

Radio Administration—at Home and Abroad

ARMSTRONG PERRY

Director of the Service Bureau of the National Committee on Education by Radio

INFORMATION gathered by interviewing radio officials of every national government and broadcasting company in Europe indicates that the operation of broadcasting stations on a basis of public service, instead of for advertising purposes, keeps the stations and programs in the hands of radio experts, as they are in America. It seems evident that the same executives, engineers, and talent are functioning as would function under any conditions. They are the groups which, because of their interest in radio, have risen to positions of leadership. The main differences between results in Europe and those in America are:

[1] Most broadcasting organizations in Europe have assured incomes instead of lawsuits and losses, and many of them are making good profits.

[2] The listeners in Europe have plenty of good programs of the kind they desire and are comparatively free from the advertising nuisance which, in America, has become so obnoxious that commercial broadcasters and government officials are releasing publicity stories stating that they are trying to abate it.

[3] The listeners in Europe pay, thru their governments and in convenient small installments, much less than the American listeners pay indirectly for the programs which they receive.

[4] There is plenty of competition to keep the programs up to high standards but it is based on proper national pride instead of on the desire of commercial broadcasters to secure advertising patronage and exploit the public.

The administration of American broadcasting handicaps broadcasters, listeners, business concerns, the press, and governments, according to their own testimony. This statement is made on the basis of interviews with radio officials, broadcast listeners, business executives, editors, publishers, and public officials representing the United States and each of its states, Canada, Mexico, and every

one of the several European countries.

American broadcasters handicapped by short-term licenses—The American broadcaster is handicapped at the start by a short-term license. He must

THE DEPARTMENT OF ELEMENTARY SCHOOL PRINCIPALS of the National Education Association urges that education by radio be given immediate attention by teachers, school officers, and citizens to the end that a fair share of radio broadcasting channels may be reserved exclusively for educational purposes; that the quality of educational broadcasting be improved; that broadcasting facilities be extended to schools and to programs for the education of adults; and that the introduction into the schoolroom of any radio program, however fine its quality, which is announced or titled so as to gain "goodwill" or publicity for its sponsor, or which advertises a sponsor's wares, be forbidden by statute. Radio is an extension of the home. Let us keep it clean and free.—Resolution adopted by the Department of Elementary School Principals of the National Education Association at its meeting in Los Angeles, California, July 1, 1931.

invest his money with no guarantee that he can carry on his business for more than a few months. He is attacked frequently by others who want his privileges, and he is compelled to spend much money in defending what he believes to be his rights. In Europe broadcasters united and secured concessions from

their governments under contracts which will continue in some cases for twenty to thirty years. They developed radio on a sure foundation. Wavelengths are assigned by a voluntary, representative organization. Hearings and lawsuits, such as absorb a considerable part of the energy and funds of American broadcasting organizations, were not reported in Europe altho no country on that continent has as many wavelengths as the United States.

European broadcasters have assured profits—The American commercial broadcaster depends on the sale of advertising for his income, and is handicapped by the fact that listeners seldom if ever demand advertising. In order to satisfy advertisers he must attempt to force upon listeners advertising which they do not want. The listener often shuts out the advertising or lets it pass unheeded. Reports are unanimous on this point. Radio advertising keeps many listeners talking against the advertising instead of praising the things advertised. It may prove to be an unreliable source of revenue.

Protests of European listeners against radio advertising are so vigorous that it is prohibited in twelve countries and limited in seventeen others. Only from five to twenty minutes per day of advertising are permitted in most of these seventeen countries, and it is seldom permitted to interrupt programs.

Most European broadcasters receive regular, assured incomes from their governments. Comparatively few American broadcasters have reported satisfactory profits, but in fifteen European countries broadcasting officials report profits ranging from "satisfactory" to fifteen percent. Only one country reported a deficit. That was only \$25,000, and it was paid by the government.

The European broadcaster usually has only the listeners to please. Advertising revenue, if any, is too small to affect

ONE HUNDRED MILLION DOLLARS PER YEAR—A brief résumé of the principal research contributions of the University of Illinois to agriculture and industry has been published as a University of Illinois bulletin under the title *One Hundred Million Dollars Per Year*. This bulletin is Volume XXVIII, Number 45, June 7, 1931, and may be secured by writing J. F. Wright, publicity director, University of Illinois, Urbana, Illinois.

broadcasting policies. The more the broadcaster pleases the listeners the larger his audience and income. The less advertising, the better the listeners are pleased.

Broadcasters in one small country abandoned advertising when it was paying them seventy percent profits. Radio advertising was prohibited by law. No license fee was required of set owners. Broadcasting was left with no source of income except voluntary contributions, yet in two years one broadcasting organization has accumulated a surplus of \$600,000, another a very large sum, and the others are at least paying expenses. Listeners are glad to be rid of the advertising nuisance, and continue to contribute liberally. Contributions come even from listeners on the frontiers who can hear foreign stations more easily than those of their own country.

