelphia and Washington, D.C. My then favorite book, The Fourth of July Story, told the story of the birth of the nation in Philadelphia. Then, as the Bicentennial fast approached, it became increasingly frustrating to me that I, the Fourth of July baby, had not been born across the river in Philadelphia. Instead of a narrative that aligned me with the Liberty Bell, State House, Ben Franklin, and Betsy Ross, my Camden roots positioned me with a rundown city, Campbell Soup and RCA, which my family would drive by en route to our cousins’ houses. It silently drove me crazy—especially as I debuted as Betsy Ross in the fourth grade bicentennial play.
I relate the above because it is one of my earliest experiences with hegemony. The dominant tale of American history is one that places an abstract ideal of liberty and individual rights at its core. As The Fourth of July Story expressed, after the colonies voted for Independence, the Liberty Bell rang for freedom, seeming to say, "Liberty throughout the land, liberty to all the people." This narrative of America had no place for Camden.

In many ways, Camden, New Jersey can be seen as a microcosm of American expansionism. As Andy Warhol's famous painting suggests, Campbell Soups continues to be a preeminent global marketer; RCA was once the hub of global communications, defense, and electronic industries. Yet, as these companies marketed their brand of consumer democracy around the world, the city center eventually deteriorated, with Camden's public schools placed among the worst in the nation. A case study of NBC's Today show suggests how RCA/NBC maintained hegemonic hold on Americans. Why do Americans consent to liberal capitalist assumptions that private control is better than public control of resources? Since the late nineteenth century, public control has been equated with communist, paternalistic, or corrupt limits on personal choice and freedom—instead of with citizen-centered control of how the public good will be defined, and who will participate in collective decision-making. Americans consent to this liberal capitalist vision because profit-maximizing corporations have the power to define liberty and freedom in their own terms, and to ignore, suppress, or fragment other possibilities and alternatives. Given that virtual monopoly on definition, the question

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then becomes how we are to begin to recognize other alternatives and possibilities. Poet/scholar Adrienne Rich explains how poetry, and creative expression, can help people reconnect with their humanity—to “break open locked chambers of possibility, restore numbed zones of feeling, recharge desire…” On the internet, in local meetings and activists groups, counter-perspectives are developed and shared, however buried or remote to the mainstream. Humanists generally argue that humans are creative, social, and conscious beings. Liberal capitalism literally capitalizes on that creativity, but it cannot fully contain the fact that human beings long for, and deserve, more. It is there that the possibilities always have a chance.

This study of hegemonic practices in 1950s network broadcasting can inform our understanding of today’s predicament and battles. As described above, when multinational corporate owners of cable/broadcast networks have the power to define the public interest in terms of economic growth and consumer choice, civic and humanist definitions of the public interest are relegated to the sidelines, or to public relations. As the Telecommunications Act of 1996 further deregulated broadcast ownership, the potential for structural change will depend on deconstructing network arguments, and demonstrating that they, for the most part, do not serve the public interest in matters of safety, health, quality of life opportunities, and active democratic participation in self-government. The Constitution and Communications Act assert core beliefs in “general welfare” and a “public interest.” Social and political change will depend on vigorous public discussions about the assumptions that underlie those stated values.

CHAPTER 2
AN INSTRUMENT OF GREAT PUBLIC SERVICE: RCA AND THE RISE OF NETWORK BROADCASTING, 1919-1934

Our tradition demands that all forms of power be legitimated by criteria of utility or responsibility.


The Radio Corporation has attained leadership in its field. Its organization was inspired by patriotism, its position has been won by courage, energy, and skill added to the patriotism which was its original inspiration.

—Major General James G. Harbord, RCA President; quoted in Radio as a Cultural Agency (1934)

Standard media histories have long depicted federal broadcast regulation as a necessary response to the conflict and chaos of the 1920s. As the story goes, the discovery of broadcasting's potential sparked the appearance of hundreds of local broadcast stations throughout the nation. Whether operated by radio manufacturers, department stores, churches, universities, nonprofits, or amateurs, these local stations scrambled to broadcast on a limited range of frequencies. This free-for-all use of a scarce resource only resulted in interference and frustration; moreover, it was agreed that overuse made the airwaves of no use to anyone. To establish some sense of order, Secretary of Commerce Herbert Hoover did the best he could with limited authority: he assumed the role of "traffic cop" of the airwaves, assigning stations to designated frequencies. After a federal court ruled that Hoover had exceeded his authority by granting those assignments, Congress passed the Radio Act of 1927. The Act authorized
a Federal Radio Commission to license broadcasters according to a “public interest, convenience, and necessity” standard (Barnouw 1966, Sterling and Kitross 1990).

If the above tale highlights government control of broadcasting, revisionist scholarship has stressed the role of government in securing corporate control over wireless and broadcasting (Douglas 1987, McChesney 1993, Streeter 1996). This chapter develops that understanding by examining RCA's efforts to justify and legitimate control of network broadcasting. Susan Douglas (1987) and Roland Marchand (1998) have examined AT&T's public relations efforts to construct the corporation as a "good trust" during the first decades of the twentieth century. As the company provided long distance telephone service to the nation, it functioned as a government-sanctioned natural monopoly, exempted from antitrust laws by a 1921 amendment to the Transportation Act. Similarly, as the Federal Trade Commission and Department of Justice investigated RCA for antitrust violations, the company actively promoted a good trust image, with its control of broadcasting constructed as an effort to provide essential public service. In part, interconnected broadcast communications was conceptualized as a national public utility, comparable to AT&T's national long distance network, or a local public utility franchise. Yet press coverage focused on RCA's ability, as a market leader, to bring high culture and presidential politics to the masses. Implicitly in line with the market philosophy introduced by Adam Smith 150 years before, RCA claimed to respond to demand. RCA stations used surveys as evidence that the company best responded to listener demand: listeners wanted classical music and opera, and RCA apparently gave it to them.
Building on the research of Marvin R. Bensman (2000), Philip Rosen (1980, 1981), and Susan Smulyan (1994), and with particular attention to the testimony and public statements of Herbert Hoover and RCA Vice President David Sarnoff, this chapter examines RCA’s case for special broadcast privileges. As suggested above, this case was constructed in the context of cultural assumptions about the relationship between the private sector and American democracy, and political and legal battles over the place of patent and public service monopolies in the American political economy. Together, statements, testimony, press coverage, and RCA advertising suggest that broadcasting was constructed in relation to specific pipeline concept of democracy: culture was democratized, with the masses having access to high culture. Thus, an informed citizenry was assumed to be one that was aware of the latest government pronouncements and election returns. This concept contrasted that of the pre-World War I era, when Progressive and social reformers promoted participatory democracy through social center movements in towns and cities across the United States (Mattson 1996).

The final section of the chapter identifies and examines a shift in justifying rhetoric after passage of the Radio Act of 1927 and throughout the early 1930s. Before the Radio Act, RCA sought to secure privileged positions for their broadcast stations and David Sarnoff declared that a strong private company would have the resources, incentive, and talent to serve listener demand and to democratize culture. After passage of the Act and the development of networked broadcasting, it was in RCA’s vested interest to begin to air standardized, formulaic programming (Smulyan 1994). Increased economies of scale, and lower production costs, enabled RCA and advertising agencies to maximize their
returns. To justify the shift to low brow entertainment fare, RCA developed listener surveys. For RCA, these surveys proved that listeners preferred low brow entertainment. Moreover, *New York Times* radio news in the early 1930s suggests that RCA and advertising agencies began to construct the tastes of the once romanticized masses as unpredictable and inscrutable. In the 1920s, listeners wanted access to high-brow culture; in the 1930s, they could not get enough low-brow fare. This shift in representation demonstrates how RCA constructed listeners and their own images to suit vested interests and public trust assumptions.

**Good and Bad Trusts**

From 1921-1927, as legislators battled over how airwaves would be regulated, AT&T, RCA, Westinghouse, General Electric, and Zenith sought to demonstrate that they were the most appropriate stewards of the airwaves. Given that RCA was the subject of antitrust investigation by the Federal Trade Commission and Department of Justice, the task of projecting a good trust image was even more pressing. The test for determining whether a trust was “good” or “bad” was established in 1911. In 1911, the Supreme Court asserted the “rule of reason” test to distinguish between legal and illegal monopolies, or good and bad trusts. In the case in question, *United States v. the Standard Oil Company of New Jersey*, the Court found that Standard Oil had violated the 1890 Sherman Antitrust Act by using illegal, conspiratorial practices to monopolize the oil industry. The Court then ordered that the Standard Oil empire be split into smaller companies. Yet the Court also qualified its ruling by reasoning that not every restraint of
trade was automatically illegal. Instead, a combination would be evaluated according to tactics used to monopolize the market. Some trusts, the Court reasoned, had gained their monopoly position through legal patents and good business practices. They then used economies of scale and efficiency to benefit a nation of consumers (Freyer 1992, Peritz 1996). The legal and political status of RCA in the 1920s demonstrates the ongoing ambiguity that surrounded distinctions between legal and illegal monopolies.

In the early 1920s, debate also centered on which governmental department would manage the broadcast airwaves. In 1920, after Westinghouse employee Frank Conrad broadcast from station KDKA and demonstrated the marketability of broadcasting, RCA and wireless manufacturers began to establish broadcast stations. With this expansion into broadcasting, the initial question concerned whether the Department of Commerce, which had been authorized by the Radio Act of 1912 to oversee wireless telephony, the Navy, or the United States Post Office would manage broadcasting. Rosen (1980, 1981) has demonstrated that the Department of Commerce’s authority over the airwaves was not automatic. Even though the Department of Commerce had been authorized by the Radio Act of 1912 act to issue wireless radio licenses, the Navy and United States Post Office, each with their own network of wireless stations, fought the Department of Commerce for control over the development of broadcasting. In the Navy’s estimation, broadcasting was a menace; because broadcasters interfered with the Navy’s point-to-point communications, broadcasting should be highly restricted. From the Post Office’s point of view, broadcasting should be regarded as an extension of its own official duties in circulating information.
After a series of meetings, the Department of Commerce quickly won its battle with the Navy and Post Office. Under Herbert Hoover, the Department of Commerce envisioned the federal government as the catalyst of industrial growth. By creating order and facilitating trade associations, the Department of Commerce helped industries to regulate competition and establish order. Thus, once the Department of Commerce, rather than the Navy or Post Office, had the authority to manage the development of broadcast service, the privileging process began. First, the DOC's Bureau of Navigation distinguished between amateur and commercial stations. Specifically, in September 1921, less than a year after KDKA's first broadcast, the Bureau mandated that stations broadcasting news, lectures, and entertainment receive licenses for one frequency, 832.8 kHz, and that stations transmitting government reports such as weather and crop information be licensed to 616.6 kHz. With these basic classifications, the Bureau offered privileged space to commercial stations that broadcast information assumed to be of broad public use and interest. There they would be protected from amateur interference. By December 1921, the Department of Commerce had licensed 30 stations; by August 1922, the number of licensed stations had grown to over 400. In response to crowding on the two designated broadcast wavelengths, the DOC next ordered that wavelength 400 (749.6 kHz) be set aside for a new class of stations, called class B. These stations were held to more rigorous technical and programming standards. Finally, as class B stations in large metropolitan areas faced increasing congestion, Westinghouse and AT&T offered a new proposals. On April 9, 1923, H.P. Davis of Westinghouse proposed a new class of service, class D, for "national stations" to provide
"national service." Class D was restricted to stations "conducting experiments which were owned and operated by companies producing equipment for broadcast services" (Lichty 1975, 552).

As the numbers of licensed stations grew, and the Department of Commerce allocated those stations to particular frequencies according to service, the Department of Commerce was still limited in its authority. In sum, the Radio Act of 1912 had not granted discretionary powers to the Department: thus, the DOC could issue licenses, but it could not deny or revoke licenses. From 1921 to 1923, six bills to regulate broadcasting were introduced in the Senate, and 14 separate amendments to the Radio Act of 1912 were introduced in the House (Bensman 2000).

After the Intercity case—in which the Court of Appeals ruled that the Department of Commerce did not have discretionary powers to refuse or revoke a broadcast license—Herbert Hoover requested that President Harding authorize a conference that would gather the Army, the Navy, and commercial interests to discuss how broadcasting would be managed. Harding approved the National Radio Telephony Conference; on February 27, 1922, Hoover delivered his opening address to nine government officials and six radio industry representatives. Hoover's remarks established his basic stance on broadcasting—that "so great a possibility for service, for news, for entertainment, for education, and for vital commercial purposes" could not be "drowned in advertising chatter." He declared that this was one of the few times when the whole country was "praying for regulation," and then established the dominant concepts for government regulation. The DOC would serve as a policeman, that the airwaves were a public resource,
akin to public roads and waterways. Even though the Department of Commerce had no legal, discretionary authority, Hoover sought to gain voluntary cooperation from military and industry representatives.

In April, after the Conference had made its recommendations, RCA submitted a six-page report that called for the addition of a phrase to the final Conference report: "Resolved that it is the sense of the Conference that radio communication is a public utility and as such should be regulated by the Federal Government in the public interest." In calling for radio to be considered a public utility and regulated in the public interest, RCA was likely motivated by its antitrust battles with the Federal Trade Commission. Just as a 1921 amendment to the 1920 Transportation Act exempted telephone companies that consolidated from the provisions of the Sherman Antitrust Act, RCA would also benefit from antitrust exemptions. In the end, the final report did not include RCA's requested phrase, and the question of whether broadcasting should be regulated as a public utility, and what was the place of monopolies, continued to be a highly contested issue (Bensman 2000).

The Question of Monopoly

In response to concerns about the dominating influence of the Radio Corporation (RCA) and American Telephone (AT&T), the 67th Congress passed a resolution directing the Federal Trade Commission to investigate whether or not the companies were monopolies. The FTC Report, submitted to Congress on December 2, 1923, concluded
that RCA was, by virtue of all the facts, a virtual monopoly. The Report began by reviewing the historical origins of the Radio Corporation: after communications were returned to the private sector in the wake of World War I, General Electric began negotiations with British Marconi to sell BM its rights to the Alexander Alternator patent. In response, the Navy expressed concerns that the transaction would allow a foreign-owned company, British Marconi of America (a subsidiary of British Marconi), to control American radio communications. As an alternative, the Navy advocated the formation of a new American corporation, wholly owned by American citizens, to which General Electric could sell its rights. Instead, in 1919, General Electric formed a subsidiary corporation and acquired the property, patents, good will, and business of British Marconi of America. Those acquired assets were then transferred to General Electric's newly incorporated subsidiary, the Radio Corporation of America. Finally, after the formation of the Radio Corporation, the next task was to forge pooling agreements with the United States' other leading holders of communications patents: Westinghouse and United Fruit. According to the FTC, these agreements—which also included that Westinghouse and United Fruit would own a small percentage of stock in RCA, enabled the companies to efficient manufacture and market of wireless communications apparatus. RCA marketed the apparatus manufactured by Westinghouse and General Electric.

Through its historical and economic analysis, the FTC concluded that RCA had secured monopoly control of equipment marketing and international wireless communications. Given those findings, the FTC identified a core issue: whether
thousands of patents acquired by RCA were absolutely necessary to conducting its business, and how many were duplicate or competitive patents that the company wanted to control in order to stifle the possibility of competition. Through its control of vacuum tube patents, RCA—aligned with General Electric and Westinghouse—dominated the manufacturing and marketing of receiving apparatus. Like AT&T, which used its patents to control the manufacture and marketing of transmitting apparatus, RCA actively sued manufacturers for infringing on those patent rights. With its high power ship-to-ship and ship-to-shore wireless stations, RCA also dominated international communications.

In response to the FTC's core question of whether or not RCA was a legal monopoly, RCA President James Harbord responded that the FTC merely "rehearse[d] the history of various radio rights acquired by the Radio Corporation of America." For Harbord, the FTC's history confirmed that RCA was a legally sanctioned monopoly operating in the public interest. Quoted in the Times, Harbord explained:

[RCA] was organized as the outgrowth of request of responsible officers of the Navy Department in Washington that there be established a strong, purely American company to carry the banner of the United States in the field of international communications.15

Thus, Harbord stressed the fact that "responsible" Navy officers had called for the formation of RCA, to represent the United States internationally. Similarly, in response to the question of patent control, Harbord asserted:

Radio advancement would have continued to travel at a snail's pace but not the leading electrical companies of America mobilized their patents in the interest of more rapid progress and in order to end selfish and obstructive rivalry.

In line with a history of arguments supporting the formation of cooperative agreements in common carrier industries, Harbord justified patent alliances as necessary for progress and as a constructive response to destructive competition. The Transportation Act of 1920 had likewise included provisions that railroad and telephone companies could consolidate if the Interstate Commerce Commission found that the mergers would provide more efficient and comprehensive public service.

The first bills to regulate communications centered on the question of monopoly. In general, lawmakers were concerned that the airwaves would be monopolized, and dominated, for private gain. One solution to this problem was to grant the Department of Commerce the authority to deny licenses to monopolizers. Yet, as Secretary of Commerce Herbert Hoover explained in March 1924, at the House Merchant Marine Committee hearings on H.R. 7357, the “determination of whether or not a concern is attempting to set up an illegal monopoly should not be entrusted to an administrative body like the Department of Commerce.” Hoover stressed that the question of monopoly was a complex one, in which the “general American principle of opposition to monopoly and an equally American principle recognized by our patent laws” were in conflict. The resolution of that conflict should not be left to the discretion of the Department of Commerce, which did not have the power to conduct investigations. Instead, Hoover repeatedly asserted that radio communications had to be managed as a public trust, and not merely for private gain, advertising, or entertainment. This core principle implied that it did not matter whether or not RCA was a monopoly: what mattered was whether RCA used that monopoly power for private gain or public benefit.
From 1922 to 1925, the Department of Commerce sponsored four National Radio Telephony Conferences (one conference per year). Herbert Hoover testified at the Congressional Committee hearings and offered opening addresses at the Radio Conferences; RCA Vice President and General Manager David Samoff also testified before the House Committee and participated in the Conferences. Taken together, Hoover’s statements expressed what he summarized in a March 1923 letter to the Secretary of State: that the market could be managed according to four theories of organization: (1) competition; (2) regulated monopoly; (3) unregulated monopoly; (4) government ownership. After openly excluding the idea of government ownership, Hoover’s approach to broadcasting paralleled his overall policy approach to commerce: that the role of government was to foster cooperative associations that would help industry best serve the public interest. Similarly, in his March 1924 testimony before the House Merchant Marine Committee, David Sarnoff stressed:

There is a need for regulation, but the extent to which this regulation should go involves a delicate balance between the benefits of private initiative, the evils of destructive competition and the weakening effect of too much paternalism.

As Sarnoff would state in his January 1926 testimony before the House Committee, government should ensure that private initiative had the freedom to respond to consumer and listener demand. In responding to the likes and dislikes of consumers, private initiative would avoid the undesirable effects of paternalism.
Serving Listeners

In response to continuing Senate apprehension about monopoly in radio, Sarnoff’s testimony for the House Merchant Marine Committee in January 1926 stressed the positive effects of market incentives in the nation. He argued that radio induced a reduction in cable communications rates: “as soon as radio became a formidable competitor, rates lowered for the first time in 38 years.” Market incentive, or the incentive to respond to consumers and listeners, also encouraged RCA to develop service to the public, that no other country surpassed. This service was the agent of democracy:

Five years ago the man who once during his lifetime heard the living voice of the President of the United States was among the privileged few of his fellow citizens. Today President Coolidge can speak, and has spoken, to millions of his countrymen simultaneously. Five years ago, it was a mark of cultural distinction, confined mostly to the rich, to hear the performance of an opera or listen to a great symphony orchestra. Today millions in the land are able to tune in by radio and listen to concerts broadcast by the great artists of our day and by the famous orchestras of our metropolitan cities. In the fields of social, political, and religious education, the service rendered by radio is increasingly recognized. But the fact remains that the US never would have attained an unquestioned position of leadership in radio communication, if the art had been fettered by unwise legislation and the industry harried by bureaucratic control. (143)

In describing how broadcasting enabled the masses to experience what had once been reserved for a privileged few, Sarnoff reiterated arguments that had been made on the pages of Radio Broadcast and publicized by other radio station owners. In this particular context, however, Sarnoff made the argument in order to express two core claims: first, that it was not just radio, but RCA in particular, that had acted as agent of democracy, and second, that government regulation would stifle those accomplishments.
A month before the hearing, in December 1925, RCA debuted its new super power station in Bound Brook, New Jersey. The *Times* related that private wires linked the super-power, 50 kilowatt, station to the WJZ studio on 42nd Street in Manhattan. An article described how the complaints by Bound Brook residents that the super power station overwhelmed their receivers, blocking access to other frequencies. Despite those complaints, a gala event, centering on the live performances of Victor Talking Radio musicians, was planned for New Years Day. After the debut of the station, RCA took another key step in justifying its claim that RCA stations best served listeners and democracy. In February, RCA announced the results of an expansive survey conducted by WJZ management. In choosing a survey approach, RCA/WJZ followed the precedent of Zenith’s WJAZ, which had been the subject of a March 1924 *Radio Broadcast* article entitled “What We Think The Public Wants.” That survey had found that listeners preferred classical music. Similarly, the February 1926 WJZ study first asked listeners across the country to write the station. Next, WJZ sent those listeners questionnaires and return envelopes. Of the 10,000 questionnaires that WJZ mailed, 4,000 were returned by listeners. The *Times* reported that radio fans likes and dislikes were revealed by the survey, with 33% of listeners preferring classical music and most listeners supporting a chain of stations. Thus, the survey results were used to support RCA’s argument that it

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was a responsible good trust—responding to listener demand and facilitating democracy.\textsuperscript{18}

By stressing the initiative, risk-taking, and effort of RCA, Sarnoff constructed licenses as a vested right, akin to a patent, rather than as a privilege, akin to a charter or public utility franchise. In contrast, at the hearings Judge S.B. Davis Jr, Solicitor of the DOC, opposed the issuing of licenses as vested rights. As the \textit{Times} reported, Davis “commented that he believed it to be unwise to set up a perpetual franchise.”\textsuperscript{19} In line with these misgivings, Senator Dill’s bill limited licenses to five years; Representative White’s bill limited the licenses to two years.

Censorship and Free Speech Rights

From 1924 to 1927, a core debate centered on whether private or federal control of the airwaves would better protect against censorship. Although RCA Vice President David Sarnoff constructed private control of the airwaves as the only guarantee that the airwaves would be free from government censorship, government officials such as New York City Commissioner Grover Whalen and Wisconsin Senator Robert La Follette publicly contended the exact opposite: private monopolies effectively kept others off the airwaves.\textsuperscript{20} Specifically, at the House Merchant Committee hearings in Spring 1924, Raymond Asserson, representing Whalen and the Department of Plant and Structures,


\textsuperscript{20}“Reports Bill to End Hoover Radio Power,” \textit{New York Times}, 7 May 1926, 21; Also see \textit{The Nation}, July 1924.
charged that AT&T used its monopoly on the manufacturer and sale of transmitter apparatus to make it impossible for New York City to erect a municipal station. La Follette, on the other hand, contended that stations refused him airtime.

Two years later, in May 1926, an amendment to the latest Senate bill attempted to compel fair treatment on the airwaves. The *Times* reported that the bill presented to the Senate by the Interstate Commerce Committee included provisions against the use of stations for discriminatory political purposes—to favor one candidate over another, or to favor one type of public discussion or subject matter over another. Supporters of the bill cited the experience of Senator Hiram Johnson (R-CA) in Detroit and Robert La Follette (D-WI) in Des Moines, who found their views selectively broadcast to a limited amount of locales. The *Times* interpreted the new provisions as requiring broadcast stations to operate as non-discriminatory common carriers, with speech unhampered.

Despite efforts to deal with issues of station censorship, the compromise bill that became the Radio Act of 1927 subtly checked those more radical intentions, and served the interests of broadcasters. While Section 18 of the Act required that broadcasting stations provide equal opportunities to all candidates, and declared that the stations have no powers of censorship over that use of their station, the Section ended by stating that "no obligation is hereby imposed upon any licensee to allow the use of its station by any such candidate." This concluding clause essentially declared that stations had editorial discretion: stations could choose whether or not to allow candidates to use its station; but,

once one candidate was allowed, all others had to be granted comparable opportunities. Moreover, the equal opportunity provision only applied to instances when legally qualified candidates wanted to use the station—it did not apply to any other types of speakers.

