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CITY

Radio Debate Creates Interest

LETTERS POURING INTO THE OFFICES of the National Committee on Education by Radio, the United States Office of Education, and numerous other public and private agencies indicate the keen interest which the 1933 debate question on radio ownership and control is arousing. These letters come not only from highschool and college students and members of the faculties of educational institutions but from business men, housewives, and other public-spirited and thoughtful citizens. For example, in referring to the radio question a prominent Boston business man wrote:

I hope and trust that the young men and young women who this year are debating on this matter will bear in mind that uncontrolled radio broadcasting will mean the ruin of the intellectual life of America, for radio is turning upon the public as a Frankenstein returning to terrorize the people who made it.¹

One of the principal difficulties with radio broadcasting today is that the control of its programs rests with the "advertising crowd." Referring to the basis on which the whole modern advertising structure rests, a recent writer states:

Some years ago an ingenious practical joker proposed to the Associated Advertising Clubs of the World the slogan, "Truth in Advertising." . . . Advertising men—like a crowd of hypnotists solemnly putting themselves to sleep by their own passes—have not only adopted the slogan, but, by a natural process of rationalization, have come to believe that it is actually true. . . . To this day most advertising men, victims of their own technic, swear that they speak the truth, the whole truth, and nothing but the truth—dashing off preposterous imperatives and monstrous superlatives with the air of Moses bringing down tablets from the Mount.²

Some people wonder why radio is so severely criticized because it gives time to sales talks when similar criticism is not heaped on newspapers or periodicals. To understand this let us contrast the two media.

I have in my hand a copy of the *New Outlook* for July 1933. A full-page advertisement of Listerine Shaving Cream appears on page 1; a stimulating article on the radio entitled "Static Ahead!" by Allen Raymond begins on page 17. If I am interested in shaving cream I can read the page devoted to the former; if I want a better understanding of radio's problems I can read the latter. I do not have to peruse one in order to secure benefit from the other. If I choose to devote a few minutes to the radio article, I am not annoyed with paragraphs describing the shaving cream, scattered here and there thruout the story. I am sure that the radio article was not sponsored by the advertiser who purchased page 1 or by any other. An advertiser's task is completed when he buys a particular space, and delivers his message in his own way.

If I talk with the editor, Alfred E. Smith, I will find that *the determination of which articles shall appear in his magazine is in the hands of the editorial department and not of the business office or individual advertisers.* Furthermore, I find a fairly definite segregation of the advertising, leaving the best parts of the publication for the editorials and feature articles.

These are a few of the things which distinguish the magazine from commercial radio as found in the United States. They lead to such questions as: Why should radio's editorial page be cluttered up with cheap advertising? Why should the front cover be used to advertise harmful drugs or cosmetics? Why should advertisements of tobacco, liquor, or investments usurp the space which otherwise might be devoted to feature articles? Why is radio advertising permitted in the evening? Why not classify and group all sales talks together and entirely separate them from the education, culture, and entertainment, so as once and for all to eliminate the present control over programs by advertisers and advertising agencies?

Many additional reasons can be found for the criticism of advertising over the radio and its acceptance in other media, but a new one appears as a result of a recently completed study at the University of North Carolina. Henry N. DeWick found among other things that "Auditory presentation of advertising copy is distinctly superior to visual presentation when the problem involved is to recall the contents of the advertisements or the products and their trade names, after a delay of from five days to five months." In other words, persons not interested in the advertising chatter

[and how many are?] find the sales talks running thru their minds, try as they will to dismiss them.

One of the rapidly increasing number of critics of American radio, a philosopher and student of public affairs, says

The radio in America has been allowed to gravitate to almost exclusive control by big business interests. It is viewed by them as a new and profitable vein of advertising revenue. The absurdities and banalities which such control and such a purpose have turned loose on millions of radio listeners almost beggar description. These are fundamental and obvious facts; only a blind optimist would deny, or dispute, or justify them. They call for swift and far-reaching reconstructive effort by the public. In the present state of public confusion, such efforts will probably not be immediately forthcoming.³

The "money changers" and their spokesmen minimize the educational value of radio. They draw attention to its use in many homes purely as an entertainment device. In many parts of our country, on many broadcasting stations, and cer-