European listeners pay less for radio service than Americans—The American listener seldom can hear any program for more than ten or fifteen minutes at a time without being interrupted by some salesman, whose statements may not agree with the facts. Many who listen become painfully conscious of the fact that commercial broadcasters look upon them merely as chattels to be sold to the highest bidders. Tests made by asking American listeners to express their preferences indicate that many would rather pay for their programs directly, and thereby get what they want without advertising. European listeners do so. Many of them are asked, at least once a year, what they want, and programs are made to meet their demands. There is very little demand for the meaningless stuff that some American commercial broadcasters claim the public wants. Jazz is described in Europe as "negro music capitalized by Jews." There is a strong demand for good music and for educational programs.

American listeners are told that they pay nothing for their radio programs. The fact is that the listeners pay, indirectly, the \$444,179.94 budget of the Federal Radio Commission, plus the total budget of all the broadcasting stations, a sum reported as over \$75,000,000. This is more than the listeners pay in all the other countries combined. It is extravagant in view of the fact that much of the time on commercial stations is devoted to commercial propaganda which many listeners consider as not in the public interest, convenience, or necessity. In the words of a wellknown radio editor: "The radio listener, altho he does not do it

in a tangible way, actually 'pays the bill' for broadcasting. You paid part of that bill when you purchased a radio set, a tube, or any of the other gadgets that went into radio. You continue to pay when you smoke the cigarettes, use the soap, and patronize the merchants whose virtues you have heard extolled thru your

WISCONSIN is noted for its pioneering in the public interest, and now, thru the leadership of the University of Wisconsin, the state is attempting to enlist the radio as a means for disseminating information of general concern. The orderly presentation of wellplanned programs will, I hope, find reception in the schools. I earnestly recommend the Wisconsin School of the Air programs to our teachers.—John Callahan, state superintendent of public instruction of Wisconsin, in the University of Wisconsin Press Bulletin, volume 25, number 24, December 16, 1931.

loud speaker between periods of music or dialog."

Stations more crowded in America—Many American listeners are handicapped by the number of stations crowded into small areas. Several American cities have ten or more stations within a radius of a few miles, the majority of which broadcast programs of the same general nature. This causes interference which in many cases prevents satisfactory reception. In Europe there are seldom more than two stations in any small area.

Unfair discrimination and favoritism—In America one distributor of merchandise is permitted to operate one or two broadcasting stations to advertise his goods and others are denied the privilege of operating stations. One man is given repeated renewals of his broadcasting license altho he uses his station to sell his own goods on the one hand, and to attack legitimate business enterprise on the other. His privileges were continued even after he defied the government which granted them, and in spite of the fact that listeners complained that he used profane and obscene language in doing so. Organizations of capitalists are given the most valuable radio privileges

while labor is compeled to fight continually for its right to be heard. The declaration by a company that it wants to invest money in a radio broadcasting station and make profits by selling radio audiences to advertisers is considered by the radio authorities as giving the company a right superior to that of a university which seeks to use radio as a means of extending its service to citizens who cannot sit in its classrooms. The testimony of an employee of a commercial broadcasting company to the effect that the public wants the service of its station has more influence with the federal radio authorities than the fact that the people of a state support a broadcasting station at their state university by paying taxes. The commercial broadcasters are permitted to discriminate in favor of one concern that wants advertising time and against its competitor.

In Europe, radio channels are used primarily for service to the listeners. They are not turned over to favored business concerns. Where advertising is permitted the air is open to all legitimate business on equal terms. The advertiser usually pays only for the time used for his advertising. He is not obliged to pay for an expensive program in order to secure a few minutes of advertising time. The man with a small business can advertise. The air is not monopolized by large advertisers.

Difference in treatment of press—American newspapers and magazines have lost a large part of their revenue thru the action of the federal government in granting broadcasting companies the use of the public radio channels for advertising purposes. Also, certain newspapers are granted valuable radio privileges by the federal government while others are handicapped by greater restrictions or are denied the use of the air altogether. In Europe the press is better satisfied. In one country a committee representing the press is financed by the national government so that it may serve the public thru the national radio stations.

Broadcasting adds to tax burden—The American government grants the use of radio channels to broadcasters free of charge. It receives no income directly from these channels and spends about \$444,000 annually to maintain the Federal Radio Commission which issues the licenses to the broadcasters. What the government pays out of its treasury must of course be collected directly or indirectly from the citizens. Most European governments collect a small tax on

radio receivers, retain at least enough of it to cover the expense of their services, and use the rest in providing, directly or thru concessionaires, programs which the listeners want.