Also in line with concerns about censorship, Section 29 declared that the licensing authority, or Commission, "did not have the power of censorship over the radio communications signals transmitted by any radio station" and that no regulation could "interfere with the rights of free speech by means of radio communication." In the context of the earlier Congressional and public debates, this Section would have meant that government could not censor radio communications. But, without this material context, the Section could be, and later would be, interpreted as meaning that broadcast stations themselves, as speaking entities, had the rights of free speech. Two years later, in an Annual Report, the Federal Radio Commission would formally interpret the Radio Act as implying that broadcast licensees were more like an editorial press than a common carrier. In that editorial position, they could make programming decisions based on their perceptions of the public interest. Throughout the coming decades, broadcasters would use that interpretation to construct any government regulation of content as an infringement of their first amendment rights. Lost were the original arguments that the public and government representatives, as speakers, had first amendment rights on the airwaves.

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24 Ibid, 46.
Promoting the Benefits of Networking

On September 14, 1926, RCA ran a half-page advertisement (on page 28) in the New York Times announcing the formation of a wholly-owned subsidiary: the National Broadcasting Company. As the nation’s prestigious newspaper of record, the New York Times provided the outlet in which RCA could make its case for NBC. That RCA successfully communicated its intent is suggested by the Times’ endorsement of NBC in an editorial that followed. As a whole, the announcement depicted the new network as a service that would extend the best programs from New York to the rest of the nation (see next page).

Offset by a border and white space, RCA’s announcement filled about half the page, and was surrounded by short broadcast articles and ads. After a centered headline and brief summary, the main body of the announcement was divided into three columns and eight sections, each with its own subheading. The summary and eight sections established the intent and purpose behind RCA’s action.

The opening paragraph introduced the following public interest logic: by creating the National Broadcasting Company, RCA assured a future of better programs and national broadcast service, in the interests of the listening public. It did so by constructing a connection between its vested interests and the public interest. The first paragraph of the prologue positioned RCA as: “the largest distributor of radio receiving sets in the world.” This role as distributor of receivers, RCA argued in the second paragraph, made the company “more largely interested, more selfishly interested, if you please, in the best possible broadcasting the United States than anyone else.” Thus, RCA
FIGURE 2.1, RCA announces NBC, New York Times, 1926

Announcing the National Broadcasting Company, Inc.

National radio broadcasting with better programs permanently assured by this important action of the Radio Corporation of America in the interest of the listening public.

The Radio Corporation of America has purchased for one million dollars station WEAF from the American Telephone and Telegraph Company, that company having decided to retire from the broadcasting business.

The Radio Corporation of America will assume active control of that station on November 15.

National Broadcasting Company Organized

The Radio Corporation of America has decided to incorporate that station, which has achieved such a deservedly high reputation for the quality and character of its programs, under the name of the National Broadcasting Company, Inc.

The Purpose of the New Company

The purpose of that company will be to provide its first program available for broadcasting in the United States.

The National Broadcasting Company will not only broadcast these programs through station WEAF, but it will make them available to other broadcasting stations through the country as far as it may be practicable to do so, and they may desire to take them.

It is hoped that arrangements may be made so that every course of national importance may be broadcast widely throughout the United States.

No Monopoly of the Air

The Radio Corporation of America is not in any sense making a monopoly of the air. There would be a liability rather than an asset. It is working, however, to provide machinery which will issue a national distribution of programs of the highest quality.

If other stations will engage in this business the Radio Corporation of America will cooperate with them, whether it be competitive or cooperative.

If other radio manufacturing companies, competitors of the Radio Corporation of America, wish to use the facilities of the National Broadcasting Company for the purpose of making known to the public their receiving sets, they may do so on the same terms as accorded to other stations.

The necessity of providing adequate broadcasting is apparent. The problem of finding the best means of doing it is not experimental. The Radio Corporation of America is making the experiment in the interest of the art and the advancement of the industry.

A Public Advisory Council

In order that the National Broadcasting Company may be advised as to the best type of program, that discrimination may be secured, it is expected that the public may be asked that the broadcasting be done in the best interest of the public.

The National Broadcasting Company has decided to incorporate that station, which has achieved such a deservedly high reputation for the quality and character of its programs, under the name of the National Broadcasting Company, Inc.

The member of this Council will be appointed as soon as their acceptance shall have been obtained.

M. H. Ayleworth to be President

Mr. Ayleworth, while not hitherto identified with the radio industry or broadcasting, has had public experience as Chairman of the Colorado Public Utilities Commission; and, through his work with the association which represents the electrical industry, has a broad understanding of the technical problems which concern the public interest in radio.

Mr. Ayleworth will perform the executive and administrative duties of the corporation.

The President of the new National Broadcasting Company will be M. H. Ayleworth, for many years Managing Director of the National Electric Light Association. He will perform the executive and administrative duties of the corporation.

RADIO CORPORATION OF AMERICA

Owen D. Young, Chairman of the Board

James G. Harbor, President
did not attempt to configure itself as disinterested and detached. Rather, RCA, the
distributor of Westinghouse and General Electric receivers, boldly asserted its self-interest
in the “best possible broadcasting.” With more than twenty-one million households
estimated as needing radio receivers, RCA offered to ensure that the best quality sets were
“available to all... cheap enough so that all may buy,” and to persuade the public to buy by
providing programming. Thus, RCA had to assume responsibility of providing program
service, and to do so via a national network.

In the ad’s sixth section, RCA stressed that its intention was not to monopolize
the market. Implicitly acknowledging the Sherman Act’s distinction between legal and
illegal uses of monopoly power, this section argued that with the formation NBC, RCA
did not intend to exclude other radio manufacturers from the air. RCA’s competitors
were welcome to use the facilities of the National Broadcasting Company, just like any
other client. Like an inventor, RCA claimed it only sought to experiment, on behalf of
the whole industry, with ways of providing the best possible broadcasting. As the ad’s
previous sections had established, broadcasting would become a universal instrument of
service if technically superior sets, network distribution, and quality programming were
all available. RCA—and RCA alone—was in the position to commit its expertise and
resources to accomplishing those ends. RCA should be entrusted with that leadership
role. Finally, to strengthen its case, RCA closed with civic appeals, by explaining that
NBC would have the help of an Advisory Council “composed of twelve members to be
chosen as representative of various shades of public opinion.” The council would help to
ensure “that broadcasting is being done in the best and fairest way.” Latching on to that
ideal, the *Times* editorial on the next page depicted NBC as the agent that would impartially facilitate a range of public expression:

the varied wavelengths which nature has provided allow the expression of varying opinions, but a wise, impartial, and non-partisan use of the one wavelength will give almost as great a range as could be had through the many.

From a good trust perspective, RCA provided expertise, machinery, and civic-minded leadership. RCA took the risk that no other company could. Both RCA’s ad and the *Times* editorial echo these claims.

In the final section of the ad, RCA announced that Merle H. Aylesworth—the past Managing Director of the National Electric Light Association—had been appointed President of NBC. RCA explained that, given his experience on the Colorado Public Utilities Commission and Electric Light Association, Aylesworth would bring an understanding of technical problems. RCA also explicitly stated that one of his main responsibilities would be to ensure that NBC “reflect[ed] enlightened public opinion.” What the ad did not say, however, was that Aylesworth was a member of the Industrial Conservation Board, an industry group that discouraged government competition with private enterprise. Three years later, the Federal Trade Commission would investigate the groups’ propaganda methods, financial connections to the newspaper industry, and use of newspaper publicity, lecture campaigns, and radio broadcasts to assert the views of the Board. Given these connections, Aylesworth brought a wealth of publicity experience to RCA and NBC.  

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It is important to note that RCA's announcement left out any mention that NBC would follow the AT&T/WEAF network formula, in which advertisers underwrote the costs of broadcasting, rather than the WJZ formula, in which RCA underwrote the costs. RCA's first mention of advertising was strategically postponed until after NBC's premiere broadcast. Two days after the November 15th broadcast, the Times reported that, due to the great costs of talent and personnel for the premiere broadcast, network service would have to be subsidized by advertising. The four hour program reportedly cost over $50,000, with $25,000 spent on talent and performers and the remainder on leasing 5,000 miles of telephone wires from AT&T and for the services of radio engineers. The article pointed out that despite these expenses, there was no cost to the consumer.26

From a public relations standpoint, it would seem that NBC spent an exorbitant amount on its first network broadcast in order to make its own case for the necessity of sponsored programs. The issue of how broadcasting was to be financed had been a topic of public and industry debate since 1922. By Fall 1926, the widely publicized costs of broadcasting helped to instill the sense that sponsorship could solve the problem. For example, a September 1926 article in Radio Broadcast declared:

rising costs and strenuous competition have been responsible for the advent of commercialism in broadcasting. It costs plenty of money to keep the air filled with programs, especially on a daily basis.27

One leading broadcasting station spent over $30,000 a month on the costs of musicians, staff, electric service, and plant. Other more modest stations spent $25,000-60,000 a

26 New York Times, 17 November 1926, 42
year. In addition to those operating costs, stations had invested $10,000 to $1,000,000 on equipment that was quickly rendered obsolete. These daily costs of program service were even well beyond what radio equipment manufacturers could afford to subsidize. As the article pointed out, automobile manufacturers are not asked to subsidize highways and roads: "others pay for the roads. And so with broadcasting; others pay for the programs, so that the public may ride the air waves." In making this analogy, the article carefully avoided any mention that the "others" who pay for highways were in the taxes and tolls collected by federal and state governments. Commercial sponsorship of programming was declared to be the only solution to the problem, in spite of numerous examples of government sponsorship of industry which could have been cited.

Regulation of Broadcast Service

Five months after RCA's announcement, President Coolidge signed the Dill-White 1927 Radio Act into law on February 23, 1927. With this Act, Congress established a commission authorized to issue licenses for broadcast radio stations. The Federal Radio Commission (FRC) was to evaluate the worthiness of applicants using the "public interest, convenience, or necessity" as its standard. The tenth section provided the Commission with the most specific criteria for license evaluation, mandating that all applicants for licenses must provide facts detailing the "citizenship, character, and financial, technical, and other qualifications of the applicant to operate a station." This language suggested that the most qualified applicants have a proven public record, with

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evidence of financial security. These technical and financial standards were reasserted in the FRC's first public statement (1928):^28

in applying the test of public interest, convenience, or necessity, it may consider the character of the licensee or applicant, his financial responsibility, and his past record, in order to determine whether he is more or less likely to fulfill the trust imposed by the license than others who are seeking the same privilege from the same community, State, or zone. (54)

FCC policy clearly favored assignments to financially secure commercial broadcasters. Although the Radio Act had provided no substantive guidelines regarding content, the statement did make it the clear that the FRC favored original programs over those broadcasts of phonograph records and that the interests of listeners came before the interests of broadcasters and advertisers. Furthermore, the FRC asserted that advertising should be incidental to a program:

[because] broadcast stations are not given these great privileges by the United States Government for the primary benefit of advertisers... advertising should only be incidental to some real service rendered to the public, not the main object of the program. (53)

With this statement, the FRC assumed that programming could be kept separate from advertising. The FRC then concluded by reasserting its underlying premise: a limited number of channels could not accommodate all wanting to broadcast and so those who gave the most service would be favored.

A year after the FRC's first public statement, its Great Lakes Statement (1929)^29 provided more specifics about broadcast service. Above all, the argument turned on the

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assumption of scarcity. So few channels were available that those few must be used for
general program service. The FRC assumed that broadcasting was best managed by fewer
stations that had the ability to provide general public service to the greatest number of
listeners in a service area. To provide good service, those stations needed modern, efficient
equipment. In conceptualizing broadcasting as an instrument of program service, the
commission also made a very explicit distinction. The interests of listeners would only be
served if program directors had control over the flow of program material.

If broadcasting were regulated as a common carrier, like telephony or telegraphy,
broadcast stations would have to accept every message that a person wished to transmit over
the airwaves. This situation, however, would discriminate against listeners. Instead, the
FRC stated that it favored editorial control in which program directors who would select
programs according to the “needs and desires of their invisible audiences” (57).
Furthermore, the FRC stated that a “well-rounded program” on general interest stations
included:

entertainment, consisting of music of both classical and lighter grades, religion,
education and instruction, important public events, discussions of public
questions, weather, market reports, and news, and matters of interest to all
members of a family find a place. 60

Like a mainstream newspaper or magazine, general service broadcast stations offered
something for the whole family. They provided balanced program schedules and
nondiscriminatory discussions of public questions that so-called propaganda stations were
assumed incapable of providing.

The FRC responded to common carrier arguments by asserting that in that situation,
broadcasters would be forced to accept raw materials from anyone and, just as regulators did
not tell an electric or gas where to purchase basic materials, so it was not the role of the FRC to question where broadcasters acquired their programming. The broadcasters' decisions were to be trusted: they had the ability and incentive to predict demand, or the "tastes, needs, and desires of their invisible audiences" (57).

Broadcast Reform and the Listener

In 1928, the Federal Radio Commission declared that advertising had to remain secondary to the program. However, by 1929 advertisers began to blur that line, by developing primetime and daytime programs suitable for inserting plugs into the actual program content. NBC benefited from this increasing commercialization: in 1927, networks drew $3.8 million in advertising revenue, which then had to cover the costs of program production, talent, and agency commissions. By 1935, networks reported $62.6 million in advertising revenue (Sterling and Kitross 1978, 518). To legitimate the structure that drew these revenues, NBC touted the quality of its sustaining program in promotional materials. NBC projected the image that profits from commercial programming were used to subsidize noncommercial programming. This image enabled NBC, CBS, and local stations to justify the maximization of profits.

Despite network efforts to justify the commercial structure of broadcasting, from 1930-1933, coalitions of educators, religious organizations, labor groups and nonprofits join forces to assert that commercial stations were not living up to their public obligations. These groups, however, were divided on just how reform could be
accomplished. While members of the National Advisory Council on Radio in Education (NACRE) believed that they could work within a commercially owned and controlled system to promote educational and cultural programming, groups affiliated with the National Committee on Education by Radio (NCER) lobbied for government protection of their interests, not trusting the intentions of commercial stations (McChesney 1993).

In her May 1931 coverage of the debate, Times educational correspondent Eunice Barnard quoted NCER chairman Joy Elmer Morgan as stating that the squandering of natural resources in public lands, minerals, oil, and water power paled in comparison to the “giving away of radio frequencies of untold value with no thought of compensation or no reservation, as in the case of the public domain, for the uses of education.” 31 Morgan and NCER advocated that 15% of the broadcast channels be reserved for use by educational stations. For an opposing view, Barnard quoted CBS Vice President Henry Adams Bellows, who characterized educational programs as boring the public because of a lack of variety. Barnard closed with the perspective of BBC Director General C.W. Reith, who suggested that because government-owned networks such as the BBC did not have to serve commercial ends, educational programming did not have to be heard, as Barnard put it, “above the din of the makers of toothpaste and candy.” 32

30 Originally published by Research Department, McCann-Erickson.
32 Ibid.
Comparisons with the British Public Broadcasting System

From 1931-1934, as coalitions of Americans became progressively disillusioned with the commercialized system of American broadcasting, and as reformers began to take notice of the British non-profit, public system, it was essential that RCA continue efforts to construct NBC as a good trust that served the nation. The British Broadcasting System was formed in 1926, the same year that the United States Congress debated radio bills and that RCA announced the formation of NBC. Specifically, in Spring 1926, a special committee appointed by the British Postmaster General began to review the license of the British Broadcasting Company, a private monopoly that provided broadcast service for the nation. In line with the committee's recommendations, and with the expiration of the private company's license in December 1926, the public British Broadcasting Corporation was created through royal charter. Vesting authority in the Postmaster General to issue licenses, the charter also specified the appointment of four governors to oversee the BBC.

In response to rising complaints about over-commercialization of the airwaves, NBC officials re-asserted the arguments of David Sarnoff: by bringing opera to the multitudes, NBC provided an invaluable public service. In January 1932, for example, *Times* radio editor Orrin E. Dunlap Jr. described fan letters of appreciation to NBC for broadcasts of the Metropolitan Opera. Dunlap cited the perspective of Metropolitan Opera officials and NBC President Merle H. Aylesworth, who believed that NBC was

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FIGURE 2.2, NBC broadcast the Metropolitan Opera, *New York Times*, 1932
creating a new and wider interest in opera. By introducing new listeners to opera, radio was not the “destroyer of the arts,” but the savior of opera. As one listener—who had attended operas for over forty years, but now suffered from hearing loss and an a limited budget—proclaimed, “now through the kindness of the Metropolitan trustees and the National Broadcasting Corporation, I am given this treat.” The article also included a large national map that identified over sixty stations across the nation that received the NBC network broadcasts (see preceding page).35

As Aylesworth asserted NBC’s public trust role, national debate over the direction of American broadcasting intensified. A May 1932 article in the Times, for example, entitled “The Listener Always Pays,” implicitly refuted the core industry assertion that radio listening in the United States was free.36 As the article explained, even though American listeners did not have to pay a tax on receiving sets like listeners in 31 other countries, they still had pay—by having to listen to advertising. In the end, whether a nation’s broadcasting was government-owned, and supported by license fees, or privately controlled (with government supervision) and supported by advertising, each system proclaimed to providing the public with what it considered the best—whether “best” was defined according to “listener response, service, and public weal.”

Two articles by Orrin Dunlap, and one by Times feature writer Dorothy D. Bromley provide a glimpse into assumptions about how the differences between American and British broadcasting were constructed. In April 1933, Dunlap interviewed

W. Gladstone Murray, a BBC representative en route to consult with Canadian officials. First, Murray explained that even though the BBC did not generate revenue from advertising, it did derive a profitable return from the publication business. The BBC was forced into publication when newspapers refused to publish program listings; now, the BBC's *Radio Times* circulated to over two million listeners and reported a net profit of $1.3 million. Second, Murray addressed the American perception that the British government censored its programming and politics. To the contrary, Murray explained, British politicians had "gotten together and decided who will speak and how long." Thus, they attempted to create a fair and equitable system. Finally, Murray provided some insight into BBC assumptions about the listener—"it cannot be said that the Englishman has any special preference in regard to radio entertainment." The BBC respects the changing moods and preferences of a listener. Thus, on one day listener might prefer a symphony on one day and a comedy on the other. Although Dunlap did not make a point of how British assumptions about listeners differed from the American view, his coverage suggests two very different ways of constructing viewers.37

In November 1933, *Times* feature writer Dorothy D. Bromley examined the strengths and weaknesses of British programming. As Bromley explained, the BBC was much more willing to experiment with programming than their American counterparts. Even though the BBC had no hard evidence on how many viewers tuned into these experimental programs, officials did know that the programs generate active viewer response. The program "How the Mind Works," for example, drew 26,000 requests for

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36 "The Listener Always Pays," 22 May 1932, x10.
pamphlets. However, Bromley also stressed three major defects of the British system—the government's right to censor, the tendency of "one man to impose judgment," and the lack of competition that improves the quality of programs. Without these defects, the American system has produce the comedic programs and entertainers that engage viewers. Still, Bromley closes with the assertion that the British system does not offend—there is no advertising chatter and no skits that have neither artistic nor dramatic justification.\textsuperscript{38}

In December 1933, Dunlap reported that high school students across the United States—guided by a handbook issued by NCER—were debating the merits of a private broadcasting system. Dunlap's coverage, however, suggested that the differences between the private and government controlled systems were constructed as primarily a matter of geography and population. The United States was thirty-two times larger than the British Isles, with the population less concentrated and homogeneous. Thus, the British Isles had 20 transmitting stations in contrast to the 600 stations in the United States. These core differences, it was assumed, led to two different systems.\textsuperscript{39}

In November 1934, as the Federal Communications Commission studied the possibility of setting aside channels for non-profit programming, Dunlap characterized the efforts of NBC and CBS to determine the will of listeners. Dunlap cited Aylesworth's declaration that "listeners do not want to be educated; they want to be entertained," and CBS' William Paley's claim that the public wanted showmen to enhance education, with

\textsuperscript{38} Dorothy D. Bromley, "In Britain Broadcasting is Different: There Programs Aim at Education Rather than Entertainment, and Advertising is Barred," \textit{New York Times}, 26 November 1933, SM14.
every listener “made aware of the direct application of this material to his own life that he listens as avidly as to sheer entertainment.” Dunlap concluded by identifying a general formula for attracting the public:

There are so many listeners, you’ve got to give them something of everything. You can’t hope to please them all. Even a statesman is likely to get ‘raspberries’ in his mail for a week or two after a dignified chat, and so is a comedian no matter how good him humor. No, you can’t keep them all happy: there are too different types of minds. No one program, joke or song can satisfy them all at once. Their minds change hourly.

Just be friendly. Be sincere. Do your best to be natural. Don’t talk over their heads. Be one of the crowd. Be inspirational and informal. Look upon the audience as just a bunch of folks; greet them with a ‘howdy,’ which, of course the city announcer translates into “Good evening, ladies and gentlemen of the radio audience. Don’t be ‘hifalutin.’” Then go ahead. If 100,000 are listening out of 5,000,000 you have a big audience compared to what the barkers formally had in a lifetime on the road.41

It is not clear whether Dunlap believes in the accuracy of this characterization of the listening public, or whether he is actually making a cynical commentary on the elitism of network executives and the radio business in general. However, given Dunlap’s background in advertising, and his later position as RCA Vice President in charge of Advertising and Publicity in 1947,42 it seems that—whether he believed in the characterization or not—Dunlap was willing to play the game. This characterization of a moody, fickle, and shallow public clearly contrasted with British assumptions about listeners. In line with that construction, networks and stations continued to answer complaints about the proliferation of popular entertainment programs and direct

41 Ibid.
advertising with claims that they were only giving the people what they wanted, as
demonstrated through listener surveys. RCA/NBC reasoned that listeners responded to
formulaic comedies, dramatic thrillers, and musical variety programs, so that was what
they were getting. They also did not seem to mind the advertising chats about products.

This chapter has provided a glimpse into the process of hegemony, or the
construction of consent. As Marx, Engels, and Gramsci recognized, private corporations
secure and maintain popular consent by constructing their control as serving universal
interests. With the ideological support of the Department of Commerce, RCA fostered
consent for corporate control of broadcasting by arguing that the market, and not the
federal government, was best equipped to respond to listener demand. Listener demand,
in turn, was equated with democracy. Despite reformist challenges to that
construction—which drew attention to private censorship, excessive commercialization,
and the British alternative—the RCA/NBC model of private control gained the support of
Congress.

This chapter has suggested that by delegating editorial discretion to radio
corporations and local commercial broadcasters, government officials projected the sense
that the United States’ airwaves were free of censorship. Through delegation, they
secured what legal commentator Matthew Spitzer (1996) calls the broadcaster—politician
deal: monopoly protection for broadcasters and quid pro quo for politicians. As Rosen
chronicles, Franklin Roosevelt, in particular, benefited from this arrangement with almost
uninhibited access to the airwaves. This access explains his unwillingness to intervene in
the commercial structure of broadcasting.
Overall, this study of the claims that legitimated corporate control of broadcasting demonstrates a clear shift: at first broadcasters argued that the masses wanted high culture; a few years later, they wanted low brow entertainment. Yet, what the masses were assumed to want was more about what broadcasters wanted. At first, they wanted control of the airwaves, which had to be justified in terms of the public interest. Programming was used to justify that control. After 1928, programming became manufactured like any industrialized capitalist product—standardized through economies of scale to reduce costs and maximize return on investment. As long as the industry could demonstrate that the masses listened, then they could also claim that they continued to give the listeners what they wanted. In chapter 3, we will examine how RCA/NBC justified monopoly-like control of the national airwaves in the 1930s and 1940s.
CHAPTER 3
EXTENDING PROGRAM SERVICE TO THE NATION:
RCA AS PUBLIC TRUST, 1932-1951

If broadcasting is to remain a private industry, it must be operated as a public trust.
—National Economic and Social Planning Association (NESPA), National Policy for Radio Broadcasting, 1940.

Well, the Radio Corporation of America did for television in the United States what the British government did for the people of England. We have spent as much money in developing television in the United States as the British treasury made available to the British Broadcasting Co. They had one station and we have one station... I should say if the FCC had shown the same initiative and the same decision and determination with respect to television in Great Britain you would be further ahead in the United States.
—RCA President David Sarnoff, testimony during the "Development of Television" Senate hearings, 1940.