CHARLES A. ROBINSON, S.J., *Saint Louis University, Saint Louis, Missouri, new member of the National Committee on Education by Radio succeeding Charles T. Corcoran, S.J. Father Robinson has had wide experience as a student, teacher, and administrator not only in the United States, but in Canada, Austria, Holland, and Japan. After the war he was the Jesuit representative before the Interallied Commission, carried relief to the Jesuits in Japan at the time of the 1923 earthquake, and had charge of arrangements for the National Catholic Educational Association convention in Chicago in 1928. One of the original members of the Committee, Father Robinson returns after two years devoted to other fields of educational endeavor.*

¹ The original of the letter written November 3, 1933 is in the files of the Committee.

² Knowlton, Don. "Truth in Advertising." *Atlantic Monthly* 151:403, April 1933.

³ Woelfel, Norman. *Molders of the American Mind*. New York: Columbia University Press, 1933. p38-9.

tainly at many of the best hours of the day, the listener uses his radio set for entertainment for the perfectly obvious reason that no other type of program is available. Professor C. C. Cunningham of Northwestern University has well said

So far as education is concerned, American radio is a university in which the curriculum is drawn up by the business office with the expert advice of the head janitor.⁴

What radio must have is freedom. An educational activity cannot function properly, if at all, when subordinated to the censorship of business interests. It is all very well to magnify the dangers of beaureaucracy under a plan of government radio control. The extent of government censorship depends upon the sentiment in the country, not upon who owns the radio. We have even less freedom on the radio in the United States than exists in England. In addition to the private censorship frequently and effectively applied, our system, where "rugged individualism" is supposed to rule, is even subjected to government pressure. The President of the United States, or any other important federal official, may have the use of any broadcasting chain without cost, at any time he wants it, but as radio is now administered, no one who desires to criticize the government will be allowed time on the chains unless he holds a position which carries with it some influence over the license which the broadcasters hold. As Professor E. C. Buehler of the University of Kansas recently stated

there is no absolute freedom over the air at any time, and under any leadership it will suppress as much criticism of itself as it can. For example, in the present circumstances, General Johnson has demanded as much time on the national hookups as possible. If we had absolute freedom of the air, opponents of the NRA should be allowed an equal amount of time.⁵

Another factor involved in changing some of the fundamental features of the American radio practise is the matter of cost. It is not surprising that the selfish interests should use inflated cost figures. One representative of the "commercial crowd," for example, estimates that to adopt a radio plan similar to that of the British would involve an initial capital cost of \$278,000,000 plus an annual cost of \$145,000,000 for providing three national programs to every listener in the United States. Whether or not three national programs for the United States are necessary is certainly open to debate. Moreover an American plan using the essential features of the British system should cost no more, in all probability much less, than the present wasteful haphazard practise. According to the figures of the Federal Radio Commission the total physical assets of American broadcasting including technical equipment, real estate, furniture, and fixtures but excluding goodwill, total \$30,578,680.31.⁶ Gross receipts for one year of individual stations aggregated \$38,461,302.41 and of chain companies, \$39,296,746.36 according to the same report.⁷ From these amounts the entire support of the present American broadcasting practise has been derived. The reason receipts are given rather than expenditures is because the report of expenditures submitted to the Federal Radio Commission shows too much trick bookkeeping. For example, after listing the usual expenditures for programs, employees, line charges, equipment, replacement, and the like, CBS lumps more than 50 percent of its annual outlay under the heading of "other expenditures" while NBC places more than 40 percent under this same classification.⁸

Public Versus Private Operation

THE RATES TO BE CHARGED for electric service recently announced by the authorities for the government-owned project at Muscle Shoals illustrate in a most striking manner the very great advantages of municipal and public ownership.

These rates are the lowest in the country except, of course, of some of the municipally-owned plants. The ordinary domestic user will pay only \$1.50 per month, whereas under private ownership the cost is two and in some cases three times as much.

The following table shows the cost of current for small users of 50 kilowatts per month, which is sufficient to supply a minimum number of electric lights, and enough additional power to operate an electric iron, a toaster, coffee percolator, and other modest uses at the Muscle Shoals rates as compared to rates under private ownership elsewhere.