The state governments in the United States are deriving no revenue directly from the radio channels. Their right to control any channels is denied by commercial broadcasters and by the Federal Radio Commission. The Commission grants permission for broadcasting stations in one state to cover other states with programs, altho these programs may be objectionable to citizens and officials, but it denies the right of state governments to operate broadcasting stations even in performing functions for which the states alone are responsible, such as public education. The right to use radio in exercising the police powers of a state, without interference from the federal government, was won only thru the determined stand of one of the states, and the Federal Radio Commission still claims the right to exercise some authority over such use. In Europe the right of a sovereign state to use radio without permission or regulation from any other power is unquestioned. A satisfactory system is established and maintained by voluntary cooperation, and with less trouble and expense than in the United States.

Education classified as "commerce"—In the United States broadcasting has been classified as interstate commerce, thru the efforts of the radio industry. One state has been prevented, by action in a federal court, from taxing radio receivers, on the ground that they are instrumentalities for interstate commerce. On the same grounds efforts might be made to exempt from taxation radio broadcasting stations, railway property, telegraph and telephone lines, and automobiles. Prices paid for broadcasting stations indicate that the commercial value of radio channels is as high as \$6,000,000. The taxpayers appear to be losing much that the broadcasters gain for their free

privileges. In Europe broadcasting is an educational and civic function, carried on for the benefit of all citizens, and not for the benefit of a particular group of business concerns. It is not classified as commerce.

Education controlled by advertisers—In the United States, commercial broadcasters and radio officials are trying to place all broadcasting channels in the hands of concerns engaged in the advertising and amusement business. Such concerns, when operating broadcasting stations, have full control and censorship of all programs broadcast. They, and radio officials, agree that a commercial broadcasting station must have the right to sell as much of its time as can be sold profitably. This leaves education dependent mainly on unsalable time and under the control and censorship of concerns which sell their time to advertisers, whose statements concerning their products do not always agree with known facts. In Europe this makes the United States a laughing stock, particularly when even the President of the United States, speaking to the citizens over public radio channels, becomes an adjunct to an advertising campaign.

Some national departments of education in Europe are represented in the commissions appointed by the governments to control radio programs. Where they are not represented the opportunity is left open for them to function when they choose to do so.

Political propaganda—American listeners are told that governmental control of broadcasting causes programs to be filled with political propaganda. In Europe, where some governments operate the broadcasting stations and others place broadcasting monopolies in the hands of controlled corporations, complaints against political propaganda are not so numerous as complaints against commercial and political propaganda in America.

Program quality—American listen-

ers are told that under governmental control radio programs become dull and uninteresting. European listeners and officials who were interviewed, representing all the countries of Europe, were practically unanimous in stating that they believed European programs in general to be superior to those in the United States. Their testimony was supported by that of several Americans who hear programs both at home and abroad.

American listeners are told that in Europe there is excessive use of phonograph records in radio programs. No evidence was discovered indicating that phonograph records were used more in Europe than in America, altho the use of records has not been attacked there as vigorously as it was in the United States before the dominant concern in the radio industry absorbed the leading phonograph business.

Americans want European radio channels — In several countries attempts of commercial interests to gain control of the air and introduce American advertising programs were reported. Some of the approaches made were reported as highly improper. In most countries they failed. In one country they succeeded and a broadcasting station, reported as the most powerful in the world, is under construction. Government officials stated, referring to the contract with the concessionaire, that the government retained control of the programs. Officials of the company stated, on the contrary, that the company was free to do as it pleased, even if it chose to take a wavelength which is in use by a station in another country. It was stated that the company was associated with an "international trust." This trust was said to include an American corporation which, thru action of the Supreme Court of the United States, has been finally adjudged guilty of violation of the anti-monopoly laws of our country, and which the United States Department of Justice has sought to dissolve by legal action.

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The Magnitude of Education by Radio

PEOPLE who believe that education by radio can accomplish its work in an occasional hour over a commercial chain, utterly fail to comprehend the magnitude of our educational needs. Within a relatively short time the radio broadcasting stations of our several states will be the largest and most vital institutions in those states--in their effect on the lives of the people, in their financial budgets and in their personnel and planning. They will be on the air fulltime both day and night broadcasting to homes, to schools, and to meetings of citizens and groups of all kinds, giving a new unity, a richer perspective, and a surer sense of direction to human life. They will do all this at a relatively small cost considering the vast numbers reached. All kinds of receiving and broadcasting equipment will be greatly reduced in price as monopoly forces are brought under control by the people. For a state to surrender its right to radio is equivalent for it to surrender its right to the education of its people, as that education will be operated in the civilization of tomorrow.—From *The Journal of the National Education Association*, volume twenty-one, number one, page sixteen.