The preceding chapter examined how RCA justified control of broadcast service in the 1920s and early 1930s. Now we consider those consent-building efforts into the late 1930s—early 1950s. To do so, this chapter is organized into two main sections. The first section begins with a review of RCA's corporate expansion in the 1930s, discussing how government policy promoted and sometimes hindered those efforts. The section then examines RCA's publicity booklet, Broadcasting in the Public Interest (1939) in relation to FCC and Senate interpretations of RCA's activities. The FCC's Report on Chain Broadcasting (1941), the Senate "Development of Television" hearings (1940), and the National Economic and Social Planning Association's study, National Policy for Radio Broadcasting (1940), each provide a glimpse into the economic growth, anti-trust, and public utility assumptions that impacted how RCA constructed a good trust image.
The second section of the chapter then shifts to a discussion of post-war broadcast policy, beginning with the FCC's *Public Service for Broadcast Licensees* (also known as the *Blue Book*, 1946). The balance-wheel mandate of the Blue Book, along with free press and anti-trust policy of the post-war period, shaped RCA's construction of network television from 1948-1951. Broadcast historians (Boddy 1991, Kepley 1990, Spigel 1992) have described the key role of Pat Weaver, NBC's Vice President of Television Programming, in developing live and spectacular programming to promote RCA receiver sales and to attract affiliate stations, and in promoting the cultural and educational programming of Operation Frontal Lobes. This chapter builds on those explanations by further considering the Master Plan and Operation Frontal Lobes in the deep context of public interest mandates. NBC officials emphasized the vast technological potential of television as a communications medium that would connect the world. But they also contended that that potential could only be tapped if viewers were watching. NBC then argued that it would use entertainment programming to attract a mass audience. Thus, after having established a structure and regular viewership, the network would ostensibly do its balance-wheel duty by intermittently slipping cultural and educational programs into the primetime lineup. Through these efforts officials constructed NBC as a good trust. Upon final analysis, it appears that RCA/NBC gained consent because government officials also wanted access to mass audiences and bought the argument that the only way to attract the masses was with entertainment programs. Also, like CBS, ABC, Dumont, and local stations, RCA/NBC maintained private control of the airwaves through free speech/free press claims.
The Trust Context: A Review

As described in chapter 1, scholarship in critical legal studies, radical political economy, commonwealth history, and political sociology have helped us to see through Liberalism’s public/private divide to the deep links between public and private power. Beginning in the sixteenth century, British monarchs delegated power and privilege, through letters patent, to private groups and individuals. Because of their risk-taking and effort, it was assumed that certain private companies could be authorized to perform activities that would bring abundance to the whole nation. Private privilege was linked to the public good. In the early seventeenth century, however, Parliament’s Statute on Monopolies mandated that incorporation and exclusive privileges be reserved for special cases. It is in that reformist tradition, from Adam Smith’s exceptions to the Supreme Court’s “Rule of Reason,” that legislatures and courts have conceptualized monopolies and cartel associations as exceptions to a presumed free market, equal opportunity rule. Specifically, since the early twentieth century, patents, public utility franchises and certain types of corporate combinations and trade associations have all been sanctioned as legitimate forms of market control. Turn of the century antitrust law also differentiated between good and bad trusts: corporate combinations were considered good trusts when they used the efficiencies produced by economies of scale to benefit consumers; when they achieved a dominant market position through sanctioned business tactics; and when they served national security interests.

As discussed in chapter 2, this trust context helps to explain corporate control of wireless and broadcast communications in post-World War I America. First, after World
War I, the nation's wireless infrastructure could have remained under government control, managed by the Navy or by the Post Office. Instead, however, the infrastructure was turned over to the Radio Corporation of America, a newly formed subsidiary of General Electric. Drawing on classic exception to the rule rhetoric, the formation of a private American-based company was justified in terms of national security; publicity materials also emphasized the risk-taking, initiative, and savvy of GE and RCA's executives. Second, throughout the 1920s, RCA's control began to extend into broadcasting, with the Department of Commerce granting RCA and its patent pool partners the most coveted space on the airwaves. Once again, the airwaves could have been managed by the government; instead, RCA and other well-capitalized local stations drew on trustee rhetoric to contend that they were most capable of delivering democratizing cultural privilege. In responding to consumer demand, RCA gave the people what they wanted.

RCA's Expansion and Government Policy, 1926-1941

From 1926 until 1941, RCA used various strategies to control communication markets. In 1926 RCA incorporated the National Broadcasting Company to connect its broadcast stations and to foster sales of its receivers. Through the economies of scale provided by national networking, sale of advertising time also became a primary source of revenue for the company. Next, in 1928, RCA formed the Radiomarine Company to manage its marine radio station operations, established RCA Phonograph, and acquired significant interest in Keith-Orpheum Corporation to develop equipment for sound motion pictures. In 1929, RCA transferred its radio communication services to a newly
incorporated subsidiary, RCA Communications, and gained control of the Victor Talking Machine Company. In 1935, RCA formed RCA Manufacturing, and in 1942, that subsidiary merged with the parent company to become RCA Victor Division. This division began manufacturing RCA television transmitters and receivers in 1940.43

Government policy both facilitated and thwarted RCA's expansion efforts. For example, the federal government awarded defense contracts to RCA's Radiomarine and Communications subsidiaries, which dominated international communications. On the other hand, RCA had to fend off antitrust challenges and to fight for legislation that would maintain commercial control of the airwaves. Specifically, in 1930, the Department of Justice's Antitrust Division sued RCA, General Electric, and Westinghouse for violation of the Sherman Act. The DOJ claimed that the patent agreements and interlocking relationships between the three companies were illegal restraints of trade. Under the patent agreements of 1919-21, Westinghouse and General Electric owned RCA stock and used the company to distribute and market their radio receiver sets. Yet, throughout the 1920s, small manufacturers regularly challenged the patent pool control of radio receiver manufacturing. Once threatened by the Department of Justice's suit, the companies agreed to new arrangements in order to avoid a trial and a possible guilty sentence (the Radio Act specified that no group found guilty of monopolizing by a court could be a licensee). The Consent Decree of 1932 essentially disentangled the interlocking relationships between the companies, with RCA becoming an independent company.44

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43 See Moody's Industrial Reports, published yearly.
44 As was revealed eight years later, two former senators lobbied for the administration's approval of these new arrangements.
After the Decree, RCA acquired manufacturing patents and facilities from Westinghouse and General Electric, with those new operations housed in RCA Victor. According to the new arrangements, RCA now owned all patents; other manufacturers then paid royalties to RCA for use of those patents. Thus, the closed patent pool of the 1920s was replaced with an open pool controlled by RCA. Any manufacturer could use the patent as long as a royalty was paid to RCA. The only stipulation was that Westinghouse and General Electric stay out of the manufacturing market for two years, which would give RCA Victor a chance (Bamouw 1966, Sobel 1986).

Another challenge to RCA’s dominance came on the broadcast front. Because of NBC’s importance as RCA’s only consistent source of profit during the early Depression years, RCA President David Samoff, NBC lobbyist Frank Russell, the National Association of Broadcasters, and many other industry representatives fought to solidify commercial control of the broadcast infrastructure. To do so, they had to squelch the efforts of broadcast reformers. From 1930-1935 reformers from the National Committee on Education by Radio (NCER), the ACLU Radio Committee, and the Paulists advocated that a percentage of the airwaves be reserved for nonprofit educational, civic, and religious groups. Through their government influence, broadcast industry representatives were able to stall any in-depth studies of broadcast policy and airwave allocation. Finally, after losing a licensing battle for Paulist station WLWL, the Paulist’s Father Harney offered an amendment to a new Senate bill. Sponsored by Senators Wagner and Hatfield, the amendment would guarantee that 25% of the airwaves to nonprofits.
that amendment was defeated, reformers’ last hope was with a FCC study authorized by Section 307 of the new Communications Act. In February 1935, the FCC rejected the need for reserving a percentage of the airwaves for non-commercial use. RCA and commercial broadcasters effectively controlled the airwaves (McChesney 1993).

After 1935, challenges to network control of broadcasting followed a more general shift in the Roosevelt Administration’s New Deal strategies. In 1933, under the National Industrial Recovery Act, Congress authorized the creation of the National Recovery Administration (NRA). To promote economic recovery, the NRA was granted the power to coordinate industries and to promote fair competition through price stabilization. However, after the Supreme Court ruled the National Recovery Administration unconstitutional in 1935, the Administration shifted its focus to antitrust action. Although government continued to promote industrial planning and competitive cooperation, the antitrust investigations of the Federal Trade Commission, Attorney General Thurman Arnold, and the Department of Justice, along with hearings of the Temporary National Economic Committee, took a more prominent place. It was assumed that antitrust efforts would restore economic opportunity and revive a self-regulating competitive economy (Freyer 1992, Peritz 1996). The Federal Communications Commission also shifted towards antitrust policy, as it began an investigation of network-station contractual ties.

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45 At the height of the stock market frenzy of 1929, RCA stock sold for $572. One year later, the price had dropped to $50. In 1931, RCA stock was valued at $10 a share (Sobel 1986).
46 The Roosevelt Administration was not particularly responsive to the broadcast movement, partly because commercial broadcasters support of New Deal efforts, and because of Roosevelt’s own use of the commercial airwaves to rally support for his programs. Disillusioned by the commercialization of the airwaves, various political leaders such as Josephus Daniels, the Ambassador to Mexico and ex-Secretary of the Navy, encouraged the President to consider nationalization of the airwaves for security purposes. Yet, as discussed above, by 1934 Congress reaffirmed commercial control of the airwaves (McChesney 1993).
As the FCC began to investigate the networks and their contractual ties to stations, NBC issued a publicity booklet entitled *Broadcasting in the Public Interest*. The following section offers a short discussion of the good trust image NBC sought to project in that booklet. The next two subsections will then discuss the good/bad trust assumptions of the FCC's *Report on Chain Broadcasting* and the "Development of Television" hearings. Finally the section will examine the public utility proposals of the NESPA's *National Policy for Radio Broadcasting*. Together, these documents demonstrate that RCA's trust-like control of network broadcasting was evaluated through the lens of antitrust/competition and public utility policies. First we turn to RCA's justification for network control.

**Good Trust, Bad Trust**

*Broadcasting in the Public Interest: The Network Story*

In 1939, as the FCC began its investigations of chain broadcasting, NBC issued a publicity pamphlet entitled *Broadcasting in the Public Interest*.\(^{47}\) The pamphlet was organized into four parts: Part I established NBC as a pioneer in public service; Part II discussed the social responsibilities of NBC and the formation of the NBC Advisory Council; Part III outlined NBC policies and standards; and Part IV detailed NBC

\(^{47}\) National Broadcasting Company, Inc., *Broadcasting in the Public Interest*, NBC Library, Programming Policies 1934-1945, NBC Records, Box 200, Folder 2. All subsequent page references will be in parenthetical citations.
programs. An appendix also described NBC sustaining programs. Working together, these sections projected the image of NBC as a good trust that fostered democracy. This image would help NBC counter antitrust and regulatory efforts. The following discussion focuses on Parts I and II.

Part I established NBC’s official story of broadcasting, spanning from prophesy to democratic realization. First, the narrative positioned David Sarnoff as radio’s visionary, RCA as the product of government-industry cooperation in the name of the national interest, and RCA as a broadcast pioneer. Second, the narrative explained that after station KDKA’s broadcast of election returns captured the public imagination, stations had a dilemma. Without a regular source of revenue, stations could not effectively respond to public demand for quality talent, transmission, and reception. Thus, after five years of development, broadcasting was at a crossroads: radio would either be supported through private enterprise (advertising) or by government subsidy (a tax on receivers). Chapter II of Part I opened with a solution to that problem: “fortunately for the United States, the democratic answer for the broadcasting program problem was found by private enterprise.” Because private enterprise sought to respond to consumer demand, it provided the only real democratic solution to the problem. The booklet thus equated democracy with giving the people what they demand.

To make the case that private enterprise offered the democratic answer, the booklet reprinted the RCA’s 1926 announcement of the formation of NBC. As discussed in chapter 2, that announcement positioned NBC in classic free market terms, as the self-interested producer perfectly positioned to respond to consumer demand, but also with the
recognition that radio was a public good that needed the guidance of an Advisory Council.

After describing the announcement, the 1939 booklet configured the story differently—by including a paragraph that further conceptualized all RCA’s efforts as demand-driven:

As soon as RCA’s formation of a national broadcasting company was announced independent station owners, local civic organizations and community leaders from every section of the United States wrote, telephoned, or called in person to ascertain how soon network programs would be brought to their communities.

(13)

Civic and community leaders also demanded programming from the network. In fact, as the narrative explained, demand was so great that NBC soon introduced a second network.

The booklet represented the network system as natural and perfectly logical solution to the broadcasting dilemma. Network broadcasting was built upon a “triangle of mutual interest,” with NBC serving the public, local station owners, and advertisers:

To the public, the network brought a new world of ideas, of music, of enjoyment centered in the home. It turned the page to a new chapter of America’s social history. For the owner of a local station, the network provided programs—both commercial and sustaining—of a quality he could not individually afford, and with talent not physically accessible to his station. It brought him revenue from national as well as local commercial programs. To the advertiser, the network furnished a large circulation spread over a wide area. Such circulation justified, over and above the cost of station time, the talent expense of high-quality programs. Upon this triangle of mutual interest, the present structure of American network broadcasting, free to the public, was built. Upon it has grown a billion dollar industry, furnishing employment to hundreds of thousands of men and women, and providing the finest broadcasting program service in the world. (14).

In this triangle of mutual interest, NBC was positioned at the center. In contrast, the 1926 ad presented the network solution as in the self-interests of radio manufacturers. Now the radio manufacturers’ interests were left out of the triangle and NBC comes across as
disinterested servant of other interests. Advertisers became the economic supporters of
the system; the growth of a new industry brought employment opportunities to the nation.

The final section of Part I, entitled “Network Structure,” implicitly responded to
claims that NBC has monopoly control over stations. The opening section asserted that
NBC has concentrated primarily on offering the best program service, and not on
ownership or control of stations. Rather, “to help create a true democracy of the air,
NBC has sought to preserve the individuality which characterizes every station’s
approach to its own audience” (15). Stations were not owned or controlled; rather, they
were connected with the network through a voluntary two-way contract that ensured local
autonomy; NBC merely supplied program service to the station with which it contracts.
Once again the point is made that this is a program service beyond the financial reach of
an individual station. Yet, because national service is so expensive, NBC has to offset
the expenses with revenue from the sale of time to national advertisers, who want specific
time. This is why NBC has to reserve certain hours of the evening and day for national
advertisers.

Part II discussed the social responsibility of radio, describing NBC’s commitment
to a “democracy of the air”:

In its early vision of network broadcast programs, NBC set its course toward the
maintenance of a democracy of the air, the same ideal which has actuated its
relations with all affiliated stations. So long as their demands are within the
bounds of fairness and decency, the Company strives to fulfill them. For, as
David Sarnoff said recently, ‘Radio has never been an esoteric art. It has never
dwelt in an ivory tower. It is of the people, by the people, for the people.’ (18)

In this passage, NBC once again equated democracy with consumer demand, and linked
that idea with Abraham Lincoln’s famous definition of democracy: that which is “of the
people, by the people, for the people.” Yet, with the phrase “so long as their demands are within the bounds of fairness and decency,” NBC aligned its exclusion policy with the precepts of current free speech regulation. Also, NBC espoused the classic liberty principle by explaining that a democracy of the air necessitated prohibitions as well as rights: as NBC put it, “It has been said that one man’s rights stop where another man’s rights begin”(22). Thus, NBC would broadcast no material that clearly infringed on another’s rights. As described in chapter three, this assumption was also used to reject “special interest” programming.

The second section of Part II discussed broadcasting in relation to law. It opened by asserting that while few of the social responsibilities of broadcasters have been specified in law; still, the broadcaster was beholden to the laws that govern all citizens. With this formulation, the section asserted its assumption that the Federal Communications Commission’s powers were limited to technical concerns. NBC quoted the following passage from the Communications Act to underscore that claim:

Nothing in this Act shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication. (23)

This passage, NBC suggested, clearly limited government regulation to the technical aspects of broadcasting, and not content. Regulation of content would be censorship. Given the rise of totalitarian regimes across Europe in the late 1930s, the other essential element of this argument was an implicit contrast between the propaganda machines of

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48 The pamphlet likely paraphrases John Stewart Mill’s *On Liberty* (1859).
totalitarian governments and the fundamental freedom of speech of American democracy (Schiller 1981, McChesney 1993). In the logic of the booklet, because commercial broadcasters were not government, they were the necessary protectors of free speech. Thus, in the late 1930s, after they had benefited from a decade of regulation, NBC positioned itself as the manifestation of free speech and a free market.

Report on Chain Broadcasting and FCC v. Sanders Brothers: The Public Interest Value of Free Competition

NBC's booklet, Broadcasting in the Public Interest, was designed as a rebuttal to the FCC's investigation into contractual relationships between networks and stations, which began in May 1938. As the FCC conducted hearings throughout 1939, NBC continued to stress the themes discussed above. The FCC released its exhaustive report in 1941. The Report on Chain Broadcasting established that NBC and CBS dominated the industry and that they would continue to do so unless exclusive contractual obligations were outlawed. This section will focus on Part VI of the report, which offered the most explicit statement of the public interest value of promoting competition in the broadcast industry.49

The FCC opened Part VII with a quote from *FCC v. Sanders Brothers Radio Station* (1940), in which the Supreme Court declared that field of broadcasting was one of free competition:

The Communications Act "recognizes that the field of broadcasting is one of free competition." In certain other industries, such as railroads, telephones, and bituminous coal, where competition has not been effective in protecting the public interest, Congress has substituted detailed governmental control of rates, prices, finances, or other matters for the principle of free competition.51

In the telephone, railroad, and coal industries Congress had to substitute government control for free competition in order to protect the public interest. Broadcasting, however, fell under the general laws of interstate commerce. In general, "it has long been a basic hypothesis of the American system that competition in a free market best protects the public interest" (46). Given the goal of securing equality of opportunity, the Court explained, the Sherman Act outlawed monopolies and combinations in restraint of trade.

In line with the assumptions of free competition, the FCC explained that competitive opportunity would best serve the interests of the listening public. The FCC noted that NBC claimed that because physical factors already barred free competition in broadcasting, "members of the industry should be permitted to erect contractual barriers against any competition." The FCC, however, interpreted the situation in an opposite manner "the very fact that in the broadcast industry competition is restricted renders it all the more imperative that competition be not throttled by restrictive agreements." Citing its *re Spartanburg Advertising Co* decision, the FCC explained how competition between

50 309 U.S. 470.
stations in the same community, to attract listeners and advertisers, worked to improve the quality of program service. Similarly, competition among networks for station outlets "provides incentive to improve and expand the programs, both sustaining and commercial, which they offer to the public" (49). Competition among stations for network access will also stimulate improved quality. Restrictive long-term contracts obstruct the possibility of competition.

The FCC explained that in the early years, NBC boasted that it held stations together by the superiority of its programs and listener demand. However, once the Mutual network began to compete with NBC and CBS for affiliate stations, NBC "removed its stations from competition through 5-year exclusive contracts..." The FCC claimed that both NBC and CBS "urge that they deserve a kind of protected status because of their pioneering and their 'first comer' position." This contention is similar to an argument rejected in FCC v. Sanders Bros., when it was urged that the FCC consider the issue of economic loss to an existing station before it authorized the construction of a new station. But, if the FCC did consider economic loss as a reason for refusal, the Commission would essentially be granting a monopoly. The FCC elaborated its position:

We are not aware that existing networks entered the field believing that they had exclusive franchises; nor are we aware that the networks have accepted the duties customarily associated with such franchises. So far as 'preserving the fruits of enterprise' is concerned, we note that NBC and CBS are not immature enterprises, which having invested heavily in preliminary exploration, are now about to enjoy the fruits of their investment. Both have reaped, and reaped richly, almost since the time of their foundation. When the tremendous returns on investment which each has received, amounting in 1938 alone to 80 percent of the investment in tangible property in the case of NBC and 71 percent in the case of CBS, are pointed out, both defend such rates of return by insisting that
networks are service industries in which profits are not a function of investment. They can hardly argue simultaneously that their investment, already returned many times over, is an essential element in radiobroadcasting which deserves to be protected with monopolistic rights. (50)

In this passage the FCC recognized that NBC and CBS attempted to have it both ways. On one hand, the station was trying to present itself in patent terms—as an enterprise that had taken risks and needed government protection of its investment and effort. Yet the FCC pointed out that because of their monopolistic standing, stations generate vast returns from the very beginning. Through this explanation, the FCC suggests that it did not grant licenses in order to protect investments, as was the purpose of patents or first-comer rights. Instead, the FCC granted a license in order to ensure that listeners received service free from technical interference, and up to specific public interest standards.


While the FCC grounded its approach in antitrust policy, the National Economic and Social Planning Association (NESPA) offered another solution to the problem of network control. In 1934, a group of business leaders, government officials, and scholars dissatisfied with the efforts of Roosevelt and the National Recovery Administration, incorporated as a voluntary organization. Once the Supreme Court ruled the NRA unconstitutional in 1935, NESPA became a leading voice for economic planning in line with the theories of John Maynard Keynes (1936). The group advocated long-term government policies that would advance economic growth while maintaining civil
liberties and democracy. Their recommendations for a national radio policy, presented in National Policy for Radio Broadcasting, clearly expressed these concerns.

The first five sections of the NESPA’s report identified core problems with the structure and program content of American radio broadcasting. The final section offered policy recommendations. Overall, NESPA found that the broadcasting had developed in a chaotic, unplanned manner:

The present system of broadcasting in the United States, instead of reflecting a nationally designed pattern, is the resultant of a rapid, unplanned development. Governmental controls for radio have not tended to give much recognition to radio’s potentialities as a social force. (1)

With little funding, and under great pressure from powerful interests, the FCC had focused on technical matters and expediency. Now NESPA now called on government to institute policies that recognized radio’s potential as a social force. While the industry still claimed that the problem of “laying good tracks for radio reception into every home in the country [was] so far from solved as to constitute the paramount issue facing broadcasting,” NESPA saw the problems as social and economic.

In Part V, NESPA challenged the industry’s “freedom of the air” arguments. The Committee claimed that the public was far from free: broadcasters’ capitalist class bias resulted in their own forms of censorship:

The great controversial subjects today deal not with religion, not with politics, but with economics. The traditional safeguards of speech and of the press and of the air are not adapted to protecting the right to freedom of expression in regard to economic or social conditions, where these are not directly related to politics. For instance, discussions of working conditions, inadequate housing, or the poor

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52 The National Planning Association at Work: Six Decades of Providing Solutions to America’s Changes, (Washington, D.C: NPA, 1995). All subsequent page references will be in parenthetical citations.
health of a section of the population in a particular area may be considered undesirable by dominant economic interests which exert pressure to see that such topics are not made the subject of broadcasts. The would-be speaker on such subjects may be kept of the air unless he is a legally qualified candidate for public office whose opponent also has been granted the opportunity to speak. Under such circumstances, matters of great social significance may not be presented to the public unless they are issues in a political campaign.

The opportunity to present repeatedly a point of view on the radio has depended to a large extent upon the ability to buy time. Hence the groups with most financial resources are ones whose views have been heard; the others have remained silent. This might still be true even if no time at all were sold for controversial subjects. The major networks and the members of the NAB may state their unwillingness to sell time for the discussion of controversies, but some economic interests can find ways of circumventing these restrictions. An example of this is the series of transcriptions prepared and distributed by a national manufacturers' association. Ostensibly a dramatic series, they definitely propagandized big industry. (205)

With these two paragraphs, NESPA offered its boldest criticism of the “freedom of the air” argument. One on hand, dominant economic interests pressure networks to ensure that controversial perspectives are not the subject of broadcasts. On the other hand, those dominant economic interests circumvent those restrictions by buying time in which they can present their propaganda as uncontroversial dramatic series. To support that claim, NESPA cited a 1939 Senate Report that listed programs created or sponsored by the National Association of Manufacturers.