Cost of 50 Kilowatts Per Month—Domestic

| | | | |
|---------------------|--------|---------------------------|--------|
| Muscle Shoals | \$1.50 | St. Louis | \$2.05 |
| New York City | 4.94 | Knoxville | 4.57 |
| Chicago | 2.95 | District of Columbia..... | 1.95 |
| Atlanta | 3.50 | Alabama | 2.58 |
| Denver | 3.60 | | |

Heretofore this current, which has cost the government plant at Muscle Shoals $1\frac{1}{3}$ mill per kilowatt hour to produce, has been sold to the Alabama Power Company at 2 mills [$\frac{1}{5}$ of a cent] per kilowatt hour. And the Alabama Power Company has been selling the current to the ultimate consumer at as high as 16 cents. The average domestic rate was 5.56 cents.

Many municipal plants in the United States have rates almost, and in some cases, quite as low as those mentioned above for the Muscle Shoals project. For example, the Cleveland municipal plant has been furnishing electricity at a maximum rate of 3 cents per kilowatt hour from the beginning. Virginia, Minnesota, has perhaps the lowest maximum rate of any municipal plant in the country, 2 cents.

Tacoma, Washington, also has a very low domestic rate, altho somewhat higher than the Muscle Shoals rate mentioned above. Los Angeles; Jamestown, New York; and Kansas City, Missouri are other municipal plants having particularly low rates.—Carl D. Thompson. "How Public Ownership Reduces Rates." *Journal of the National Education Association* 22:213, November 1933.

Denmark Satisfied with Governmental Control

GOVERNMENTAL CONTROL over radio-broadcasting operations in Denmark, which ranks first among nations in the number of receivingsets in proportion to population, is said to be giving complete satisfaction. Furthermore the control system is selfsupporting financially, says the Department of Commerce.

Danish broadcast programs are controlled by a supervisory board of fifteen members which accepts suggestions from civic organizations which have been formed for the purpose of seeking an improvement in radio programs.

Receivingsets are licensed at about \$1.75 a year and the broadcasting monopoly receives the entire sum. In most European countries the government levies a tax on receivingsets.

There is about one receivingset for each seven persons in Denmark, while in the United States the estimate is one set for eight and a third persons.—*United States News*, July 15-22, 1933.

⁴ In a debate on the question of radio control over NBC and CBS networks, November 1, 1933.

⁵ NBC and CBS network debate, op. cit.

⁶ Federal Radio Commission. *Commercial Radio Advertising*. Senate Document 137. Washington: Government Printing Office, 1932. p43.

⁷ Ibid p43-4. ⁸ Ibid p50.

American Broadcasting Results in Losses

BROADCASTING AS CARRIED ON in the United States is not resulting in profits, one gathers from a perusal of the testimony presented in the NRA hearings. John W. Guider, special counsel for the National Association of Broadcasters, testified that

The only available statistics indicate that the [radio-broadcasting] industry as a whole has not as yet operated at a profit.¹ . . . Altho there has been a general drop in advertising revenue thruout the entire [radio-broadcasting] industry in 1933, it is to be remembered that local broadcasting business has been particularly poor due to the generally depressed retail trade conditions in the country.²

In addition to the testimony given by their legal representative, the National Association of Broadcasters in a prepared memorandum entitled "Economics of American Broadcasting" included the following significant material:

In 1931 according to the Federal Radio Commission, total station expenditures exceeded total station revenues by \$237,356. Since there is a duplication of more than \$7,000,000 in the revenue figure, it is probable that the deficit of the industry as a whole, was somewhat greater than the aforementioned amount.

During the past 18 months radio-broadcast-advertising revenues have suffered serious declines. Network revenues for the first seven months of 1933 are approximately 33 percent below those of 1932. It is quite certain that there has been at least a similar decline in the individual station field as a whole, though figures are not available on this point.³

How times have changed! It was only a few weeks ago that *Broadcasting*, the official organ of commercial radio in the United States, made a vehement attack on one of the members of the staff of the National Committee on Education by Radio for distributing this same information to delegates in Mexico City.⁴ It will be interesting to note whether this trade organ makes a similar attack on Attorney Guider and the officials of the National Association of Broadcasters for their recent testimony before the NRA.