In Part VI, “Toward a National Policy for Radio Broadcasting,” NESPA began by establishing the requirements for a national broadcasting system. Radio broadcasting was not just an industry—it was a core social institution. Policy thus had to be designed to address social responsibility and program content. NESPA explained that with the spread of totalitarianism in other nations, “questions of free speech and adequate representation of divergent points of view become of vital significance in the United States” (252).
While the commercial broadcast industry had positioned itself as the protector of freedom of speech on the air, NESPA advocated policy that would enable dissident opinions to be heard. This service had to be available to all Americans, and to offer real variety. If, as the FCC claimed, radio broadcasters were not to be regarded as common carriers, then they also must accept responsibilities that went beyond those of a common carrier. Furthermore, broadcasting could not be a by-product of other commercial endeavors: broadcasters must be willing to lead and to experiment. The existing system, NESPA found, was guided by competition that settled for the middle range of public taste rather than taking risks. Existing public policy still focused on local service rather than requiring the true national service that NESPA most valued.

In the final chapter of the book, NESPA offered its public policy recommendations. NESPA made five core points: (1) network systems should be the basis of American broadcasting; (2) networks must offer a truly national service by subsidizing stations in less concentrated areas; (3) stations should provided general interest program service; (4) responsibility for what goes on the air rested on broadcasters, not advertisers or manufacturers; and (5) government action must be positive. In sum, broadcasters were called to offer a general service that served all citizens:

In a democracy it is sound public policy to get wide discussion of controversial issues, with the fairest possible treatment accorded all sides. Anything which prevents such a condition is not in the public interest. If a broadcaster is content to follow the line of least resistance, give prominence to trivialities, and evade or ignore important subjects and points of view which happen to be unpopular in some quarters, other safeguards must be sought in the industry and elsewhere. (272)
In NESPA's estimation, broadcasters had powers of initiation, exclusion, and presentation. NESPA put the burden on broadcasters to base their programming decisions primarily on social responsibility. As NESPA stated earlier in Part VI:

"The public has the right to expect broadcasting to be something more than the mouthpiece for special interests. Those who are entrusted with the privilege of operating a broadcasting station are under compulsion to fulfill that trust." (274)

Here, NESPA exposed the underlying trust logic of broadcast policy. Because of that position of privilege, NESPA advocated regulating networks as if they were national public utilities of a new kind:

"Radio broadcasting is a public utility of a new sort! Officially the view continues to prevail that broadcasting is not a public utility because as a new institution it does not fit the old formulas. Moreover, as a new and dynamic social institution, it is not to be expected that traditional concepts of natural monopoly and inherent public necessity could be applied to it by anything short of a process of legal rationalization." (274)

Thus, NESPA advocated positive government action that conceptualized broadcasting a public utility and civic discussion as a public good. In their capacities as public utilities "of a new sort," networks were called to offer programming that offered universal service that included public discussion.

Development of Television Senate Hearings

As the FCC investigated chain broadcasting and offered its policy proposal, RCA and other manufacturers were seeking to win control another front: television. Throughout the 1930s and 1940s, RCA, CBS, and other radio manufacturers such as Zenith, Philco, and DuMont backed the development of television technology. While RCA focused its energies on patenting and promoting a monochrome set that received
VHF frequencies, Zenith and other manufacturers designed sets for UHF broadcast frequencies, and CBS focused on the development of color UHF television (Sobel 1986). In spring 1940 FCC Chairman James Fly and RCA Chairman David Sarnoff testified at the Senate hearings on the “Development of Television.” The following section will describe those hearings and the contrasting rationales of Fly and Sarnoff. While Fly espoused the FCC’s competition policy, Sarnoff positioned RCA as a good trust thwarted by FCC missteps. If the nation was to benefit and compete with other nations, television program service had to be entrusted to RCA.

The “Development of Television” hearings took place before the Senate Interstate Commerce Committee. 53 Senator Ernest Lundeen (R-MN) called for the hearings after the FCC rescinded a February 1940 order authorizing the limited development of commercial television broadcasting. In an address that was broadcast on NBC and Mutual radio networks on April 6, 1940, Senator Lundeen expressed his shock upon reading an Advertising Age story about the slowdown in television marketing. Lundeen then explained that he felt it his duty, as a member of the Interstate Commerce Committee, to review the situation.

Lundeen found that after extensive hearings, the FCC issued its first order on February 29. That order was followed by an increase in the production and marketing of television receiver sets. Lundeen then stressed that after almost a month of production and promotional efforts, and without any hearings, the FCC rescinded its order pending

53 U. S. Congress. Senate, Committee on Interstate Commerce, Hearings: The Development of Television, 76th Cong., 3rd sess., 10—11 April 1940. All subsequent page references will be in parenthetical citations.
April hearings. He cited Broadcasting magazine's claim that the negligent action jeopardized 1,000 employees of one company alone, that had already spent 10 million dollars on television development. Lundeen found that the only explanation given by the FCC was concern about the marketing campaign of one of the set manufacturers. Because, in Lundeen's estimation, Congress granted no power to the FCC to regulate marketing of receiver sets, the Commission had overstepped its authority. As a result, the FCC was strangling a new industry and hurting the nation.

The Interstate Commerce Committee hearings on the Development of Television were held April 8-10, 1940, with FCC Chairman James Fly and RCA President David Sarnoff called on to testify. In a series of responses to the senators' questions, Fly explained how the FCC's actions were a clear application of their jurisdiction and policy. The FCC was not attempting to regulate advertising or receiver production; rather, the Commission sought to promote competition that would benefit the public. The FCC reasoned that a universal receiver, which could pick up the signals of any transmitter, would enable the public to experiment with different broadcast systems. While Philco and several other manufacturers were in the process of developing those types of receivers, the RCA receiver only picked up the signals of its own transmitters. The FCC feared that if it allowed RCA to continue with its aggressive marketing activities, the public would become locked into one system without the opportunity to experiment with others. Thus, on March 22, two days after RCA published a full-page advertisement in newspapers around the country, the FCC ordered a rehearing.
Senator Shipstead (R-MN) asked Fly to further detail the steps that the FCC had taken. Fly first described the intent behind the February 29 order, stressing its cautious and tentative language. Fly admitted that the FCC had misjudged the situation—even with all the warnings, and after begging the industry not to fix standards, RCA went ahead with an intensive sales campaign anyway. As Fly summed up, “I must say we misjudged the situation, because within 3 weeks—well, came the blitzkrieg.” Various sources had forwarded evidence of RCA’s marketing campaign to the FCC. Senator Joseph Hill (D-AL) then referenced RCA’s full-page advertisement in the New York Herald, asking Fly if that is what he had in mind.

Senator Hill read the headline, described pictures of receiver sets, and quoted the following passage from the RCA advertisement:

It is now possible for the Radio Corporation of America to announce extension of its plans, to provide, first, a regular television program service in the New York area; second, the offering to the public of receiving sets at moderate prices within the reach of the average American family; and third, the initial step in the construction of a television radio relay system as a means of interconnecting television transmitters for simultaneous service to and from other communities.

(19)

When questioned again, Fly apologized for using the term “blitzkrieg” to describe this RCA ad campaign. Yet, as he would clarify later in the hearings, Fly thought that consumers should be better informed about what they were buying. The ad, in other words, did not mention that this was an experimental service only offered several hours a day, that the sets might be quickly rendered obsolete, and that they could only receive signals from RCA transmitters. (see next page)
A Statement by
The Radio Corporation of America on

TELEVISION
for the Home!

RADIO CORPORATION OF AMERICA

Thrilling Shows and Plays
Dazzling Spectacles
Money-Making Products
New Ideas
RCA President David Sarnoff opened his testimony with a long statement intended to counter the FCC's view. In sum, for over ten years, "the Radio Corporation of America has invested more than $10,000,000 in research, development, experimentation, patents, field tests, and annual program service." Sarnoff described RCA's research achievements:

The television research achievements by the Radio Corporation of America to date have been set forth publicly in 229 papers and reports to scientific societies, 671 additional technical reports, and 2 major textbooks, a total of approximately a thousand engineering studies. We believe that, far from retarding the achievement of higher standards of television transmission, the Radio Corporation of America has done more to develop television standards than any other organization in the United States. (34)

With this account, Sarnoff suggested that because RCA had done more than any other organization, no one was in a better position to lead the industry than RCA. Sarnoff went on to propose that the public interest would be better served by shifting the focus of research toward "the methods that would extend television service to as many homes as possible." Thus, rather than continue to linger on minor technical improvements that could only be enjoyed by a few, the time had come to settle on a standard and expand service.

One of the recurring topics of the hearings was how the development of American television compared to the British system, which was organized as a government-owned monopoly. After refuting claims that his company intended to flood the market with receivers, Sarnoff asked if he could comment on two items that had been discussed that morning. Sarnoff explained that he visited England every year to study their developments in television. He found that although they may not be ahead of the United
States technically, England was ahead on the level of practical application. However, the United States now has “the opportunity to overtake them in actual service.” After making that statement, the Chairman interrupted Sarnoff with the following question:

Why as it that England went ahead of us? That would seem to confirm what the Senator from Minnesota said a few minutes ago, and I have always supported that under private initiative this country would go ahead better than under a Government-owned monopoly. (47)

The Chairman’s question referred to a statement made earlier by an exasperated Lundeen (“the Senator from Minnesota”). Lundeen declared that he was to the point of favoring a government monopoly because the existing system of regulation by “little Government bureaus” was paralyzing the country and not helping to create jobs for 12 million unemployed Americans. Thus, Lundeen suggested that a government monopoly would put Americans to work. In response to the Chairman’s question about why a government monopoly has surpassed private initiative, Sarnoff explained that every rule had its exception, and in this case the government-owned British Broadcasting System appointed a committee and spent a year studying options. They then made up their mind and adopted a system as their standard.

After explaining the British system, Sarnoff declared that in the United States RCA has done for television what the British government is doing for the people of England. However, he asserted that the FCC is strangling these efforts:

Well, the Radio Corporation of America did for television in the United States what the British government did for the people of England. We have spent as much money in developing television in the United States as the British treasury made available to the British Broadcasting Co. They had one station and we have one station. They went ahead with their system until the war overtook them.
I should say if the FCC had shown the same initiative and the same decision and determination with respect to television in Great Britain you would be further ahead in the United States. (48)

With this bold statement Sarnoff represents RCA as a good trust, trying to act in the best interests of the nation, but stifled by the misguided actions of the FCC.

**Extending Network Service: Post-War Development of Television**

Testifying at the Development of Television hearings, RCA President David Sarnoff called for a shift in attention. In his estimation, the FCC needed to quickly settle on a standard (i.e., the RCA standard) so that the industry could move on to the real issue of extending program service to the whole nation. If they did not, the United States would continue to lag behind Great Britain. However, debate concerning the development of television standards and service was soon put on hold with United States' entry into World War II in late 1941. After the war, the fight over receiver standards resumed, as CBS stepped up promotion of its UHF color television while RCA was tried to sell as many of its black-and-white VHF sets as possible. Public discussion also began to address the issue of program service, as the trade and popular press quickly recognized that television production—with its sets, lighting, cameras, props, and makeup—would be much more expensive than radio, and more expensive than any single station could bear. Given that reality, it was quickly recognized that networks would play a critical role in spreading the costs of television program production.

In 1948, RCA announced its NBC-TV Master Plan, which was designed with the goal of attracting as many affiliated stations and viewers to television as possible. RCA
underwrote programming costs with the hope of sparking receiver sales and securing affiliate stations. Then, the more viewers NBC could promise its advertisers, the more it could begin to collect for program expenses (Kepley 1990). As the following section will demonstrate, NBC sought to extend program service to the whole nation, but, as with radio, not through the traditional methods of public utilities and common carriers. As a good trust, NBC could do so through the mechanisms of the market—by using economies of scale to produce and distribute programming that would attract viewers to their newly purchased television sets. Pat Weaver, Vice President of Programming, presented the argument for NBC-TV program service as follows: because communications was central to the United States, RCA and NBC’s first duty was to attract as many viewers as possible. Then, through the Operation Frontal Lobes Plan, NBC would interject civic and cultural programming into that schedule in order to uplift the nation. In essence, this argument suggested that entertainment programming would be used to bring about a greater public good. This argument suggested that NBC could be entrusted to guide the expansion of television service. Let us now turn to a discussion of the FCC’s shifting policy, as manifested in the FCC’s 1946 report, *Public Service Responsibility of Broadcast Licensees*.

**Shifting FCC Policy**

RCA constructed post-war arguments for the development of network television service in light of the latest FCC policy. Five years before, the FCC had espoused an antitrust policy. The FCC’s *Report on Chain Broadcasting* (1941) assumed that
competition between stations to attract listeners and advertisers, and between networks for station affiliation, would bring an overall improvement in the quality and variety of program service. However, when the loosening of network-affiliation contractual restraints and the sale of NBC Blue to Edward Noble proved to have little effect on programming, the FCC began to shift attention to direct intervention in programming. In 1946, the FCC issued a new report entitled *Public Responsibility of Broadcast Licensees* (later known as the "Blue Book"). With this report, as NESPA had recommended six years prior, the FCC put the burden on networks to ensure overall program balance. The following section will describe the FCC's balance wheel policy and then discuss its impact on the development of television networks.

Part I of the Blue Book documented the disparity between promises that stations made to obtain licenses and the actual programming of those stations. The FCC explained that in 1928 the Federal Radio Commission had described the ideal well-rounded program service in the following manner:

> entertainment, consisting of both classical and lighter grades, religion, education, and instruction, important public events, discussion of public questions, weather, market reports, and news and matters of interest to all members of the family.\(^{55}\)

The FCC's 1946 study, however, demonstrated that a large percentage of radio programming consisted of mostly local live programs that were either recorded popular music shows hosted by local disk jockeys or news off the AP wires, read by local

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announcer. Spot announcements were commonly piled on one another; advertisements were often blurred into the content of a program, "permitting Gabriel Heatter\textsuperscript{56} to shift without emphasis from a discussion of the war to the merits of hair tonic" and "forcing] the nation's best entertainers to act as candy butchers and debase their integrity as artists." In short, the FCC argued that no matter what stations had promised in order to obtain licenses, most programming was shaped by the needs of commerce, intended to attract mass viewers with inoffensive programs, and to sell goods with advertising excess. Stations did not offer well-rounded service.

Given the disparity between promise and performance, the FCC demanded that networks and local stations assume responsibility for programming balance by developing and scheduling more "sustaining," or unsponsored programs. The FCC still recognized that advertising had its value—as broadcasting's only source of revenue, as the tool that helped manufacturers to market their output, and as a source of consumer information about new products that enabled a higher standard of living. Yet, the Commission also saw the need to limit the amount and character of advertising and to air some programs from non-commercial sources. In demanding that networks and stations restore balance, the FCC assumed that broadcasters were capable of transcending the short-sighted interests of advertisers who destroyed overall program balance. Because of their resources, networks could provide the sustaining programs that would serve minority tastes and interests, the needs and purposes of nonprofit organizations, and enable experimentation in new types of programs.

\textsuperscript{56} A popular radio news commentator on WOR New York, a Mutual Broadcasting station.
In regulating distribution of service, and requiring that NBC subsidize noncommercial programming, the FCC found precedents in public utility and common carrier regulation. As will be demonstrated in the next section, it appears that this shift in policy shaped how NBC promoted its television network service in the years to come.

RCA also formulated its television network plan in relation to its own and others’ high-profile antitrust battles of the period. For example, in 1945, the Justice Department convicted the Aluminum Company of America (ALCOA) of monopolizing the primary ingot aluminum market. Commentators recognized this as a landmark case because Alcoa was essentially convicted of being a “good trust.” Even though the company used legal tactics to build and maintain a large market share, now high market share, in itself, qualified as illegal. The decision reversed the rule-of-reason approach. Two other cases dealt with communications and entertainment monopolies of distribution—Associated Press v. U.S. (1945) and United States v. Paramount Pictures, Inc. et al (1948). In the Paramount case, RCA’s subsidiary, RKO, was one of defendants accused on conspiring to monopolize motion exhibition, through trade practices such as block booking and formula deals. Paramount and RKO entered consent decrees in 1949 (Balio 1990).

57 United States v. Aluminum Co. of America, 148 F.2d 416, 443-44 (2d Cir. 1945) (L. Hand).
58 For a historical summary, see D.T. Armentano, Antitrust Policy: Reform or Repeal?, Policy Analysis. 18 January 1983.
The Master Plan

After the FCC’s post-war stress on balance-wheel policy, and with a new wave of antitrust prosecutions, the NBC-TV Master Plan was promoted by NBC Vice President Pat Weaver and other executives throughout 1950. A January 1950 memo conveyed the public interest essence of that plan:

It is possible that television will not develop as an advertising-supported medium, but we certainly would not admit at this time that such a development was in the public interest. For the public interest is best served by the growth of television as a complementary medium to radio, so that at all times the entire public is available to the government for emergency communications. And similarly it is in the public interest that the medium grow with true mass medium vitality, that it have as its objectives the appealing to mass circulation by appealing to people as people, and not as people with special interests. For it has been the intellectual’s misunderstanding of the true pattern of mass media which clouds the pattern and brings about charges of the medium’s failure to live up to its promises in uplifting the people. Television, like all the mass media, brings about a health upsurge in the people’s being although most of its content is devoted to complete escape reality and friction. But when television by its escape-entertainment-vitality also brings to people the informational features, the “good” things, then it brings those things to a far wider audience than would be possible without the vitality of the basic escape entertainment formula. Advertising supported television, using new patterns such as Saturday Night, can secure finds and give program control to the networks in such as way that we can achieve the mass audience appeal of escape features, without failing our public service objectives. And the latter are meaningless anyway unless the industry is operating profitably, because the first interest of the enterprise is to make money.61

In the memo, Weaver reasoned that mass circulation could only be achieved by appealing to audiences with escape-entertainment features. Through the “vitality of the basic escape entertainment formula, “ the industry would be able to turn a profit, to offer the “good things” to a wide audience, and, most importantly, build a network that ensures

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“that at all times the entire public is available to the government for emergency communications.”  

In subsequent industry speeches, Weaver stressed that television had the potential to “broaden the cultural horizons and broaden the interests of our people, broaden their understandings, and in general activate many of the latent traits that they have within them.” Weaver then reasoned that given the importance of television as communications medium, “the best interests of the public is served by the National Broadcasting Company developing a program schedule that will attract an all-set circulation.” In other words, as the January 1950 memo made clear, television's potential could only be tapped by using entertainment formulas to attract regular mass viewership.

Weaver's Operation Frontal Lobes plan intermittently slipped sustaining programs into the existing primetime entertainment schedules by pre-empting one show during a sponsor's 44-week contract. For example, an address to the Advertising Club stressed the underlying theme of universal service and the objective of attracting “all-set, all-family circulation as much of the time as possible.” To accomplish that end, NBC-TV must attend to what Weaver—drawing on military planning language—coined a “strategic planning problem.” While magazine readers can simply turn the page when they do not like the material, if viewers change the channel the network loses them. Because of the high costs of television, it must attract and retain a mass audience, not

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62 Ibid.
63 Pat Weaver, address at the Public Relations Television Seminar, 3 December 1950, “Weaver Themes,” Weaver Papers 1955, NBC Records, Box 125: Folder 37.
64 Pat Weaver, address to the Advertising Club, 15 March 1950, Weaver Themes,” Weaver Papers 1955, NBC Records, Box 125: Folder 37.
selective audiences who come and go.⁶⁵ Viewers would be targeted with structure, or what Weaver called "time association block programming strategy." They would about the supply—when and what type of programs (e.g., news at 7:45, great comedy at 8:00, great drama at 9:00), and with that sense of structure and availability, have the freedom to experiment. NBC would also have the ability to insert programs that would uplift and enlighten as many viewers as possible.

In September 1951, director of NBC’s public affairs division, Davidson Taylor, distilled Weaver’s approach into the “Horizon” campaign. According to Taylor, the most important job of NBC Television was to enlarge the horizon of viewers. Taylor continued:

But networks and stations cannot do this job alone. The job cannot be done by sustaining programs alone. The commercially sponsored television programs reach more viewers on more stations, and reach them with more power. The self interest of American industry demands that the American idea shall grow and spread. It will continue to grow and to spread if the American people learn how to live up to their position of world leadership. Television must contribute to this learning process. How pleased the Communists would be if television, with its great power to command attention, spent all its time amusing the American people, and never brought them information or made them think. Are we suggesting that commercial programs have an educational responsibility? We are. We are convinced of it. The sponsor, the advertising man, the talent agent, the public relations expert, the technical expert, the producer, the writer, the salesman, the executive, the star are all directly responsible for contributing to television’s task of education, enlightenment, stimulation, instruction—the task of pushing back the horizon, so that we as a people may see farther around us, farther into ourselves, and farther ahead.⁶⁶

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⁶⁵ Yet, in making this appeal, Weaver is careful to clarify that targeting mass circulation does not mean a “degradation of taste.”

⁶⁶ Davidson Taylor to Sylvester Weaver and Fred Wile, 11 September 1951. Weaver, 1951, NBC Records, Box 120: Folder 47.
In the face of the Communist threat, Taylor argued, it was in the self-interest of American industry to ensure that television used its great power to enlighten, stimulate, and instruct. To do so, Taylor offered three “Horizon” plans that would guarantee that the “techniques of entertainment showmanship be applied to the purposes of enlightenment.” Under Horizon Plan I, conventional public service programs (news, special events, educational, documentaries, discussions, talks, actuality, and religion) would be sponsored in order to reach maximum audience. Taylor described an agreement with Ford Foundation to develop “a program series which is educational in content, entertaining in presentation, and intended for commercial sponsorship.”67 Horizon Plans II and III (formerly Operation Frontal Lobes) required that regularly scheduled entertainment programs include enlightenment elements or that time be preempted once a season for a special enlightenment show.

In November 1951, another Sylvester Weaver memo underscored the earlier themes and NBC’s continuing commitment to the master plan. Like Taylor, Weaver grounded his argument in cold war logic:

But, the basic reason why NBC Television should continue in its present master plan, is because the next few years are going to see the battle for ideas gain momentum, with the need for a new pattern of basic convictions vital if we proceed into a long period of “cold War”, the containment of Russian aggression. Should war strike, its conduct and aftermath will require an even more important information system.68

Weaver then continued by describing how the plan would enable the “most important and effective communications and information medium possible today,” consistently reaching

67 Ibid.
almost all TV homes. Cultural and educational material would be integrated into the entertainment pattern. Weaver also described special event and news programs in lofty, utopian terms:

Special events and news pick-ups around the planet will make the viewer contemporary with his own times, living in a small town, Earthville, knowing its inhabitants, and their homes and habits their leaders and his own, just as well as a previous generation knew their home towns.\(^6\)

As a rationale for corporate control, Operation Frontal Lobes and the Horizon Enlightenment campaign contrasted the arguments that had been made by RCA and other radio manufacturers in the 1920s. In the 1920s, when AT&T, RCA, Westinghouse, and others gave the public what it wanted, it gave them opera, classical music, election results, and political speeches. It was this rhetoric that helped commercial interests win privileged control of the airwaves. Operation Frontal Lobes and the Horizon campaign contended that the public demanded entertainment first and foremost. Still, with his use of military discourse, Weaver positioned NBC within a long tradition of government-corporation cooperation in the name of national security interests. This positioning echoed argument for an American-owned wireless monopoly in 1919, and for patent sharing agreements in 1920-1. Likewise, during World War II, NBC and CBS aired countless programs in support of the war effort (what would later be recognized as government propaganda films that were packaged as news [Bernhard 1993]). Now, amidst the Cold War, Weaver and Taylor framed NBC program service as central to the communications well-being of the nation.

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\(^6\) Memorandum on NBC-TV, 12 November 1952, Weaver, 1955: Themes, NBC Records, Box 125, File 37.
This chapter began by examining the good trust image that RCA/NBC constructed as a response to challenges by the FCC and reformist groups. While both the FCC and NESPA were concerned about the private power of RCA/NBC, the FCC's antitrust vision prevailed over the more radical public utility proposals of NESPA. In concluding that RCA/NBC had behaved like a bad trust through coercive and unfair contracts, the FCC forced RCA to sell a network. Similarly, once the FCC found that RCA/NBC's television marketing strategies were misleading and detrimental to consumers, the Commission ordered that television marketing be discontinued until technical standards were established. After the war, the FCC's Blue Book asserted that networks and stations act as balance-wheels by underwriting and airing on-going sustaining programs. Whereas RCA had once had one network dedicated to entertainment programming (the Red network), and another for cultural and educational programming (the Blue network), now it was required that RCA's remaining network provide balance. With Operation Frontal Lobes and the Horizon Plan, RCA/NBC advocated a compromise: a fixed entertainment schedule would be used as a hook for occasional cultural and educational programs. That NBC officials promoted the plan in the press and at Advertising and Public Relations meetings suggests the importance of winning consent for the vision.

As will be discussed in chapter 4, NBC's morning news program, the *Today* show, which premiered in January 1952, manifested the Horizon Plan concept. The program was developed to combine the proven showmanship of host Dave Garroway

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69 Ibid.
with serious news summaries. Also, in line with the FCC's balance-wheel ideal, the program was underwritten by RCA. Yet, RCA went a step further by blurring the line between sustaining and commercial programs: RCA essentially underwrote the initial costs of the public service program and then offered advertisers the opportunity to sponsor short segments of the program. Chapter 4 will examine how RCA drew on mass communications research—especially studies funded by the Rockefeller Foundation—to construct *Today* as a program that served the interests of citizen-viewers, consumers, and advertisers.
CHAPTER 4

ARMING CITIZENS, ATTRACTING OPINION LEADERS: 
SELLING THE TODAY SHOW: 1949-1952

Almost from the moment that cameras picked up Garroway and the Communications Center in RCA Exhibition Hall, N.Y., "nerve center" and originating point, the program captured an electric excitement and tempo perhaps never before realized on such a broad canvas. The idea is big and the NBC camera, tackling a tough marathon assignment, managed to project its bigness.

—Variety review of the Today show premiere, January 1952

From the 1940 Development of Television hearings to the 1948 NBC Master Plan, RCA/NBC spokespeople argued that NBC could be entrusted with supplying television service to the nation. Give the antitrust concerns described in chapter 3, NBC’s Enlightenment campaign played an important role in legitimizing network control of programming. NBC promised to draw audiences with entertainment showmanship and then to slip in what was good for them. This chapter situates the marketing of one program, the Today show, in the context of RCA/NBC’s trust imperative, and in comparison to programming strategies at NBC’s rival network, CBS. In the early 1950s, NBC programmed live spectaculars, dramatic anthologies, and variety shows in primetime viewing hours, with Today in the early morning, daytime soap operas in the afternoon, and Meet the Press on Sundays. CBS, on the other hand, aired a primetime line-up of situation comedies, live dramatic anthologies, and the prestige news program, See it Now, on Tuesday nights (Boddy 1991).

As will be demonstrated in this chapter, the contrast of the two high-profile news programs suggests differing assumptions at each network. While both sought to mobilize
public opinion, NBC's Today served as a pipeline to the public, using its technical resources and cast to inform listeners; in contrast, CBS' See it Now offered classic watchdog journalism. Moreover, it was through Today that NBC introduced its "magazine concept" of advertising—which offered smaller and seasonal advertisers the opportunity to participate by sponsoring short segments of the program. By the mid-1950s, Today's magazine concept had expanded to other programs. In contrast, See it Now, with its controversial content, could not secure a sponsor.

Scholarly accounts of early television history have recognized that Today's magazine concept would later become the hegemonic paradigm of network programming (Boddy 1991, Kepley 1990, Spigel 1992). Promoted in particular by NBC-TV Vice President Pat Weaver, the magazine concept was constructed as enabling the network to maintain quality editorial control of the program while offering small and seasonal advertisers an opportunity to participate in television. This chapter examines how RCA/NBC constructed Today in order to secure consent from regulators and advertisers. At first NBC constructed and promoted Today as a revolutionary "communications center." However, after prestige commentators noted a significant lack of content, NBC revised the program, and then marketing, to stress that Today did attract, and command the attention of, viewers. In essence, the question remained whether viewers—who were accustomed to listening to morning radio programs while getting ready for the day—would pay enough attention to the program and advertising segments.

To understand the assumptions that informed NBC's construction and marketing of Today during its first year, the first section of this chapter reviews the broader
regulatory context, focusing free speech and free press policy. The section then turns to three leading mass communications research models of the period: (1) studies of opinion mobilization and engineering consent (2) radio audience measurement and impact studies, and (3) magazine-sponsored personal influence research. The second and third sections of the chapter then consider how these research models impacted the construction of Today. First, as the second section relates, NBC initially designed and marketed Today as a “communications center” that armed citizens with necessary public information. This image of Today drew on an opinion mobilization model, advocated by psychological warfare studies, to underscore the importance of NBC as a communications trustee. After the communications center concept fell flat with commentators and advertisers, NBC-TV began to revise its tactics.

The third section of this chapter then examines this process of realignment. To attract advertisers, NBC tapped into audience measurement and impact studies: NBC publicized viewer letters and Neilsen ratings, pursued space-time trades with magazines, and offered flexible and reduced advertising rates. Finally, by the end of the year, the NBC sales team borrowed from the latest magazine-funded research on personal influence to contend that the program attracted “opinion leaders.” Thus, even as ratings services reported that Today attracted a small number of viewers, NBC argued that those viewers had more influence.

As Todd Gitlin (1979) has noted, this early post-war period brought a “strange conjunction of events”: just as the mass media was becoming more centralized, national, and pervasive, and just as national television networks were going to work, American
sociological studies of the media become “dominated by the theme of the relative powerlessness of the broadcasters.” Sponsored by magazine publishers, personal influence studies found that consumers were more influenced by opinion leaders in their community than by mass advertising. Armed with these findings, magazines claimed to attract those opinion leaders. Thus, while the initial Today marketing tried to attract advertisers with the promise of mass saturation, the sales force later promised something more like a ripple effect—that the coterie of opinion leaders who watched Today would influence the buying habits of their communities. As the final section of the chapter relates, it is this aspect of Today that has perhaps most shaped broadcast history. In the guise of personal influence, Today engineered both consent and consumption. Let us now turn to a discussion of post-war mass communications models.

Mass Communications Research

Opinion Mobilization

As scholars have demonstrated, given the low degree of horizontal and vertical integration of the American political structure, national unity depends on developing mechanisms for generating consent from the people (Pierson 1994). From that perspective, the United States Constitution granted Congress the power to create a post office and postal roads; the 1792 Postal Act and subsequent legislation committed government resources toward building a communications infrastructure (John Kielbowicz 1989). Although officials, business leaders, and activists used the press to manage public opinion in the eighteenth and nineteenth centuries, it was not until World War I, and the perception of
national emergency, that federal officials established the Committee for Public Information (CPI). With George Creel as director—and Carl Byoir, Edward L. Bernays, and others trained as practitioners—the committee mobilized public support for the war effort. The CPI mediated a top down flow of information through schools and local communities to project the sense that information came from below (Ewen 1996, Mattson 1998).

After the war, members of the Committee for Public Information, including Byoir and Bernays, established two of the nation’s most prominent public relations firms. Bernays also wrote Crystallizing Public Opinion, considered the first book dedicated to the field of public relations, in 1923. In the early 1920s, some progressives such as Walter Lippmann began to contend that political and cultural life had become so complex that average citizens no longer had the knowledge to participate in decision-making. Lippmann advocated the need for expertise and public opinion shaping, with the experts essentially acting as trustees for the people (Ewen 1996, Mattson 1998).

In 1942, as the United States mobilized for World War II, the Office of War Information was established by Executive Order. The OWI was authorized to:

Formulate and carry out through the use of the press, radio, motion pictures, and other facilities, information programs designed to facilitate the development of an informed and intelligent understanding at home and abroad the status and progress of the war effort and the war policies, activities, and aims of the Government. (cited in Rowland 1983).

Because of public concerns about the manipulation of the press in World War I, the government did not take over radio stations. Instead, the OWI produced programs, advertisements, and messages that were then disseminated to privately-owned and managed radio stations. Thus, broadcasters still appeared to have editorial autonomy.
However, despite that veneer of autonomy, broadcast industry leaders held key positions in OWI and other government and military industries. Former CBS newsman Elmer Davis served as OWI director; CBS President William Paley served in the Psychological Warfare Division. RCA's David Sarnoff served as a Signal Corp consultant and as coordinator of military and press communications facilities under Eisenhower. Other RCA personnel also held wartime communications positions (Rowland 1983).

To support its decision-making, the OWI needed information concerning public attitudes and the impact and effectiveness of informational campaigns. The OWI sought to guide opinions on issues such as price controls and civilian morale and then to evaluate the effectiveness of their campaigns. Authorized by Congress as extensions of the OWI, the Polling Division of the Bureau of Intelligence and the Survey Division of the Bureau of Special Services collaborated with other government agencies, academic research centers and commercial polling companies to generate surveys throughout the war. The Bureau of Intelligence routinely used the interviewing facilities of the Denver University National Opinion Research Facilities. After World War II, United States military, intelligence, and propaganda agencies funded research centers such as MIT's Center for International Studies (CENIS), the Bureau of Applied Social Research at Columbia University, and the Institute for International Social Research at Princeton. Seventy-five percent of communication research center budgets came from government; over 96 percent of that government funding was provided by the U.S. military (Simpson 1993).

During World War II, the federal government managed public information to generate and maintain support for the war effort. After the war, it was essential for
leaders to assert the nation’s commitment to a free press, in order to contrast the United States with the state-controlled propaganda machines of the rest of the world (Schiller 1991). In 1945, for example, the Supreme Court upheld the Department of Justice’s prosecution of the Associated Press for antitrust violations, declaring that “the widest possible dissemination of information from diverse and antagonistic sources” was essential to the public welfare, and that the “free press is a condition of a free society” (326 U.S 1,21). Likewise, the Commission on the Freedom of the Press issued reports underscoring the importance of a free press. Also, in 1949, with its Fairness Doctrine, the FCC adapted the mandates of Associated Press to broadcasting: because of the scarcity of frequencies, broadcasters were granted monopoly control over a frequency. In that position, it was the responsibility of broadcasters to provide broad coverage of issues.

Given the post-war emphasis on the value of a free press, public relations leader Edward Bernays found a way to package public relations, and the engineering of consent, as a necessary exception to the free press rule. By the early 1950s, Edward Bernays was widely recognized as the most vocal proponent of public relations. Bernays advocated the idea of engineering consent in a special issue of the Academy of Political and Social Science

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70 This argument corresponds to that of Mary Dudsiak, “Desegregation as a Cold War Imperative,” Stanford Law Review, 41 (November): 61-120. Dudsiak argues that the Truman Administration and State Department tried to project a pro-civil rights image abroad in order to counter the international attention to United States racial discrimination.

in 1947 (Bernays 1950). Bernays’ narrative proceeded as follows: in an earlier time, leaders could talk directly and personally to their communities. In the twentieth century, leaders were remote, but could still use technology to talk with their publics, to “accomplish purposefully and scientifically the ‘engineering of consent’” (160). For Bernays, “the engineering of consent [was] the very essence of the democratic process, the freedom to persuade and suggest” (160). The Constitution guaranteed the freedom of speech, press, petition, and assembly, and by extension persuasion. Engineering of consent was necessary in emergency situations:

Theoretically and practically, the consent should be based on the complete understanding of those whom the engineering attempts to win over. But it is sometimes impossible to reach joint decisions based on the understanding of facts by all the people. With pressing crises and decisions to be faced, often a leader cannot wait for the people to arrive at even general understanding. In certain cases, democratic leaders must play their part in leading the public through the engineering of consent to socially constructive goals and values. This role naturally imposes upon them the obligation to use educational processes, as well as other available techniques, to bring about as complete an understanding as possible (160).

Tacitly recognizing the controversial aspect of his proposal, Bernays claimed the engineering of consent was not intended to displace the use of the educational system to promote understanding as the basis for action. Engineering of consent only played a supplementary role, as it waited for everyone to catch up. Thus, Bernays situated his engineering theory within a context of urgency—it was a necessary exception to the free press rule, and a supplement to the educational system.

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Impact of Broadcasting on Audiences

A second focus of research—audience impact studies conducted by Paul Lazarsfeld, Frank Stanton, and other mass communications researchers at the Bureau of Applied Research—helped to legitimate the commercial and political possibilities of radio. Quantitative and qualitative studies demonstrated that audiences had favorable opinions about commercial radio and that radio drew mass audiences.

Frank Stanton and Paul Lazarsfeld are generally regarded as the founders of radio research, particularly audience studies (Rowland 1983). Stanton was fully employed by the radio industry, as research director and then President of CBS. His doctoral dissertation, "A Critique of Present Methods and a New Plan for Studying Radio Listener Behavior," examined methods of radio audience analysis and proposed an automatic recording device similar to what would later be used by the A.C. Neilsen Company. In the tradition of circulation studies for print media, broadcasters sought sampling methods for quantifying its audience. These numbers would then be used to set advertising rates. Stanton served as research director for CBS' research office, which was a division of its promotion department until he became CBS President in 1946. Stanton's audience research later would be used to justify the claim that the public interest was what the public was interested in. The "public interest" was completely determined by market demand, as registered by ratings companies. As will be described later in the chapter, the advertising value of NBC's Today show was initially evaluated in relation to standard ratings reports.

Unlike Stanton, who was employed by a network, Lazarsfeld was situated in academia, but with contractual ties to many industry clients. In 1933, Paul Lazarsfeld
joined the newly created Office of Radio Research at Princeton University. Funded by the Rockefeller Institution, the Office was founded with the broad mandate to study the effects of radio on American society. In 1945, Lazarsfeld moved the Office to Columbia University, where it became known as the Bureau of Applied Social Research. Research at the Office and Bureau served the informational interests of its broadcast or magazine industry clients.

From 1941 to 1949, Lazarsfeld and Stanton collaborated on three research studies. After Lazarsfeld authored *Radio and the Printed Page* in 1940, Lazarsfeld and Stanton edited *Radio Research, 1941* (1941), *Radio Research, 1942-1943* (1944), and *Communications Research, 1948-1949* (1949). These volumes presented research conducted by Lazarsfeld's Bureau and by polling and marketing research firms that were often directly funded by the broadcast industry. To underscore the legitimacy of radio, many of the studies demonstrated that radio served positive social functions. Even further, Lazarsfeld and Stanton's introduction to the 1949 volume recognized that because the centralized communications industry had the "means of collecting and presenting facts to which no single individual can access," it also has a social responsibility to balance "the wants of the audience and the cultural function of the industry." The industry would stay financially alive by serving the whole community; but it would also be "the voice of its intellectually and morally most advanced sector" (quoted in Rowland 1983). These sentiments paralleled those of the FCC and RCA/NBC representatives insofar that they stress the need for balance and the assumption that the masses want low culture while the more advanced structure wants culture.
Two other volumes edited by Lazarsfeld and Field, *The People Look at Radio* (1946), and Lazarsfeld and Kendall, *Radio Listening in America: The People Look at Radio—Again* (1948) offered public opinion surveys about the impact of radio. Commissioned by the National Association of Broadcasters and the National Opinion Research Center, the surveys demonstrated favorable public support of broadcasting, which helped to reinforce the legitimacy of commercial broadcasting in America.

Personal Influence

Finally, as Gitlin (1979) later recognized, the "personal influence" paradigm also began to shape post-war communications research. Facing competition from newspapers and radio, national magazine publishers such as *Time* and *MacFadden* commissioned studies that found that personal interactions had more impact on consumer behavior than mass communications. As Katz and Lazarsfeld (1955) tell the story, the theory of personal influence arose from the practical advertising needs of a national magazine. In the early 1940s, that unnamed magazine noticed that many of its readers held leadership positions in the business community. That information could be very useful in attracting advertisers if the magazine could make a connection between leadership and influence—that people in leadership positions had influence over the buying decisions of others. Thus, even though that magazine might not have the circulation numbers of a competitor, it had readers with a broad sphere of influence.

Katz and Lazarsfeld designed a study to trace patterns of interaction and influence among 800 women in Decatur, IL. By studying these interactions, the researchers sought
to isolate and study the "intervening variable" of personal interaction in the social process. Yet in their review of the literature, they admitted that in the course of focusing on personal interactions they had noticed the impact of institutional influence. Advertising, public relations, and places of work clearly impacted decision-making, but that influence, the authors reasoned, was beyond the scope of their study.

Katz and Lazarsfeld examined the "four arenas of everyday decisions: marketing, fashions, public affairs, and movie-going" (138). As Gitlin points out, the study assumed that these changes in attitudes, consumer behavior, and political opinion could be explained under a single theory:

These issue-areas were taken to be comparable, and the presumed compatibility of political ideas and product preferences distorted some of the actual findings. But more: the blithe assumption of the commensurability of buying and politics, never explicitly justified, never opened up to question, hung over the entire argument of *Personal Influence* like an ideological smog. (215)

Katz and Lazarsfeld's study demonstrated that "opinion leaders" in Decatur influenced changes in the consumer and political choices of other women. Yet the researchers could only do so by bracketing the central importance of broadcast networks and wire services from their study. What appeared as "opinion leading" was actually an act of following media influence rendered invisible by the design of the study (Gitlin 217).

Katz and Lazarsfeld published *Personal Influence: The Part Played by People in the Flow of Mass Communications* in 1955. As will be discussed in the final section of this chapter, the case of *Today* demonstrates while Katz and Lazarsfeld might have left media impact out of their study, NBC was well aware of that impact. Moreover, NBC adapted the paradigm to suggest that *Today* and its host, Dave Garroway, influenced opinion leaders.
NBC's Pipeline to the Public: Marketing the *Today* show

The preceding section described post-war communications research and assumptions about the role of the media and the press in American democracy. Given those core assumptions, NBC-TV and CBS-TV developed news divisions as visible signs of their commitment to public service. As with radio, by taking on press responsibilities, the television networks aligned with constitutional free press protections. In short, news divisions helped to construct NBC and CBS as more in line with an editorially controlled newspaper than with a communications common carrier. Initially, NBC assumed the lead in developing network television news staffs and programs. Because of its battle with RCA/NBC over the VHF black-and-white industry standard, CBS had delayed its entry into television. Yet after 1952, CBS News became the prestige news leader, largely because of the efforts of *See It Now*'s Edward Murrow and Fred Friendly (Boddy 1991, Halberstam 1979, Karnick 1988, Leab 1983). Under the guidance of Murrow and Friendly, *See it Now* came across as classic watchdog journalism, often using its resources and expertise to mobilize public opinion against injustice. NBC, on the other hand, committed its time and resources not to primetime investigative news, but to *Today* show's early morning magazine concept. In essence, as will be examined in the following section, the *Today* show was a microcosm of Weaver's Operation Frontal Lobes plan. While both *See it Now* and *Today* mobilized public opinion, *See it Now* often
assumed a watchdog or adversarial position. *Today*, on the other hand, was government and corporate officials’ pipeline to the public and public opinion.73

NBC tapped into opinion mobilization and audience research assumptions when constructing its role as trustee of the nation’s airwaves. In marketing *Today*, NBC constructed the program as a prestigious and revolutionary effort to inform citizens. It is through this prestige vehicle that RCA/NBC introduced its magazine concept, essentially developing a fully owned-and-controlled sustaining program that would include space for commercial participation spots. Through the constructed prestige of *Today*, NBC marketed a formula through which advertisers with smaller budgets, who could not afford to sponsor a costly nightly program, could still gain access to television audiences. By 1951, national advertising companies had filled the network primetime schedule with programs targeting families and the daytime schedule with other programs targeting housewives (Meehan 1991). Early morning and late evening hours, however, still remained an open and uncharted frontier for network experimentation. Publicity declared that NBC was giving smaller and seasonal companies the unique opportunity to participate in television, by buying small amounts of time.

Constructing *Today*

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73 It is also important to note that Lewis Hill organized the Pacifica radio network in 1949 as an alternative to corporate dominated network news. Although he hoped that the program would attract a broad range of viewers from all classes and backgrounds, financial difficulties soon required that discussions target educated, upper middle class listeners who paid subscriptions. See Jeff Land, *Active Radio: Pacifica’s Brash Experiment*, (Minneapolis, MI: University of Minnesota Press, 1999).
NBC's publicity campaign for the Today show began on the pages of Hollywood's trade paper, Variety, on December 12, 1951. Overall, for Today to be perceived as an experimental program, NBC promoted Today as innovative and different, surpassing even the average news broadcast, newspaper, or newsmagazine. Throughout the campaign, Today was described as a "communications center" and "nerve center of the planet"—it was basic infrastructure that integrated all other media. NBC positioned itself as ready to provide a safe and secure service for citizens and advertisers alike.

One month before the Today premiere, a brief article and three full-page advertisements provided basic sales information, promoted NBC's company image as pioneer broadcaster, and celebrated the program's core communications concept. First, the matter-of-fact article, likely based on a NBC press release, announced that the network has developed a program with an "annual $14,560,000 billing potential" and "$7,000 price tag" for sponsor spots. By using publicity language such as "pioneering" and by referencing the success of similar local affiliate programs in Cincinnati and Philadelphia, the article was a not so subtle sell for NBC.

The first page of the ad (see next page) established the program's underlying ethos: its unprecedented ability to provide the morning viewer essential, fast-breaking information. The ad presented a bold-faced, large font "today" centered in the middle of the page; the clock-face "o" of "today," along with the phrase "you'll see it first thing,"

FIGURE 4.1, RCA/NBC advertisement for the *Today* Show, *Variety*, 1952

you'll see it first thing...

"today"

...before you have been in the morning... even before you finish your second cup of coffee... you are going to become an ear and eyewitness to every major world event— as it happened last night, as it happens now.

This is the NBC Television program called "Today". This is the morning briefing service that will arm you with information to meet the day—more fully than any other news hour around before.

but "today" is far more than this...
"Today"

is head-in-the-clouds

fast-on-bedrock

programming...

from the network where successful picture

in a hobby and life's almost unnatural

at the heart of 4 families who tune each week

to hundreds of news and entertainment

between 7 and 9 A.M. at least once every

working. Moreover, because "Today" shows

do well on ABC, it will fit naturally into the

executing habit patterns of those families.

"Today"

In time of Rome, as it came off the top!...

Who photos of Paris style shows, to day

more of the when... Churchill's voice

same lines within a few hours of his speech

...actual headlines of current newspapers

from all over the nation.

"Today"

in every known means of communication —

even inventor's new Waldo tells — all need

for the first time to find the new even

into NBC's "Today of Tomorrow".

"Today"

in DAVE GARROWAY, up-dating you

completely on world events every

twenty minutes or by placing the time

moving two-hour show.

"Today"

In the time for you to ask about the program's

and changing format, which will permit

advertisers with limited budgets to participate

in network to for the first time.

We're done an exciting show about this

program, we. We'll be glad to arrange

a showing for you; but better hurry, the show

goes on the air January 14, 1938.
referenced time. Further stressing speed, immediacy, and urgency, the copy positioned the viewer as a citizen now granted access to the “morning briefing-session.” Like military officials and press corps, citizen—viewers would be included in the inner circle, armed with timely and breaking information—all while in the comfort of their homes and amidst the morning routine. With its military metaphors and assumption that the viewer would leave home in the morning, the text clearly constructed the viewer as male. The program did not come across as the typical radio morning program targeted at women.

The second page of the ad (see previous page) established NBC’s corporate reputation and proven success in drawing primetime viewers. By first announcing (in larger, bold font) that “today” is “head-in-the-clouds feet-on-bedrock programming,” NBC positioned itself as a practical visionary. Second, although NBC had no hard evidence to support the claim that it could deliver audiences with morning programming, the network could assert that Today was “aimed straight at the 3 out of 4 families who tune each week to broadcasts of news and entertainment...” This passage reasoned that NBC’s “pioneering” primetime programming had already proven the existence of many potential many viewers ready to watch news and entertainment programming. Lastly, after establishing this potential, the ad then anticipated advertiser’s concerns about whether the program would sufficient attention numbers of morning viewers. Given advertiser’s concerns that viewers, amidst their busy morning routines, would not pay enough to the program, NBC carefully designed for both ear and eye. Thus, NBC assumed that the success of morning radio programs has already demonstrated that audiences did listen to
programs during their morning routines. By extension, viewers would also be able to attend to *Today* and its commercials.