False Radio Advertising Opposed

BECAUSE MANY CONSUMERS are influenced in their choices of consumer goods and services by broadcast statements regarding the values of these goods and services, we [The American Home Economics Association] recommend that the following paragraph be added to Article VI—Trade Practises, of the Proposed Code of Fair Competition for the Radio Broadcasting Industry:

No broadcaster or network shall knowingly permit the broadcasting of any false representations regarding goods or services or any representations which may by ambiguity or inference mislead the hearer regarding the value of such goods or services.

It is a matter of common knowledge that such false or misleading statements are often heard on the air. Some merely claim higher quality than the product and its price warrant, and thus affect only the pocket-book. Others recommend the use of beauty preparations which contain ingredients injurious to the user. Still others make false claims for the nutritional or curative values of foods and drugs and are thus

dangerous to health. From many possible illustrations we cite one broadcast in a popular series which did both. It said of a certain medicinal product, "After using ——— for ten days you are going to get a new slant on life. . . . It will correct faulty elimination, liver and kidney troubles, arthritis, indigestion, rheumatism, and acidosis. . . . You can regain your health, but not if you delay."

Of this product the U. S. Food and Drug Administration said: "The truth is that if you are suffering from these diseases and delay rational treatment to try out ——— you may never regain your health." It proceeded to cite the nature of the physical harm which might result from following the practises recommended by the advertiser and to expose the fraud perpetrated on the public by the sale under a new name of a product long familiar to the public at a price almost four times that of the product under its old name.

It is our belief that *the broadcasting of such false or misleading advertising is rapidly destroying the faith of the public in all radio advertising* and this is doing the broadcasting industry more harm than good. It is weakening the confidence of the public in similar goods and services not so advertised, thus lessening the value of broadcasting as an advertising medium for honest products.—Alice L. Edwards in *NRA Proposed Code of Fair Competition for the Radio Broadcasting Industry*, p161-163.

College Work by Radio

WISCONSIN HAS BEEN one of the few farsighted states in radio development. This progressive commonwealth owns and operates two broadcasting stations for the education of the people. As a consequence, thousands of boys and girls in farm and city homes on October 2, began attending a new kind of school.

The new kind of school is the Wisconsin College of the Air which is being broadcast between 1 and 1:30PM each school day for a period of thirty weeks by the two state radio stations, WHA at Madison and WLBL at Stevens Point. The project is designed to extend educational opportunities to the young people of the state, particularly those in rural areas, between the ages of 14 and 20 years.

Five courses are being offered this year as follows: *Mondays*—farm life and living; *Tuesdays*—enjoying your leisure; *Wednesdays*—you and your home; *Thursdays*—the world about you; and *Fridays*—social problems of today.

Enrolment in the courses, open to all, is free to Wisconsin residents. Study outlines are provided in connection with each course. By passing a satisfactory examination upon completion of the radio lessons, a student will be given a certificate of achievement.

Cooperating in the planning and presentation of the Wisconsin College of the Air are the following agencies: state board of vocational education, state department of public instruction, Wisconsin teachers association, university extension division, Wisconsin college of agriculture, university school of education, Wisconsin press association, and state-owned radio stations WHA and WLBL.

¹ John W. Guider in *NRA Proposed Code of Fair Competition for the Radio-Broadcasting Industry*, p10.

² Ibid p12.

³ Ibid p193-4.

⁴ "Failure in Mexico." Editorial in *Broadcasting* 5:18, August 15, 1933.

LIKE THE FILM, the radio broadcast is capable of exercising so great an influence for good or bad that it is little short of a crime to allow it to be debased, and it is the duty of every good citizen to see that it is an influence for good.—A. T. Wilgress, legislative librarian, Province of Ontario.

National Radio Popular in Canada¹

I AM GLAD OF THE OPPORTUNITY afforded by your letter this morning to let you know what the situation is in regard to the rumor in the United States about payment of receivers' license fees. I may tell you in general terms that there is no foundation for the rumor. Upon receiving your letter I communicated with the branch of the service responsible for collecting the fees. I learned that last year fees were collected from 98 percent of the people who, according to the census, owned receivingsets, and the collection officials anticipate that this year's results will not fall far short of last year's.