After addressing broader programming issues, the next paragraphs of the ad related the purpose and format of *Today* with the functions of its Studio of Tomorrow set and primary cast member, Dave Garroway. Conjuring up images of a giant state-of-the-art computer, *Today*'s Studio of Tomorrow was depicted as actively converting raw data to useful information. In emphasizing the assorted “means of communication” used to get “raw news,” NBC suggested that the program made the most of technology. Thus, its communications center processed news “as it comes off the tape; photographs from Paris style showings” as they came off the wire, and headlines as they came straight from the morning’s newspapers. It is this context that Dave Garroway, as pilot, performed a central guiding function. NBC reasoned that as a plane cannot fly without a human agent, so Garroway “pilots” the “fast-moving show” and kept audiences completely up-to-date on world events. Extending metaphors, NBC emphasized speed and expertise, establishing Garroway as a news-oriented Edward R. Murrow or John Cameron Swayze rather than a Milton Berle-like variety show master of ceremonies.

NBC complemented the above description of *Today* with a table graphic spanning the ad’s third page. Each of 15 squares (three columns by five rows) contained a visual image and corresponding label depicting the subject matter of the program. The top row profiled the program’s key elements—renderings of Garroway, a clock, and a weather map. The second row lists national, war, and international news, while the third and fourth rows described the entertainment-oriented news: Broadway stage reviews, NBC
stars, book reviews, record reviews, Hollywood film reviews, and magazine reviews. The final row profiles human interest news: man in the street interviews, sports, and location shoots. Thus, NBC offered a visual aid that suggested how advertisers could perceive the program. This grid also privileged hard news over features.

Print Press Response

In the weeks before Today’s premiere, NBC flooded the print press with promotional materials in order to generate advertiser interest and to elicit critical response. These promotional materials established set, cast, format, and subject matter as the program’s basic elements. They also suggested how the elements would cohere into a prestigious and compelling presentation. NBC did all this legwork with the expectation that reviewers would follow that cue and lend outside credibility to NBC’s claims. NBC could always sing its own praises, but the real test would be to win the respect of the professionals. As detailed in the following section, the vested interests of three different types of newspapers—local, trade, and prestige—shaped commentary.

Local Newspapers and the Trade Press

By the early 1950s, local newspapers routinely covered television and radio in order to attract readers, using entertaining columns of television and radio as well as program and personality notes that repackaged network puffery (Kreiling 1965). However, in constructing a program that seemed so close to morning newspapers, NBC overstepped its sphere of influence. A short article in Variety, titled “Dailies 'Beware' of
NBC's *Today,* related that two days after the *Today* premiere, many dailies had apparently resisted the publicity campaign. The article contended that "NBC is finding that its high pressure publicizing is paying off—in reverse." Reiterating the claims of this campaign, *Variety* explained that with dailies now looking at the show as a "competitive encroachment on their own domain of news communication," they ignored publicity and sometimes left the show out of program listings.\(^{74}\)

As a trade paper that routinely applauded the industry, *Variety* helped to generate industry-wide interest in NBC's program. Reviewer Hal Rosen provided potential advertisers and other industry insiders with information about the show's prestigious content and sales campaign.\(^{75}\) In focusing on the program as "nerve center" and on the general effect of "bigness," Rosen drew on images and concepts first deployed in promotional material. He opened with a flattering description of NBC's efforts:

NBC on Monday preemed [sic] its widely-ballyhooed 7 to 9 a.m. television show—trailerized as a revolutionary concept in TV programming designed to bring the waker-upper a camera display of his morning newspaper, plus all the supplementary magazine-feature attractions. That it is novel, ambitious, and charts a new step in NBC's continuing quest for fresh patterns, there's no denying. In fact radio in its most bullish days never dared venture into such gargantuan coin-splurging avenues of unorthodox programming.

Rosen's comments used the masculine-gendered language and organization of the earlier NBC advertisements, describing NBC as an "ambitious," "gargantuan" explorer charting new courses and going further than radio ever dared. Referencing what he found to be evidence of a successful publicity campaign, Rosen described how the affiliate station's "unusual response" to the show demonstrated NBC's ability to "create an unmatched pre-

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\(^{74}\) "Dailies 'Beware' of NBC's *Today,*" *Variety,* 16 January 1952.
premiere excitement within the trade.” With that observation, Rosen walked the line between calling attention to promotional efforts and implicating his own participation in that very process.

To legitimate the promotional campaign and enhance NBC's credibility, Rosen detailed how NBC had in fact fulfilled its promise. Rosen continually stressed balance: NBC's Communications Center, as a “beehive of activity,” provided the perfect background for the cast of Garroway, Lescoulie and Fleming. “Careful all-through-the-night programming and preparedness” was balanced with an “ad-lib quality” and “sense of spontaneity.” Types of news segments were also balanced, with Rosen assuming distinctions less in the content or quality of coverage than the place of the event. Thus, images of events that took place in business, politics, and war constituted hard news while cultural news spanned sports and entertainment. Given these assumptions, opening shots of the AP, UPI, and INS machines and front pages of local newspapers; live remotes in Washington, D.C. and New York's Grand Central Station; “overseas news with on-the-spot pickups”; and interviews with families about their sons and brothers in Korea all qualified as hard news.

On the second day of Today's first week, Variety's coverage took a different turn. Variety included pieces on the daily newspaper brush-off. Perhaps more importantly, the trade paper reported Tex McCrary's contentions that he had first pitched the idea for a televised morning newspaper to Weaver several years prior, while Weaver worked with

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Young and Rubicam. In its role as industry promoter, however, Variety also included puff items that enabled NBC to restore Today's image. Under a headline announcing "Tonight To Follow Today," an article explained that NBC was now planning a nighttime version of the program, given the "critical kudos and agency reaction" to Today. The article added that within 24 hours of Today's premiere, "the network reported a veritable onrush of agencies and prospective sponsors making inquiries." These included Kiplinger's Changing Times magazine and The Kenwill Corporation, "makers of Magiketer Paint roller," which would start sponsorship in February. NBC also had imminent deals with Lucky Strike and American Chicle Co., and, according to a "top video exec," "Give us 10 more days and we'll be sold out."

Tex McCrary's claims undermined the flood of publicity that had positioned Weaver as the show's brilliant progenitor. Facilitating NBC's attempt to smother that bad press, Variety included a full-text reprint of Pat Weaver's "Opportunities" memorandum in which he addresses the general potential of television and cited Today as "communications center of the planet." On the same page, another short anecdotal blurb explained how Weaver had come up with the name Today.

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76 John Reagan (Tex) McCrary, and his wife, Eugenia Lincoln (Jinx) Falkenburg, hosted the Tex and Jinx morning radio show on New York station WEAF, from 1946-1959. Known for their intelligent conversation, often about controversial issues, the couple interviewed such notables as Bernard Baruch and Margaret Truman. See John Dunning, On the Air: An Encyclopedia of Old-Time Radio (1998).

77 "Tonight to Follow Today," Variety.

78 While on a trip to Mexico City to survey TV operations, he noticed the word "Hoy (meaning Today) on practically every street corner..."
Prestige Commentary

Unlike Rosen, commentators for prestigious, national publications such as the *New York Times, Washington Post, New Yorker* and *New Republic* did not simply reinforce promotional material or gush about shows. They looked at publicity campaigns with a skeptical eye, and in doing so, enhanced the professional image and prestige of their own publications. Jack Gould of the *New York Times* was commonly regarded as standard setter. Because of this reputation for excellence, a Gould review was highly valuable. If *Today* was designed to present a certain image of the network—serious-minded, innovative, daring, and revolutionary—a Gould review was the test of that success.

Gould's “Comment on *Today*” ran in the more prominent “Arts and Leisure” section of the Sunday *Times*. The review was divided into three sections. The first section established NBC's official line, reminiscent of the December advertising; the second section described how the program's set, equipment, cast, and format correspond to NBC's assumptions about its audience's morning habits; and the final section evaluated the overall effect of NBC's efforts. Gould began the first section by quoting NBC puff statements such as “a new era in television dawned today”; “assurance was felt that a revolution was taking place in the television industry;” and “the studio will become the nerve center of the planet.” What Gould experienced, however, was anything but a new era or revolution. Instead, he found confusion and excess:

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79 As NBC News President Reuven Frank explained in his memoir, *Out of Thin Air* (1991), "Gould's influence on how important people in television regarded their own work and that of each other has never been duplicated" (78).

This large room, which is shown on the screen, holds every conceivable type of equipment: monitoring screens which show remote visual pick-ups from other cities; tape recording machines; press association teletypes; bulletin boards with "still" news pictures and the front pages of newspapers from cities across the country; banks of desks and typewriters; phonograph record players; assorted control panels for patching in short-wave circuits from overseas, and everywhere, miscellaneous microphones.  

With this description, Gould conveyed a sense of an excessively packed and chaotic set. Likewise, later in the review, Gould also described a show that presented many different kinds of news ("in just about every shape, form and manner") and that rapidly moved from one news segment to the next, each time using a different part of the set, mis-en-scene, and cast:

First, there is a two-minute capsule summary of the news, based on a headline in a New York newspaper and some photograph; then there is an interview with the author of a new book or a drama critic reporting on a first night; a phonograph record, or an out-of-town pick-up showing people going to work, and next, a fuller news report by Mr. Fleming. At intervals there are "recesses," which NBC hopes before too long will be occupied by contented sponsors.

Gould explained that while this format reflected NBC's concerns about morning habits, the program was still "excessively pretentious and ostentatious and unreasonably confusing and complex." Where NBC envisioned a computer processing raw data from other media, and where Rosen saw perfect balance in elements, Gould observed idle machinery, a host and cast infatuated by the set and its many gadgets, who spend too little time on news.

To Gould, the host and cast's constant display and discussion of technical devices and "gimmicks" undermined the show's authority. While recognizing the apparent roles...
of each cast member, Gould suggested that their roles could be more appropriately honed. For example, he proposed that rather than having to run errands all the time, the host should "assume a more detached perspective... so he might be able to contribute more of his observant commentary and wit, the latter being a quality which Today especially needs." Gould also suggested that Fleming's assignment to "the important news" be expanded and unhurried. Finally, in Gould's assessment, the shifting format came across as "melodramatic" and "anticlimactic." In particular, Gould referred to a live remote in Washington, D.C. which showed an empty, and then full parking lot at the Pentagon, and had a few throw away words from the Chief of Naval Operations.83

Like Gould, Sonia Stein of the Washington Post questioned NBC promotional statements. In response to doubts that viewers would get up in the morning to watch television, NBC enthusiastically emphasized that Today's form and content were perfectly designed to achieve that goal. Taking the publicity claims at face value, Stein suggested that by making such grand statements about Today, NBC also risked triggering deeper cultural fears about the impact of television on American life. She postulated a scenario in which the show would be too attractive, with television as the uncontrollable (feminine) force that disrupted the masculine institutions of school and work:

83 Ibid. Also, in The Today Show: An Anecdotal History (NY: William Morrow and Company, 1987), Gerry Davis describes the encounter in detail:

There were telephone hookups to London and Frankfurt that produced not much more that a "Hello" or "Good-bye." There was a remote from Washington that was provided by then Washington Bureau Chief of Naval Operations, William Fechteler, "How the Navy going these days, Admiral?" To this the admiral replied, "Guess it's all right. It was there last night when I left it." "Thank you very much, sir," said the reporter. Then he continued, "Ladies and gentleman, you have just heard from Admiral William Fechteler, Chief of Naval Operations down here at the Pentagon in Washington. And now we return to Dave Garroway in New York."
batten down the hatches... this is the week little Willie will be late for school and
big Will will be late for work because television has infiltrated the early morning hours. 84

However, Stein used that hyperbolic setup to demonstrate the ridiculous excess of the
actual show. In Stein’s estimation, Today, and possibly television in general, has little
material that could make anyone late for work or school. In the end, Stein found that most
of the program, including Garroway, was “pointless, everything put on display like a
smorgasbord.” 85

Commentaries in national magazines echoed the impressions of Gould and Stein.

Philip Hamburger of the New Yorker described his waking in the wee hours to watch
Today broadcast from the World Communication Center. Hamburger’s analysis of the
program’s elements then suggested that while Today might be touted as live and important,
his day did not really begin until he turned Today off and ate breakfast with his wife. Saul
Carson of the New Republic described Today as the “big package”—with Garroway the
“kingpin of the animated supermarket which NBC’s publicity writers call modestly ‘the
nerve center of the planet.’” 86 At this point, all he found was that Weaver:

has succeeded only in providing a look and a listen at a sprawling production
that attempts too many things at one time and gets nowhere. The news reports
have been shallow, the glimpses at the communication media confusing, the total
effect chaotic. 87

Like Gould, Carlson did not write off Today completely. He explained that Weaver did
have an incentive to improve the program, and had in fact brought in newsman Abe

85 Ibid.
87 Ibid.
Schechter, as well as other well regarded producers, Mort Werner, Bill Stuart, Charles Spear and Caroline Burke. In the end, Carlson asserts that NBC met its national responsibility to provide a substantive program.88

Reviews in the prestige press indicated that NBC put more effort into constructing the program's image than into creating a program that could actually live up to the hyperbolic promises. As will be discussed in the next sections, in the following weeks, as NBC struggled to sign on advertisers, the program was revamped into a toned-down Garroway vehicle. NBC attracted advertisers by trading time for space and by advertisements in Variety that emphasized the impact of the content of the program on viewers. This strategy drew on audience research studies that identified the impact of broadcasting on listeners/viewers. In doing so, NBC publicity began to articulate a uses and gratification-based definition of the public interest.

Selling Garroway

The critical panning of Today sparked concern at NBC and amongst members of the Today production team. Fred Wile's January 28th status report to Pat Weaver noted General Sarnoff's "vociferous" comments and recognized that "in the main, the comments, from high levels and low, centered on superficiality of coverage and the too-trivial use of our various communications devices."89 As discussed earlier, Jack Gould had recommended that Garroway's detached personality play a more dominant role in the

program. As the show began to be retooled to emphasize Garroway over gadgets, Garroway was profiled in the *New York Times* by feature writer Adams. Adams described Garroway as a former low-pressure master of ceremonies now determined to change the morning habits of television families.

After toning down the communications center concept, NBC took advantage of Garroway's strengths as an entertainer. Garroway had developed his skill with the camera on *Garroway-at-Large*, a program produced at NBC's Chicago station. Programs produced at that station were known for their natural "Chicago style." Rather than play to an in-house audience, *Garroway-at-Large* used the camera creatively, playing to the home viewer (Nielsen 1965). Garroway also had an ironic and off-beat air. He came across as natural and spontaneous, as if he was having a personal conversation with guests, the crew, and home viewers alike. It is perhaps this persona that helped to create the network's detached and autonomous persona—which would be put to use to engineer consumption and consent.

Forging Alliances: Space-Time Trades

NBC also attracted advertisers and constructed the *Today* image by trading time for space. With the signing of Kiplinger's *Changing Times*, NBC forged its first cooperative alliance. Beginning in 1951, a central element of NBC's Audience Promotion campaign had been to develop a reciprocal space-for-trade arrangement with *Look* magazine. In that trade, NBC's owned and operated stations gave program time

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89 Fred Wile. 1952. Status report addressed to Pat Weaver. NBC Records.
and announcements to *Look* in exchange for space. Likewise, in the case of *Today*, NBC and Kiplinger traded time on *Today* for space in *Changing Times*. Introduced in 1948, Kiplinger's *Changing Times* had a strong editorial voice, and was touted as a magazine that provided information for daily living—about ways to save money, prepare a budget, choose an insurance firm, and so forth. Space-time trades enabled NBC and magazines such as *Changing Times* to conduct transactions outside the market for advertising placement. Still in the red, *Today* did not yet have the income to cover its own promotional costs. By bartering time for space, with no cash changing hands, NBC avoided having to draw on its own capital reserves to subsidize *Today* costs. In the sustaining program arrangement, RCA/NBC was already able to pass on much of *Today*'s development and production costs to affiliated stations. With trade agreements, RCA/NBC once again protected its capital.

In their space-time trade (see next page), NBC and Kiplinger bartered access to respective viewers and readers: Dave Garroway recommended that his viewers write in for a free issue of *Changing Times* and Kiplinger editors suggested that their readers give Garroway a chance. Both vouched for the reputation of the other. Moreover, once 20,000 viewers requested copies of *Changing Times*, Kiplinger's had pool of new readers

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91 In its inaugural issue, the editor emphasized that what set *Changing Times* apart was that it had no advertisements. Production costs were ostensibly covered by circulation. What was less talked about, however, was that *Changing Times* kept costs down by repackaging publicity materials (many articles would end with a business or agency address to which readers could write for more information) and by engaging in promotional trades with other media outlets such as NBC.
THAT'S Dave Garroway—a casual, easygoing sort of fellow who runs a television program called "Today" for NBC. On in the morning from seven to nine.

*Changing Times* is one of the sponsors of the program. First sponsor to sign up, as a matter of fact. And we picked the program out because of something we found out from you— the reader.

We discovered that we owe a lot of new readers to your own conversations. Complete strangers write to us all the time and subscribe. Tell us they heard about *Changing Times* from the man next door, or the boss, or from an old friend.

Well, this Garroway is a friendly sort of guy who talks to a million people or so every morning. The kind of fellow who tells folks about *Changing Times*—without trying to high-pressure them into buying something they might not want.

He has worked fine for us. We have thousands of new friends. And over and above that, we get a big kick out of looking at the Garroway show even when he doesn't say a word about us.

If you haven't seen "Today" yet, take a look at it some morning. We think you'll like it. We think you'll like Garroway.

And we hope that next time you run into an old friend you'll tell him how much you like *Changing Times*. 
that might actually produce subscriptions. NBC, on the other hand, had tangible evidence with which it could refashion an appeal to advertisers. NBC had to convince advertisers that viewers would watch an early morning news program. After the debacle of its over-the-top campaign, NBC opted for this more indirect approach.

The viewer letters that accompanied magazine requests provided NBC with the evidence needed to revise Today's image in the minds of advertisers. While the “nerve center of the planet” campaign might have been drafted as a justification for Today as a network-developed experimental program, it did not convince advertisers to jump aboard. In place of the mythic “fully-armed citizen” came the friendly testimonials of women and families who thought the program the “the pleasantest and most interesting 'waker-upper'…” With these testimonials NBC crafted a two-page ad for Variety that ran on January 30, two weeks after the program's premiere: “Stop press.. today.. the TV program that is changing the habits of the nation.” (see next page).

Each of the statements (and corresponding stick figure drawing) demonstrated that Today was having a strong impact on viewers—no matter what the conventional ratings said. Viewers described how they moved their TVs in the dining room and were “glued” to their sets when Today aired. Whereas the initial campaign had imagined a male citizen-viewer, this one focused on women and families, stressing that Today aired “before the shopping day begins” [sic].
FIGURE 4.4, *Today* Ad in *Variety*

STOP PRESS

*today*

the TV program that is changing the habits of the nation

20,000 mail requests from an ad which ran just after 5:30 AM

to the mail...and among these requests to Dona Devarney for a

ea free issue of *Today's* "Christmas Tree," thousands of statements that

people are actually changing their living habits to watch "Today."

"The family algebra to day is into house and a smile..."
FIGURE 4.5. *Today* changes viewers' habits
Selling the News: *Today* and *Time*

In April 1952, NBC forged another important alliance when *Time* sponsored and promoted a special, one-time primetime broadcast of *Today*. In the exchange, both *Today* and *Time* received primetime exposure to millions of viewers. In September, *Time* kept *Today* in the news with “TV Newspaper,” a one column article that told the *Today* story. The article came across like a star biography, chronicling the program’s rise from obscurity to fame: *Today* began with no sponsors and a glut of communications gadgets, but became the most popular TV news program nine months later. The program had more viewers in July than “afternoon telecasts of the presidential conventions” and “while most daytime TV shows drooped from a lack of summertime sponsors, *Today* sold a hatful of time to advertisers ranging from waxmakers to publishers.”

*Time* reasoned that the *Today* turnaround was a matter of the cast and crew gaining a better understanding of the studio and equipment and of how to appeal to an audience. Referencing earlier reviews that depicted a chaotic, rambling mess of gadgets and cords, *Time* described a program that now commanded a tight, predictable format:

the program begins five minute news summary, followed by sports results, a nationwide weather rundown...and an interview with a guest who may be a fashion designer or a Connecticut tobacco grower. Finally, there is a twelve-minute news package delivered by Garroway, Jim Fleming, and Jack Lescoulie.

These news segments were also supported by a cast that had learned how to sell the news: as

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93 Ibid.
Garoway explained,

'Now we never say, 'Here's something of interest to dog lovers,' because then all the non-dog lovers leave us. We try to make the specific more general and the general more specific."

By selling the news Garoway and Today made it relevant and interesting to a wide range of viewers. This Time article built interest in Today by giving the reader a sense of its behind-the-scenes strategies. With its emphasis on advertising and selling, Time also subtlety positioned Today as more about showmanship than actual news substance. This positioning protected Time's news niche.

Selling Personal Influence

In the first months of Today's daily broadcasts, NBC enticed advertisers with low rates and hype. While changes in presentation and format, and improvement in mobile units, helped to attract audiences, advertisers, and new affiliates; by August, NBC recognized the need for a revised sales plan. In a September memo to Weaver and other NBC executives, Robert McFadyen unveiled a new plan that increased the number of spots available and changed the rate structure. After a month of debates, the new plan was announced, with "the sale of four commercial segments in each 25 minute period at 15% of the Class C hourly rate." By selling shorter spots at rates below previous rates, NBC tried to spark renewed interest in the program. These efforts also demonstrate that

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94 Robert W. McFadyen, Memo [on new pricing], 9 September 1952, NBC Records, Box 278: Folder 9, Wisconsin Historical Archives, State Historical Society, Madison.
95 Dann, Memo [to Weaver et al], 13 October 1952, Dann Papers (Today), NBC Records, Box 278: Folder 9, Wisconsin Historical Archives, State Historical Society, Madison.
NBC's magazine concept evolved according to practical needs—to attract advertisers. NBC carved its advertising spaces into smaller, less expensive segments.

By the end of the year NBC had developed a sales formula that played up Garroway's role as low-pressure pitchman and, drawing on the latest magazine-sponsored research findings, emphasized the influential qualities of the *Today* audience. NBC also shaped a new marketing plan according to the recommendations of Matthew Culligan. Culligan had worked for Curtis Publishing, which owned *Saturday Evening Post* and *Ladies Home Journal*. He first advised that NBC emphasize Garroway's off- and on-camera role as supersalesman. As *Today* was struggling to find advertisers, Garroway began to help in making phone calls to advertising agencies. Several years later, in an interview with the *New Yorker*, Culligan would detail a typical scene:

> He sat cross-legged on a packing crate, like Buddha, and talked about the client's problems. He made a terrific impression. And when clients started signing up, he'd do a fine selling job for them on the air, regardless of the amount of dough involved. He was equally at home with a million-dollar account and the Appian Way pizza pie account, at twenty-two hundred.  

Culligan stressed that Garroway had an excellent sense of the audience and their needs. Garroway would sniff a baked pizza on air "with a real savoir-faire. He'd ask if they had a good night's sleep, and then recommend a new mattress. He'd appeal to housewives, asking if their pancakes rose, and then suggest a new pancake mix." Garroway knew how to talk to viewers.

Because *Today* did not have strong ratings numbers, Culligan also suggested NBC emphasize the quality, rather than quantity, of the audience. Culligan and his associates

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noted that Garroway’s fanmail was typed, rather than handwritten; from this they inferred that the show was watched by a group of public opinion leaders. As leaders, these viewers were the first to buy the hi-fi set, and they were "quick to go out for status symbol acquisitions." In characterizing fan mail writers as a public-opinion group, Culligan drew on personal influence research.

In the hands of NBC sales team, Bernays’ engineering of consent strategy—which was supposedly reserved for crisis situations—was now being routinely used to engineer consumption. Advertisers were to assume that Today influenced opinion leaders, who then influenced a whole community. Thus, NBC constructed Today as more valuable than the standard ratings numbers suggested. All this supposedly could be interpreted from the fact that fan-mail was typed.

On January 6, 1953 the NBC Press Department prepared a release announcing that Today would reached its first birthday with “top achievements in television journalism and daytime program pioneering.” In words that echoed its campaign of a year ago, the copy the described how Today had revolutionized viewer habits. The program first constructed as a revolutionary “nerve center” and “briefing room,” was now prestigious because it had found a way to change viewer habits with “sharp news, relaxed humor, and appealing features.” Although RCA still made sure that NBC mention that the program was broadcast from “RCA Exhibit Hall,” the original center concept had been transformed into a soft-sell Garroway vehicle.

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97 Ibid.
This chapter has identified the communications research assumptions and mass media relationships that shaped, and were shaped by, NBC’s construction of the Today show in 1952. Although the print press saw broadcasting as competitive threat, networks and the print press also depended on one another. NBC looked to the prestige press for validation, while the prestige press covered broadcasting in order to attract readers. NBC forged cooperative relationships with magazines such as Changing Times and Time in order to construct its image. NBC also benefited from the personal influence studies that magazine publishers had funded in order to compete with broadcasting for advertising dollars. Chapter 5 extends this analysis to the marketing of Today and Garroway’s personal influence from 1953 until 1958. As RCA/NBC faced renewed antitrust allegations, Today provided evidence that NBC still served a valuable role as a sanctioned and necessary trust.
CHAPTER 5
TRUSTING NBC, MOBILIZING THE PUBLIC: 1953-1958

In other sectors, monopoly, while serious enough, strikes primarily at the pocketbook of the American consumer. In television, monopoly—if it exists and if it is uncurbed—may first of all mold public opinion on a nationwide basis to suit the interests of a few; in addition, it may operate to deny the vast television audience freedom of program choice and deny advertisers access to the marketplace.


By the first year anniversary of *Today* in January 1953, NBC had developed two core strategies for marketing *Today* to advertisers. First, the network constructed *Today* as a program that attracted opinion leaders. Second, the network emphasized that Dave Garroway had special influence over those leaders. This chapter examines NBC’s construction of *Today*, from 1953-1958, in relation to Congressional concerns about RCA/NBC’s market power. While the *Today* show teetered on the line between crass commercialism and serious news program, RCA’s efforts to control the broadcast market, and to maximize advertising revenue, came close to undermining NBC’s hegemonic status as a good trust.

This chapter begins with the second year of *Today*. NBC developed merchandising campaigns around the Garroway and *Today* image, added cast members to attract audiences and provide further marketing possibilities, and began to develop two more programs, *Tonight* and *Home*, based on the *Today* formula. Even as *New York Times* critic Jack Gould questioned the program’s ability to balance entertainment and serious news content, popular press coverage promoted the *Today* cast, particularly the
credibility of Garroway. The second part of the chapter then discusses RCA's attempt to strengthen NBC's owned-and-operated station division, and to control contracts with affiliate stations, independent program producers, and advertisers. Congressional committees, the Department of Justice, and the Supreme Court evaluated RCA's tactics and market power according to antitrust public interest assumptions.

Through testimony at hearings, press releases, promotional articles in the prestige press, and programming like *Today*, NBC articulated a specific concept of its public interest value: in contrast to short-sighted, profit-maximizing advertising agencies and program producers, NBC was responsible for the whole programming schedule. NBC's profits were also used to underwrite public service and noncommercial cultural programming. Moreover, NBC's high profile program, the *Today* show, and its host Dave Garroway, were constructed as using special influence to mobilize public opinion about the Cold War threat of the USSR. Now let us turn to the *Today* show in 1953.

**Entertainment, Merchandising and Enlightenment: Finding the Balance**

As *Today* approached its first anniversary in January 1953, *Broadcasting* reported that NBC had signed nine new sponsors of segments on *Today*. Network officials announced that the new clients had purchased a total of 176 segments, "ranging from five segments for one advertiser to 65 for another." The nine new advertisers—Cellucotton Products Co. for Kleenex tissues, General Motors, C.H. Masland and Sons, Willys-Overland Motors, Buick Motors, Sterling Div. of International Silver Co., Bendix Home Appliances, Anson Jewelry, and Gamorene Rug Cleaner—joined the 41 sponsors of
1952. As evidence of the “outstanding sales results” of Today, NBC described the Kiplinger’s, Time Magazine, and Pepperell Mtg. Campaigns of 1952:

Spokesmen cited 20,000 mail requests from 33 states in response to a one-time, one-minute offer of free copies of Kiplinger’s Changing Times, and 13,587 requests for free copies of Time magazine within a week after Time offered them on a five-minute segment.

Plans for spring, spokesmen said, include another “St Valentine’s Day Campaign,” similar to last year’s in which Pepperell Mfg. Co. received more than 2,400 responses to a one-minute offer of a booklet on sheets and blankets.98

By aligning Today with Kiplinger’s Changing Times and Time magazines, NBC suggested that Today attracted the same type of action-oriented, opinion leader audience that read both magazines.

In Spring 1953, Today producers and the NBC sales department sought to attract new advertisers with evidence of Today’s value as a merchandising vehicle. Yet within the context of NBC’s Horizon Plan, it was essential that Today come across, first and foremost, as an entertainment program with enlightenment elements. As the following section will demonstrate, the ambivalent relationship between entertainment, merchandising, and enlightenment value often surfaced in press coverage of Today.

First, by promoting Garroway as a merchandiser, capable of influencing consumer-viewers buying habits, Garroway came close to appearing as the type of pitchman that social critics detested. Second, with the addition of J. Fred Muggs, a one-year chimpanzee to the cast in spring 1953, the Today show pushed the boundaries between low-brow entertainment and enlightenment. For New York Times critic Jack Gould, the question became whether the Today atmosphere was appropriate for serious subject
matter. Finally, a short paragraph on page 4 of the Times in 1955 reported that the Soviets interpreted J. Fred Muggs as evidence that Americans could not face the reality of their social problems. Even though NBC's Horizon Plan advocated entertainment as a vehicle for enlightenment, international response to Today suggested that the plan came close to undermining American legitimacy.

A Commercial Plan: Flexibility and Merchandising

In February 1953, NBC Vice President and Sales Director George Frey unveiled two sales plans intended to further motivate advertiser participation. Together, the Quality Discount Plan and Commercial Plan were designed to "increase the value and effectiveness of Today for long-term campaigns and short-term saturation campaigns to support special merchandising events."99 First, by giving discounts to companies that bought over 39 segments, NBC sought to encourage long-term sales, reasoning that even though discounts would reduce income per segment, selling more segments would increase aggregate income. The Commercial Plan, on the other hand, stressed flexibility—as illustrated by the efforts of the Today Easter campaign, which ran March 16 through April 4. Four advertisers occupied each 25-minute period, each receiving one-minute of commercial time to reach over two million viewers (at a cost-per-thousand of $1.45). NBC suggested that during the three-week period, sponsors might run two

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participations per day (costing $94,470); four participations per week ($37,788); or perhaps just one participation per week ($9,447). 

The Today Easter Campaign promoted Today as a flexible sales vehicle, loaded with atmosphere, salesmen, and sales-aids. The promotional booklet began with a description of the program: Today “is the two-hour news-reviews-comedy-music show over 39 stations emceed by the easy-going, likable Dave Garroway and watched daily by more than two million viewers.” The booklet then argued that, like magazines and newspapers that ran seasonable features, “Today takes special notice of holidays and features.” Today’s “flexible format” enabled “products to be shown in the atmosphere most suited for selling at that particular time.” With Easter eggs, white rabbits, and shots of the famous Easter Parade, the stage would “be set for a highly-effective selling campaign for any product with Easter appeal.”

NBC touted the salesmanship of Dave Garroway and Jack Lescoulie and claimed that the show would have added impact because “it catches and holds its audience before they go out to shop.” Once viewer-consumers got to the stores, NBC’s Merchandising Department was also ready “at the moment when the buyer makes his or her crucial decision...at the point-of-sale.” 

Created in 1952, the Merchandising Department supplied participating sponsors with all the “sales-aids” they needed: “counter cards, shopping cart display cards, window posters, wire hangers, can holders, shelf strips, label

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100 “Dave Garroway presents his Easter Campaign on Today,” promotional brochure, March 1953, George Frey Papers, NBC Records, Box 392, folder 39.

101 Ibid.
buttons, stickers, and promotion hats,” “all bearing Garroway’s picture.”

In May, NBC’s sales department confronted an unanticipated problem—Dave Garroway had been sold too well. During each daily broadcast, Garroway was primarily the host and secondarily pitchman of a few products; thus, every participating sponsor could not be promised Garroway’s services. Because of Garroway’s limited availability, Joe Culligan reasoned that the long term solution was to increase ratings and to develop merchandising to support rate increases. Another more immediate solution was to promote the services of Jack Lescoulie and possibly add a woman “who could readily be sold as an alternative to Garroway.” Like J. Fred Muggs and sidekick Jack Lescoulie, “Today Girl” Estelle Parsons was soon integrated into the program as another selling vehicle and audience draw.

As an October 1953 promotional article in the *New York Times* suggested, the hard-working Parsons also provided NBC with the opportunity to construct the program as prestigious. Parsons was not the typical girl Friday, relegated to the background; instead, she had become television’s “Jill of all Trades,” working on- and off-camera. Regarding “her job as a combined housekeeping and research position,” Parsons gathered weather information and prepared it to run on camera; she washed down the backboard between forecasts and straightened Garroway’s tie. She read the newspapers daily, looking for anecdotes, selecting and arranging material for Garroway. Yet, in addition to

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102 Ibid.
those background roles, Parsons also had an important on-camera role as interviewer of new authors and public figures such as Adlai Stevenson after the election and “Mrs. Franklin Roosevelt.” In this New York Times profile, Parsons was constructed as the type of opinion leading woman described in Personal Influence, and who was assumed to watch Today. She was both a housekeeper and a researcher actively interested in public affairs.

The Value of Personal Influence and Source Credibility

Since the early 1940s—in studies funded by the Rockefeller Foundation and magazine publishers—social psychologists had begun to examine the impact of “prestige suggestion” and “source credibility” on consumer choices and behavior. In the late 1940s to early 1950s, studies by Carl L. Hovland, in conjunction with other scholars, underscored the influence of source credibility on communications effectiveness. In line with those studies, the case of Today demonstrates NBC’s efforts to construct and capitalize on the credibility of Today host Dave Garroway.

By January 1954, as reported by Newsweek, 1.7 million families tuned into Today. While popular magazines such as Newsweek (January 1954), Coronet (March 1954) American Magazine (April 1954), Holiday (March 1955), and The Saturday Evening Post

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helped to establish and reinforce the Garroway image, they also came close to undermining that image. Although each profile was organized a bit differently, they used similar tones, descriptions, and contrasts to link the show's success to Garroway's appeal. The overall effect of Garroway's style was one of unruffled nonchalance. Garroway used a "slow," "easy," "gentle," "relaxed" story-telling delivery. In contrast, most other television variety show hosts—such as Milton Berle of NBC's primetime Texas Star Theatre—told jokes, stood on their heads, or resorted to phoniness. A number of the commentators drew on the latest pop psychology to describe Garroway as both "extrovert" and "introvert." As an extrovert, Dave loved cars and a few other hobbies, however, by the usual extroverted "show business" standards he had "no talents". His real talent was his ability to project the introverted aspect of his personality—he "never rush[e]d," and displayed a "calm, bemused air."

As the Saturday Evening Post explained, Garroway made $5,000 a week because of a "simple secret": "if you inspire friendliness and confidence—you don't need talent." The Post cited the opinion of a cigarette advertising man: "Dave suits the public's taste because he is milder. His material is filtered through the rare wonder-working ingredient of his personality." The profiles also portrayed Garroway as a friendly, "knowledgeable man"

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107 These concepts were drawn from sociologist David Reisman's popular book, The Lonely Crowd (New York: Garden City, 1953). In seeking to understand how corporate and government organizations influenced personal behavior, Reisman introduced the concepts of "inner-directed" and
who created "the illusion that he thinks you are the most important person he knows and has moved into your living room to put on a show for you."\textsuperscript{108} Newsweek concluded that "when he tells his audience what to buy, they go out and 'do it for Dave.'" Another characterized Garroway as a "supersalesman... his hold on his fans is like a bulldog's bite, with this difference—he does not bite."\textsuperscript{109}

The similarities between the magazine profiles suggest that their authors were likely gleaning information from the standard NBC publicity mill. Yet, at times the profiles also seem like backhanded compliments—in essence, Garroway had no real talents other than his ability to influence viewers. This ambivalence toward his persona might be explained by the competition between magazines and network television for advertisers. Although magazines promoted television stars in order to attract readers, publishers also felt threatened by television.

The ambivalence also can be explained by 1950s attitudes toward the television pitchman. Garroway was a supersalesman who could inspire his audience to buy. Sydney Head's classic broadcast textbook (1956) described the pitchman in the following terms:

The pitch is an extended high-pressure commercial talk which goes far beyond the concept of an "announcement." It may run for five, ten, fifteen, or even thirty minutes. The pitchman's highly specialized skill enables him to hypnotize his victim with his voice much as the Indian fakir is said to hypnotize the cobra with his flute. The pitch has always been a minor irritation of the radio business, but it has come into more prominence with television. (203)

\textsuperscript{108} Ibid.
\textsuperscript{109} Ibid.

"outer-directed" people. By the time the concepts were used to describe Garroway, however, they had lost much of Reisman's original meaning.
Head then quoted a passage from a 1954 *Broadcasting-Telecasting* article titled "The Pitchman in the Parlor":

[The pitch advertiser uses] ingredients which are timeless: a product which lends itself to demonstration, a pitchman who is glib enough to befuddle the average mind, a location to which a crowd can be attracted, and enough time for the pitchman to unload the contents of his duffle before the cops arrive.\(^{110}\)

In Head’s estimation, a pitchman’s persuasive talk “can stimulate sales even when a product is grossly overpriced.” The willingness of 70% of television stations to accept filmed pitches in 1954, for Head, measured the immaturity of the medium. In the context of these critical characterizations of a TV pitchman, the popular magazines come close to describing Garroway’s influence over viewers as due to his ability to hypnotize or befuddle his audience.

**Participating Programs: Expanding the Formula**

Until 1950, NBC and CBS had followed the radio pattern of delegating program production and scheduling to sponsors and advertising agencies. Beginning in 1950, both networks acquired and built in-house production facilities in order to assert control over production and scheduling (Boddy 1993). The programs produced in those facilities were then offered to sponsors for single sponsorship. Like an in-house production, *Today* was produced at NBC’s New York studio; the difference, however, was that *Today* remained clearly identified with NBC rather than a single sponsor. NBC sustained the program, but also offered sponsors the opportunity to participate, and to communicate with opinion leaders.
In 1953, under the guidance of Richard Pinkham, NBC began to develop two other daily programs that offered participating sponsors packages targeting specific audience types—families in the morning (Today), men and women late night (Tonight) and women in the daytime (Home). While Tonight inverted the Today formula, forefronting entertainment over news, Home specialized in conventional women’s news and features (e.g., cooking, fashion, etc.). In September 1954, NBC announced the formation of a new Participating Programs Department, with Pinkham appointed Vice President.111 The department pitched these shows using a theme of flexibility—depending on the product and target audience, and the demand of the season, sponsors could buy spots in one, two, or all three programs. The three programs cross-plugged one another and engaged in formal cooperative trades with magazine conglomerates such as Curtis Publishing. As the early Today, they used merchandising offers and promotional tours to attract sponsors. They also were carefully logged as evidence of public service in weekly “Responsibility Reports.”112 Thus, in line with NBC’s Horizon Enlightenment Plan, the Participating Programs department found a way to satisfy commercial and regulatory imperatives at the same time.113

110 Ibid.

111 At the same time, Davidson Taylor, in charge of radio and TV public affairs operations, was also appointed Vice President. Both Pinkham and Taylor reported to Thomas McAvity, in charge of TV Network Programs. See NBC Trade News, 3 September 1954, Taylor Papers (Public Affairs, Department-Staff), Box 280: Folder 1, NBC Records.

112 Responsibility Reports were initiated in Spring 1952. In line with the Horizon Enlightenment Plan, the reports were divided into three sections—to document (1) entirely educational and cultural programs, (2) regular programs with informational, cultural, and educational elements, and (3) enlightenment material integrated into regular programs. See Michael Dann to Pat Weaver, 14 May 1952, Weaver, 1952 Papers (Public Service), Box 121: Folder 33, NBC Records.

113 On T-H-T merchandising and advertising policy, see Richard Pinkham to All Salesmen, 1 February 1955; on T-H-T cross-plugging, see Ernie Fladell (T-H-T Sales Coordinator) to Roy Porteous, 21 April 1955; and Ernie Fladell, 5 May 1955, Culligan Papers, Box 390: Folder 2, NBC Records.
Through Participating Programs department, NBC offered a line of fully owned and controlled “magazine concept” productions. To support the division, in October 1954, NBC issued a new booklet titled *Broadcasting As You Need It*. In a memo to the NBC sales staff, Pat Weaver described the booklet at “the closest explanation of NBC’s ‘magazine concept’ and its advantages that has so far been put into print.” Just as a national magazine controlled its editorial content, and edited a complete package “to attract selected audiences—women, or men or the family,” so NBC would target those specific segments of the population with “publication-programming.” The magazine concept relieved advertisers of the burdens of programming costs and operations, and provided them with greater flexibility, continuity, and a “known audience—in numbers and characteristics.”

Recognizing the effectiveness of the *Today-Home-Tonight* (T-H-T) model, AT&T asked NBC to develop a program for its own sponsorship, that combined an “element of prestige” with “public service” and “mass appeal.” If NBC had granted the request, it would have been relinquishing the very model it had developed for participating sponsorship. Once again, that model allowed NBC to reap the primary benefits of being associated with prestige, public service, and mass appeal. By offering participating spots rather than single sponsorship, NBC retained clear authority over T-H-T programs.

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114 Pat Weaver to NBC Sales Staff, 11 October 1954, Taylor Papers, NBC Records, Box 280, Folder 4.

Enlightenment Value

Even as NBC logged its T-H-T programming in responsibility reports, Jack Gould and other critics questioned whether the light-hearted atmosphere of *Today* was appropriate for serious news coverage. Under the guidance of NBC’s Public Affairs Department—which oversaw radio and television news, public service, and sports programming—the *Today* show gradually gained prestige. Like a daily newspaper, the *Today* show offered a little bit of everything: straight news summaries on the hour and half-hour, weather and sports reports, and softer service features. However, its prestige came from its “eye-witness” perspective. With its Mobile Unit, filmed reports, and live interviews, the *Today* show gave viewers intimate, seemingly unmediated, access to people and places that appeared remote before. Yet print journalists and critics still showed concern about the light atmosphere in which those events were presented. For example, the *New York Times* reported on British response to *Today*’s coverage of Queen Elizabeth’s coronation in May 1953. As Whiteside recounted:

> After presenting a direct-sound broadcast of the coronation procession and showing a number of newly received news photographs of the ceremony, [Garroway] turned in his customary free-floating fashion, to a commercial, and then went over to a sofa where the chimpanzee was sitting, and asked sympathetically, "Ah, don't you wish that you, too, could be a king in the far-off land where you originated?" The result was a terrible uproar in the House of Commons over the 'vulgarity' of American television.\(^{116}\)

British officials interpreted *Today*’s trademark hodgepodge of the high and the low as mocking, or at least naively disrespecting, British culture. Although NBC and state officials could interpret that response as evidence of British cultural snobbery, as

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Americans have for centuries been accused of lacking culture and sophistication, the response also suggested that NBC's Enlightenment plan had deep flaws.

Jack Gould of the *Times* also thought the continuous flow of the program often led to tactless and inappropriate juxtapositions. In his weekly column in June 1953, Gould explained how "*Today* seems to be developing a rather special knack for tactlessness, mostly because it persists in the preposterous assumption that news and sound journalistic practices can be interlarded with vaudeville goings-on." Gould referred to a tornado report from Worcester, Massachusetts, that showed a man whose wife was in the hospital, "and who still was trying to find two of his children." Gould described how the "woefully miscast" Dave Garroway "proceeded a minute or two later to deal flippantly with the allegedly comic aspects of a tornado, something about a lady trying to find her false teeth." Gould's comments suggested that *Today's* lighter variety show format might not easily mesh with serious subject matter. This type of commentary undermined *Today's* efforts to establish a prestige reputation, and like the Coronation coverage, suggested that *Today* was culturally insensitive.

Finally, in January 1955 a short article on page five of the *Times* reported "U.S. Drowns its Woes in Muggs, Moscow Says":

The Government organ Izvestia said today that J. Fred Muggs a chimpanzee who appears on television in the United States "is a symbol of the American way of life."

"Muggs is necessary in order that the average American should not hear, should not look into reports on rising taxes and decreasing pay, but laugh at the funny mug of a chimpanzee," Izvestia said.

"The average American should not hear such unpleasant news as increasing anti-American feelings in Europe and the increase of anti-colonial movement in

Asia, being absorbed by the sight of the extravagant antics of Mr. J. Fred Muggs."

The Times decision to report the Soviet comments reflected a long history of critical concern about the effects of commercialized broadcasting in the United States. Furthermore, in the context of increasing disillusionment with network advertising practices, concern about the effects of violence on children, network market power, and Cold War international relations, the report provided an early sign of future challenges to network programming practices. The next section will further examine NBC's questionable position as a trust.

**Market Power**

As NBC expanded the participating program model in the early morning, daytime, and late night hours, primetime program production began to shift to outside packagers and independent producers. The in-house production strategy was replaced with an approach that transferred the production risks to outside producers. Yet because of NBC retained control of advertising sales and scheduling, the network was still able to force those producers and packagers to share profit and subsidiary rights with the network (Boddy 1993). By 1956, several congressional committees began to investigate NBC as a monopoly problem.

RCA/NBC also sought to extend control through network expansion. From 1952 to 1954, the number of NBC-TV affiliates more than doubled, increasing from 64 to 164

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stations. By 1954, NBC's five owned-and-operated VHF stations were located in the nation's three largest markets—New York, Chicago, and Los Angeles. NBC's other two VHF stations were in Cleveland and Washington, D.C., the tenth and eleventh largest markets. In March 1954, in an effort to gain control of the nation's largest markets, RCA/NBC attempted to trade its Cleveland station for Westinghouse Broadcasting Company's WPTZ. It is likely that NBC did not try to trade its D.C. station because the political importance of that market. WPTZ which was located in Philadelphia, the fourth largest market area.

Under the requirements of Section 310(b) of the Communications Act, RCA and Westinghouse filed applications with the FCC, specifying the reasons for, and terms of, the transaction. After investigation, the FCC issued letters that requested additional information. Once that information was received and reviewed, the FCC approved the exchange as in the public interest. While the Justice Department was concerned that NBC had used coercive tactics that violated antitrust law, the FCC perceived the exchange as legal. With several commissioners having been appointed by Eisenhower, this FCC was very different than antitrust-oriented FCC of the 1940s. Now we turn to a review of antitrust policy to consider how other government officials, including Congress and the Justice Department, interpreted RCA's actions.

Good Trust-Bad Trust

Congress and the Justice Department evaluated NBC's efforts to gain market power in the context of post-war and the Eisenhower Administration's position on
antitrust actions. By the mid-1950s, antitrust policy had developed into a strategy mainly deployed to ensure low prices and choice for consumers. Until the late 1930s, progressive antitrust reformers, such as Supreme Court Justice Brandeis, had been primarily concerned with the negative civic and social consequences of bigness. In 1937, however, Attorney General Thurman Arnold initiated a shift in policy that recognized that corporate size had positive benefits in terms of efficiency.\textsuperscript{119} The problem, then, was less about size than abuse of that size to set artificially high prices or to undermine consumer choice. It is important to note that Arnold’s pragmatic approach conflicted with the more radical critique of the Temporary National Economic Committee (TNEC), which began to investigate the problem of concentrated control in the late 1930s. Based on its findings, the TNEC called for strong regulatory control of corporations and a limit on corporate size (Peritz 1996). In contrast, Arnold’s approach shifted emphasis away from concerns about the economic, political, and moral effects of concentrated control, toward using the Department of Justice to direct corporate behavior in ways that benefited consumers.

During World War II, national policy debates centered on achieving full employment and continual economic growth after the war. After committees conducted hearings on economic policy and planning, Congress passed the Employment Act of 1946, which committed the Federal Government to using all practical means to “foster and promote free competitive enterprise and the general welfare, conditions under which

\textsuperscript{119} Through vertical and horizontal integration, large corporations reduced the costs of production and distribution. By taking advantage of economies of scale, they were able to offer mass produced, low priced products that had once been too costly for the middle and lower middle classes.
there will be afforded useful employment opportunities...” In general, policymakers sought to balance the benefits of large corporate organization (employment opportunities, low prices, economic growth) with the concerns of small business coalitions.