The collection year corresponds to our fiscal year which expires March 31st, so that there are still five months of the present year to run. Collections have been a little slow for the first seven months but there have been other causes than any dissatisfaction on the part of Canadian listeners with the Commission's broadcasting service. Hard times have supplied one cause and I may tell you that some people who just could not afford to pay have been treated leniently. Then at Windsor, Ontario, there have been a couple of test cases in the courts in which a contention that the owner of a receiving-set need not pay the fee because it could not be proved that he operated the set has been upheld. These court decisions have had wide publicity and have encouraged a number of people to postpone payment. The decisions will be appealed and if that course fails, the Act, of course, can be amended.

Some months ago there was considerable agitation in some districts, particularly in Toronto and in the West, against the Commission's service, largely against the broadcasting of French programs. This has pretty well died down and within the last few weeks the Commission's service has been coming in for a great deal of commendation and is quite clearly pleasing large numbers of people especially in the West and in the Maritimes where previously radio service had been anything but adequate. This improved sentiment, one would think, should assist in the collection of license fees.

I can assure you that there is no question of our system breaking down from the cause you suggest or any other. My own observation is that national radio has been gaining in favor rapidly in recent weeks.—E. C. Buchanan, director of public relations, Canadian Radio Broadcasting Commission, Ottawa, November 3, 1933.

University President Condemns Radio

IN THE PRESENT SCRAMBLE for bread on one hand and the craving for "circus" entertainment on the other, the mass of American people are sinking to the level of the Romans of Nero's day and are losing their taste for the fine things of life, it was declared yesterday at the Northeastern Ohio Teachers Association convention.

¹ Rumors traceable to commercialized radio interests in the United States had hinted that the Canadian radio system was in danger of breaking down because of the dissatisfaction of listeners over the payment of license fees. The National Committee on Education by Radio wrote to the Canadian Radio Broadcasting Commission, asking for the facts in the case. This article contains the text of the letter received in reply.

It is up to schoolmen to counteract the subversive influence of the radio, the movies, and the cheap magazines, President A. H. Upham of Miami University told a superintendents and board members meeting, in likening the present temper of the populace to the "bread and circus" desires of the Romans under Nero.

"The Neros of this country think that the worse shape the populace is in, the worse kind of entertainment they want," he said. "You only have to go to a movie or look at a movie magazine to realize the depraved taste of many. A radio magazine asked its readers to pick the greatest crooner—think of that. Now they are getting up an all-American jazz band.

"With bread the great essential want on one end of the scale and craving for the circus kind of entertainment on the other, the danger is we will forget the precious things in between—the splendid, enduring values of life, self-denial, service, taste for literature and art."—*Cleveland Plain Dealer*, October 28, 1933.

Power Increase Granted to WILL

THE UNIVERSITY OF ILLINOIS was granted authority to increase the daytime power of its radio-broadcasting station WILL from 500 watts to one kilowatt in a decision rendered by the Federal Radio Commission on October 20, 1933. In rendering its decision concerning WILL, which at present is broadcasting nineteen hours per week, the Commission concluded:

The privilege of operating WILL this limited time enables the University of Illinois to render a distinctive broadcast service of particular value and interest to residents of the state, and the proposed increase in power would tend to improve and enlarge this service.

This public broadcasting station supported by and ready to serve the people of the state of Illinois is still permitted only 250 watts night power. The Federal Radio Commission should next assign to the state of Illinois for use by WILL a frequency which would permit higher nighttime power. Thus this means a greater proportion of the population of the state could be brought into closer contact with the educational plant of the university, the assets of which amount to approximately twenty-nine million dollars.

Listener Has Invested Most Money

THE MANUFACTURE AND SALE of radio receivingsets during the last decade has marked the most extraordinary development known to modern business and placed this business as sixth in the industries of the nation. Beginning in a small way, with perhaps an annual sale of \$2,000,000 worth of sets scattered rather sparsely over the country, the growth has been so tremendous that on December 31, 1929, the total money value in terms of sets, parts, and accessories sold during the preceding ten years amounted in round figures, to \$3,500,000,000.—Frank A. Arnold. *Broadcast Advertising*. New York: John Wiley & Sons, 1933. p45.

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