In 1949, Representative Emmanuel Celler (D-NY) led House debate on a bill that sought to limit large-scale mergers. In reminding Congress of “Jefferson’s admonition against monopolies,” Celler focused attention beyond concerns about higher costs and prices to the social and political implications of large-scale collective enterprise (Peritz 1996, 196). The Celler-Kaufauver Act that eventually became law in 1951 closed the “assets loophole” of Section 7 of the 1914 Clayton Act and expanded the scope of merger regulation. In the end, however, the Act accepted a compromise between the reality of corporate bigness and concern about the coercive effects of concentrated control.

In the 1952 election campaigns, both the Republican and Democratic Party platforms included antitrust planks. After Eisenhower took office in 1952, Attorney General Herbert Brownell established the Attorney General’s National Committee to Study the Antitrust Laws (Kovaleff 1980). The Committee’s subsequent report, which advocated clarity of policy and enforcement, also motivated a number of congressional hearings to study enforcement, including the House Antitrust Subcommittee of the Committee on the Judiciary, chaired by Representative Celler, and the Senate Committee on Interstate and Foreign Commerce, chaired by Senator John Bricker. In general, antitrust evaluation and enforcement in the 1950s determined whether a restraint, agreement, or merger was unreasonable according to three core tests: whether a restraint

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120 Employment Act of 1946, Statutes at Large 60, sec. 1, 23 (1946).
was unreasonably coercive, in the sense that it resulted in grossly unequal bargaining power; whether an agreement had a negative impact on independent entrepreneurs (Peritz 1996); and most importantly, how abuses of market power affected consumers. From 1955-56, the Justice Department and Congress evaluated NBC's market power according to these three tests. While the Justice Department argued that the NBC-Westinghouse trade was coercive, Congressional Committees sought to determine whether NBC's agreements with independent producers, advertising agencies, and stations were coercive and whether they negatively affected consumers.

Antitrust Investigations

Ten months after the NBC-Westinghouse exchange, the Justice Department initiated a civil antitrust action against RCA/NBC, under Section 4 of the Sherman Act, charging a conspiracy to violate antitrust laws. More particularly, the Department argued that NBC had used its network leverage to coerce Westinghouse into the exchange. If Westinghouse did not agree to the transaction, NBC threatened to discontinue network affiliation of Westinghouse's Boston and Philadelphia stations, and to withhold affiliation from Westinghouse's soon-to-be acquired Pittsburgh station, and other new VHF or UHF stations that Westinghouse might later acquire. The federal district court, however, ruled that the Department of Justice had no authority to pursue action. It was not until 1959, when the Supreme Court overruled that holding, that the trade was found to violate antitrust laws (Schwartz 1959).
In 1955, Senator John Bricker of Ohio, Chairman of the Senate Committee on Interstate and Foreign Commerce, issued a report titled *The Network Monopoly*. The report documented tactics used by NBC and CBS to produce exorbitant rates of return and to establish superpower stations that put many smaller stations out-of-business. To solve the problem, Bricker proposed an amendment in which networks would be limited not by the number of they could own, but by maximum net population coverage. With a limit on total market size, NBC and CBS would then be unable to accumulate ownership of stations in the top five market areas. Bricker's motives for advocating this amendment appear ideological and political. First, by owning the top five market areas, the networks established a strong national pipeline that could be used to disseminate domestic and foreign policy. Bricker, however, was a staunchly conservative Republican who had just suffered defeat of his Bricker Amendment, which sought to limit the treaty-making authority of the President. In Bricker’s conservative concept of limited government, administrative and international treaty law—particularly U.N. and NATO agreements—threatened to overrule the sovereignty of the U.S. government. After the defeat of that amendment, it seems logical that Bricker would begin an assault on the networks, which tended to be used as the mouthpieces of Administrative policy (Bernhard 1991). Although Bricker stressed the economic consequences of network power, decentralization of power would also have positive ideological effects for laissez faire conservatives who sought to limit federal control. Second, by limiting the power of networks, and encouraging the growth of local stations, Bricker was also serving the needs of local businesses and politicians seeking to use television advertising to target
consumers and voters in their respective local markets and districts. As an Ohio senator, he also appeared to defend the interests of a Cleveland station that had lost the prestige and revenues of NBC ownership.

The House Antitrust Subcommittee of the Committee on the Judiciary began hearings in June 1956. In contrast to Bricker's Senate Committee, the House hearings on monopoly problems in regulated industries were chaired by New York Congressman Emmanuel Celler, a Democrat in the Jeffersonian and Brandeisian traditions. Celler began the hearings with the following statement:

The hearings on antitrust and monopoly problems in the television broadcast industry which begin today are a continuation of our study of monopoly problems in regulated industries.

Today we have with us the Chairman and members of the Federal Communications Commission who appear as our first witnesses. I know that we shall profit from their firsthand account of the situation in television broadcasting, which the subcommittee recognizes is one of the most vital of all mediums of communication. Indeed, I can think of no field in which antitrust objectives assume greater significance than in visual broadcasting, where the avowed congressional objective is a nationwide competitive system to promote a free market place of ideas.

In other sectors, monopoly, while serious enough, strikes primarily at the pocketbook of the American consumer.

In television, monopoly—if it exists and if it is uncurbed—may first of all mold public opinion on a nationwide basis to suit the interests of a few in addition, it may operate to deny the vast television audience freedom of program choice and deny advertisers access to the marketplace of ideas.\(^\text{121}\)

Like Bricker, Celler also feared network monopoly power. Yet for Celler the network monopolies would be used to "mold public opinion on a nationwide basis to suit the interests of a few," which would obliterate the "free market place of ideas." Celler's

\(^{121}\) Congress, House, Committee on the Judiciary, *Monopoly Problems in the Regulated Industries, Hearings before the Subcommittee on Antitrust, 84\(^{\text{th}}\) Cong., 2nd sess., 27 June 1956.
concerns tapped the assumptions of the Holmes and Brandeis free speech tradition, and the free press ideal of *Associated Press v. United States* (1946) in particular. In that case, the court ruled that the Associated Press’ monopoly on the production and distribution of information inhibited the public’s access to “diverse and antagonistic sources of information.” Likewise, Celler assumed that limiting the power of networks would promote a free and competitive marketplace of ideas. Celler trusted that decreased network power would allow local stations, program producers, and advertisers to better compete in the television industry marketplace. Yet as broadcast reformers had recognized since the early 1930s, a competitive, profit-driven marketplace would still constrain the diversity of ideas. Celler asserted the federal government’s interests in promoting competition and a free market of ideas. What he did not recognize was the state’s interest in molding public opinion.

NBC President Robert Samoff (David Samoff’s son), accompanied by NBC lawyers and the Executive Vice President of NBC, testified before the Committee in the afternoon session. In his opening statement, Samoff asked whether the public would benefit from limiting the amount of programming a station could accept from a network, by banning option-time and the must-buy policies, and by prohibiting network development and production of programs. Samoff explained that the “attack on the basic principles of networking originated from a group of film producers and syndicators.”

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122 In *Abrams v. United States* dissent (1919), Justice celebrated the “marketplace of ideas.” In *Whitney v. United States* (1927), Brandeis underscored the importance of public discussion in a democracy. In both these cases, first amendment defenses did not withstand the “clear and present danger” test. Thus, the two most quoted statements about first amendment rights appear in which the defense was inadequate. Also see Cass Sunstein, *Democracy and the Problem of Free Speech* (1993).

The public, on the other hand, "needs and wants the network service." Sarnoff characterized networks and film producers as having fundamentally different functions. Film producers were "program merchants, producing or acquiring programs for sale to any customer—a network, an advertiser, or a station." The networks, on the other hand, had the responsibility of "providing continuing, balanced national program service which includes information, public affairs, and special events presentations." A network has to "maintain a comprehensive national communications service." Any interference with the networks procedures, "under the misguided notion of fostering competition between dissimilar activities—would destroy or impair networking, with no public gain and with great injury to the public interest." With this statement, Sarnoff asserted classic trustee rhetoric, characterizing NBC as long-sighted protector of a balanced public interest, and film producers as short-sighted merchants.

Mobilizing Public Opinion

From 1952 to 1959, the federal government’s interest in preserving the networks as public information trusts came into conflict with antitrust responsibilities. A clue to why CBS and NBC were able to avoid antitrust action is found in a number of President Eisenhower’s public statements, including a 1955 address to the National Association of Radio and Television Broadcasters. In that speech, Eisenhower recognized the public opinion power of broadcast’s “engaging personalities.” Because of this power, broadcasters had added responsibilities in “seeing that the news… is truthfully told.”
With his emphasis on public opinion and an informed public, and a reference to Jefferson, Eisenhower echoed the arguments expressed by Edward Bernays.125

Commentaries in the New York Times also suggested that the networks played an important role in mobilizing public opinion. For example, in a January 1958 commentary, Jack Gould described a Dave Garroway interview with Nelson Rockefeller about the findings of study conducted by the Rockefeller Brothers Fund, Inc., “which suggested that without immediate action the United States might become a second-class power within two years.” After the interview, according to Gould, Garroway held up the report and stated that viewers could obtain a copy upon request. NBC received 200,000 requests.

Although Representative Celler feared that networks would use their power to control public opinion, NBC, Eisenhower, and Gould recognized that this was the network’s core value. Like Today, the Times had also provided Rockefeller with a national platform, reprinting his series of reports in full over the course of several months. From the positions of the Times and RCA/NBC, Rockefeller’s message about the lagging power of the United States, and the need for economic planning and military expenditures, was worthy of national exposure.

This chapter has examined how government and business interests in preserving NBC as an information trust conflicted with the federal government’s antitrust

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125 Although I have yet to find direct proof, it appears that Bernays may have advised the White House and other state officials. In The Fifties, David Halberstam describes Bernays involvement in winning support for the 1954 Guatemalan coup.
responsibilities. The case of *Today* suggests that NBC constructed *Today* as prestigious, and capitalized on Garroway's credibility and style, to influence consumer choices and to mediate public information.
CHAPTER 6
CONCLUSION

They (who won our independence) believed that freedom to think as you will and to speak as you think are means indispensable to the discovery and spread of political truth; that without free speech and assembly discussion would be futile; that with them, discussion affords ordinarily adequate protection against the dissemination of noxious doctrine; that the greatest menace to freedom is an inert people; that public discussion is a political duty; and that this should be a fundamental principle of the American government.

—Supreme Court Justice Louis D. Brandeis, Whitney v. United States, 1927

This study began as an effort to understand the 1952 premiere and development of RCA/NBC’s Today show in relation to the deep structure of broadcast regulation and the public interest mandate. In examining this relationship, I shuttled back and forth between reconstructing the actual marketing efforts of NBC in the 1950s and developing a deep structural understanding of corporate legitimacy and consent-building in history. Ads in Variety and The New York Times, coverage in the print press, and NBC’s archived records provided a basic narrative: first NBC marketed Today as a communications center and vehicle for advertising participations. Then, it was reconstructed around Dave Garroway’s entertainment style, as a program that drew the attention and enthusiasm as mass viewers, and as a program that attracted opinion leaders. Marketing materials also suggest that advertisers participated in the program for multiple reasons: because NBC demonstrated that viewers paid attention to the program; because NBC constructed Today as attracting a viewer who had personal influence; because NBC promoted Garroway as having personal influence and credibility; and because of merchandising opportunities, flexible plans, and discount rates. At a deeper level, NBC’s marketing worked because salesmen and promoters constructed the appearance of consent and impact:
advertisements and promotional materials announced that enthusiastic audiences wrote letters to NBC, that 1.7 million households tuned in to watch the program; and that consumers bought products merchandised on the program.

Central to understanding the relationship between *Today* and the public interest mandate is recognition that, in a liberal democracy, corporate power and privilege must be justified and legitimated. NBC maintained shared monopoly control of broadcasting from the late 1920s to the 1950s by continuously constructing consent for that control. Marketing is generally defined as the process of determining the real or induced needs of consumers, and then satisfying that consumer demand through production. Yet as this study has shown, from the 1920s to 1950s, marketing was more than simply determining demand or promoting a program and product. Rather, NBC effectively constructed a particular image of consumer demand in order to gain consent for its own political and economic goals. Thus, in the 1920s, to gain control of broadcasting, radio manufacturers combined consumer and civic logic by claiming that they cultivated awareness and then gave the public it wanted: access to high culture, such as classical music and operas. Yet by the early 1930s, when RCA/NBC and CBS wanted to maximize their revenues, network officials suddenly argued that the public wanted low culture. By the early 1950s, NBC-TV representatives claimed that because the public was primarily interested in standard entertainment fare, the only way to serve civic and educational interpretations of the public interest was by inserting the material into an entertainment schedule. Each time, NBC based its argument about what the people wanted on audience surveys and
ratings analysis. Yet this study has suggested that NBC constructed that consumer
demand, or the public interest, to serve its political and economic ends.

In the United States, network departments and divisions, the ratings industry, and
mass communications researchers all work on the apparent problem of qualifing and
quantifying the public interest. Yet others have a much simpler way of characterizing the
public interest. For example, as described in chapter 2, in the 1930s British programmers
appear to have conceptualized the public differently than their American counterparts. In
contrast, the British Broadcasting System simply assumed that each viewer had an
interest in multiple types of programming. American progressive philosopher John
Dewey claimed that the public interest is concerned with the far-reaching character of
consequences, whether in space or time” (Dewey 1927). A public view considers the
indirect consequences of transactions between individuals and groups, with the effects of
those transactions extending “beyond those immediately engaged in them.” Political
scientist Robert Goodwin (1996) also advocates that the public interest be defined as the
highest standard of responsibility rather than the lowest.

Exceptions to the Rule

As discussed in chapter 1, Adam Smith’s construction of the capitalist free market
in The Wealth of Nations depended on positioning monopolies as exceptions to the rule.
Defense supplier monopolies ensured reliable production of weaponry and temporary
monopolies promoted and rewarded risk-taking and effort. Also, because Smith’s ideal
political and economic leaders were one in the same (i.e., the landed aristocracy), Smith’s
free market system was also implicitly free of politics, or debates about the common interest. As he saw it, there was no need for debate. Similarly, Edward Bernays' theory of democratic communications constructed an informational monopoly as the exception to a free speech/press rule. For Bernays, the engineering of consent by specialists was necessary in times of national crisis. In this context, the network trusts provided officials and specialists with a pipeline to the public, to quickly and efficiently disseminate information. As chapter 5 demonstrated, the *Today* show provided not just an outlet for the pipeline, but one that was constructed as more prestigious, credible, and influential.

Even though the Supreme Court, Commission of Freedom in the Press, and FCC privileged the ideal of public discussion, the constant state of Cold War urgency justified consent engineering. In that context, *Today* was not designed and presented as a program that would enable citizens to understand the complexity of issues and range of perspectives. On *Today*, as in mainstream culture in general, the Cold War was a fact that was not up for debate. Moreover, that numerous prestige commentators found little substance behind the *Today* presentation also suggests that RCA/NBC had actually capitalized on the Cold War atmosphere by developing and marketing *Today*.

**Questioning Balance and Competition Policy**

This study has also suggested that core assumptions about balance and competition underlie the *Today* show, regulatory policy, and welfare capitalism. In general, a theory of balance assumes that the profits generated from a capitalist, or commercialized, system of relations can subsidize noncommercial, social welfare
endeavors—whether managed by the government, by the nonprofit sector, or by private corporations. Thus, from the 1930s to 1950s, the FCC stressed that broadcast stations and networks should balance commercial programs with noncommercial sustaining programs. The commercial process is acceptable as long as it is balanced.

From the perspective of Karl Marx and neo-Marxist scholars, however, capitalist labor relations, and the processes of commodification and reification, are inherently exploitative and dehumanizing. Profit demanded the production of surplus value; surplus value was created by labor relationships that alienated human beings from their humanity as productive and creative beings and members of a community (West 1991). While capitalism allows decisions to be made in a private arena, according to the goals of minimizing costs and maximizing profits, a public view externalizes those costs in a public arena, where decisions are made collectively. Since the turn of the century, multi-national corporations have justified their power and control as necessary for a public interest defined in terms of national security, economic growth, and consumer democracy. Given those vested interests, the possibility of capitalist profits being voluntarily used to underwrite programming concerned with the consequences of private corporate action seems remote. This is essentially the argument that was made by broadcast reformers in the 1930s and the National Economic and Social Planning Association in 1940.

As discussed in chapter 3, throughout the 1940s and 1950s, the Department of Justice, FTC, and FCC assumed that antitrust enforcement would promote a free, competitive marketplace of programs and goods. It was then assumed that this
competition would foster higher quality programming that better served viewers. However, as suggested above, market competition for viewers does not promote programming that attends to the consequences of associated action and other public issues. Rather, decades of network rivalries for ratings have demonstrated that networks will often aim for the least common denominator. Moreover, as demonstrated in chapter 5, government officials' interests in promoting competition conflict with interests in preserving networks as public information trusts. In the mid-1950s, as Congressional Committees and the Department of Justice investigated CBS and NBC for antitrust violations, President Eisenhower recognized the public influence of broadcast's "engaging personalities." In 1950s hegemonic culture— as today—a good citizen is a responsible family member, worker, and consumer. In this context, broadcast personalities play a key role in providing citizen-consumers with official information. However, citizens who seek to participate in debate over policy and decision-making will generally have to look to alternative print media and internet sources.

**Alternatives to the Corporate-Controlled System**

In 1967, with the Public Broadcasting Act of 1967, Congress authorized the creation of the Corporation for Public Broadcasting. Today, however, reformers charge that because it is under-funded by government, public broadcasting has become reliant on corporate sponsors. Even though program such as Bill Moyers' *NOW* and *Frontline* take on controversial public interest issues, it is argued that the bulk of PBS programming does not question serve an adequate watchdog or public discussion function. Moreover,
to draw viewers, PBS has to compete with the vast marketing resources of multinational corporations. In May 1991, Ralph Nader and the Center for the Study of Responsive Law proposed an alternative to PBS: the “Audience Network” (Nader and Riley 1988). Coinciding with the 30th anniversary of New Minow’s “Vast Wasteland” speech, Ralph Nader testified before the House Subcommittee on Telecommunications and Finance, explaining that the proposal would require that each network relinquish one primetime hour per night for public interest programming. As Committee chairman Edward Markey (D-MA) asserted, the public interest standard reflected an initial deal between broadcasters and the public: in exchange for use of the Nation’s airwaves, broadcasters promised to “subordinate their private interests to service in the public” (1). However, after Reagan era deregulation, in which policies such as the Fairness Doctrine and ownership restrictions were repealed or loosened, many observers wondered what the standard really meant, and whether the public had access to the airwaves that it owned.

Testifying before the Committee, Ralph Nader initially referred to the 1969 Supreme Court Case, *Red Lion Broadcasting v. FCC*, in which the Supreme Court held that “the first amendment rights of the listener take preference over the first amendment rights of the broadcaster.” Likely recognizing the danger of a First Amendment argument, however, Nader shifted his focus to public ownership as rationale for the Audience Network. Nader stressed that the airwaves were public property, like rivers and streams. The public would not tolerate a law that allowed commercial boats and yachts sole use of the waterways, yet granted broadcasters exclusive use rights to the

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126 395 U.S. 367, 391.
airwaves. Echoing the concerns of Herbert Hoover, and the words of 1930s broadcast reformers and the FCC’s *Blue Book* (1946), Nader lamented the “unctuous commercialism of the broadcast industry which is now getting worse than ever” with the proliferation of infomercials and cutbacks in public affairs programming. He claimed that this system did not encourage citizens to be active, to address problems, and to propose solutions. Chartered by Congress, the Audience Network, a nonprofit membership organization, would be granted one hour of each network’s primetime block every night, and one hour of radio. Programming would center on consumer interest issues, and enable citizens, as program producers and viewers, to become technically and politically literate about communications issues. Because the Audience Network would foster democratic participation, Nader declared, broadcasters should want to support the Network, as an act of patriotism.

While ex-FCC chairmen Nicholas Johnson and Newt Minow, and Jeff Cohen of Fairness and Accuracy in Reporting (FAIR), testified in favor of the proposal, Robert O’Neil of the Thomas Jefferson Center for the Protection of Free Expression opposed the network as a violation of First Amendment rights. As the testimony against the proposal demonstrated, Audience Network was opposed as an infringement on the first amendment rights of broadcasters to have editorial control over their program schedules and content. After the Committee hearings, the Audience Network proposal faded away, with no coverage in the prestige or popular press. Although the Audience Network proposal was not taken up again in Congress, Nader’s Center for Responsive Law continued to advocate the idea as part of its 1997 “Public Accountability Act” initiative.
Another way to argue for an Audience Network-type proposal would be to hold the networks accountable for their promises. In the late 1940s, RCA and NBC executives promised that entertainment would draw viewers so they could be exposed to “enlightenment” programs. However, by the mid-1950s, those lofty aims had been put aside, as NBC, CBS, and ABC primetime lineups became dominated by filmed action adventure dramas, situation comedies, and quiz shows. In 2002, the media has concentrated into ten multinational corporations with GE, Disney, or Viacom owning broadcast and cable networks.¹²⁷ In these vast webs of ownership and strategic alliances, watchdog and thought-provoking programming that does appear is generally relegated to the fringes, where it does not threaten the bottom line. The question then becomes how public interest programming, especially programs that examine issues of health, safety, and welfare concerns, can find large audiences. The networks could be required to preempt primetime schedules to air independently produced programming. This solution, however, would also be at risk of accepting underlying network assumptions that audiences primarily want escape-entertainment programs. This study has demonstrated that audience demand was, and is, constructed to suit vested interests. Thus, the question becomes how grass roots activism and marketing could be used to generate different expectations of network programming.

Because of the trustee relationship with the federal government, the legitimacy of privately owned and managed broadcast networks depends on evidence that networks serve the public interest. In the United States, it is assumed that economic growth, and an

ever-expanding market, most benefits the public—as consumers and workers. Still, it has also been assumed that broadcasters, as programmers with editorial control, will take on and mediate the civic and social duties once relegated to the noncommercial sector, i.e., civic, labor, educational, and religious organizations. Political philosopher David Sandel (1996) distinguishes between a political economy of economy growth and a political economy of citizenship. Although Thomas Jefferson and Louis Brandeis advocated an economy that served the ends of citizenship first and foremost, the American experience has been one in which the ends of economic growth have often come before citizenship and self-government. Broadcast reform depends on educational campaigns that counter hegemonic rationales for the existing broadcast system. These efforts must focus on countering broadcasters’ first amendment defense, deconstructing broadcasters’ claims that they are giving the public what they want, re-framing the issue of scarcity, and identifying dominant and alternative conceptions of the public interest and the participating citizen.

First, to counter broadcasters’ first amendment defense, it is essential to assert the values of Supreme Court decisions such as *Associated Press* (1945) and *Red Lion*. *Red Lion* (1969) strongly articulated that listeners’ rights trump those of broadcasters: listeners need access to information that will help them make informed decisions. Still, several years later, a subsequent Court decision, *Miami Herald Publishing v. Tornillo*\(^\text{128}\) (418 U.S. 231, 1974) expressed the core belief in press editorial control. Today, to challenge regulatory efforts, broadcasters, cable operators, and internet service providers

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Reformers have begun to address these arguments. Second, this study has provided evidence of how a network constructed the wants and demands of viewers to serve its own purposes. Countering these rationales requires stressing that audiences' preferences are shaped by what they have been exposed to in the past. If they have never experienced a different type of programming, they will not know that there are alternatives and other possibilities.

Third, with the proliferation of cable channels, it is often argued that technical scarcity no longer can justify regulation as it did in the past. But the effects of deregulatory policy have spawned grounds for another argument: market scarcity. The programming market is so dominated by corporate vested interests that only positive government action could allow for new possibilities and alternatives. In 1990, the Children's Television Act mandated that broadcast stations provide quality children's programming. This Act essentially created a market for quality children's programming. Using the same strategy for public affairs and discussion programs, however, would be difficult because of rebuttals that regulation of content is paternalistic and invasive. Finally, this study has provided perspective on possible interpretations of the public interest. Even though the Telecommunications Act of 1996 still mandates that broadcasting serve the public interest, most of the media conglomerates that own...

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129 Reformers have been able to require that cable franchises—which use public-rights-of-way—to provide channels for government, educational, and civic programming.


broadcast and cable networks and cable channels continue to define the public interest in terms of consumer choices, with programs designed primarily to serve advertisers’ demands for particular demographic groups, and not sustainability or participatory democracy. Change will require articulating alternative interpretations of the public interest.
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