The Cable Fable

Kas Cable

Follow this and additional works at: https://digitalcommons.law.yale.edu/yrlsa

Part of the Law Commons

Recommended Citation

Available at: https://digitalcommons.law.yale.edu/yrlsa/vol2/iss3/1

This Article is brought to you for free and open access by Yale Law School Legal Scholarship Repository. It has been accepted for inclusion in Yale Review of Law and Social Action by an authorized editor of Yale Law School Legal Scholarship Repository. For more information, please contact julian.aiken@yale.edu.
When Henry Ford announced in 1910 a “business strategy of volume production of a static-model, reliable car for the masses,” he was not stepping into a commercial void. Through magazine articles, races, auto shows, demand for the self-powered covered wagon had already grown to the point of mass appreciation. It was, after all, not difficult to persuade a restless, turn-of-the-century public that the motor car would keep the city streets cleaner than the horse; that it was quieter and more manageable, and less likely to spread tetanus; that it provided increased mobility and status and initiated the opening up of suburban lands.

In short, the early myth of the automobile not only gave us rapid access to combustion on wheels, ultimately it also gave us the mass automobile, massive traffic jams and mass pollution of today—all because demand and supply came together very rapidly and on a large scale. Had demand been longer in the coming, some of the longer-term negative effects of the motor car might have been more easily controlled. Both the development of alternative vehicles as well as consideration of alternate forms of transport would have been possible.

Currently another myth of technological betterment is in the making. The transportation revolution, this myth contends, will soon be superceded by a communications revolution, which once again will transform society, economy and culture. Telecommunications systems will thrill our egos, guard our homes, and cook our meals. This myth, unlike its motorized counterpart, is not as dependant on a single product or technology; nonetheless, its focus clearly falls on cable television. It is this new video mode that has instigated a battle for control, which, in the words of Ralph Lee Smith, is “deadlier than a western.” At the same time, the potential and promise of cable television are being extolled by a wide range of normally divergent voices. It is hardly exaggeration to speak of an emerging cable “fable.”

A Cable for Every Lot

The merits of cable television have, of course, been

Kas Kalba teaches communications planning at Harvard’s Graduate School of Design. He is a graduate of the Annenberg School of Communications at the University of Pennsylvania and was on the staff of the Sloan Commission on Cable Communications.
propounded by cable system operators—the Ma and Pa's, as they have been called—for over two decades, and even the usually broadcaster-protective federal regulatory structure has started to pay heed to the message. However, it was not until publication this past December of the final report of the Sloan Commission on Cable Communications that the cable fable gained the sanction of official imprimatur.

Entitled *On the Cable: The Television of Abundance*, the Sloan report arrives at two principal conclusions. First, state Kermit Gordon (Brookings), Jerome Weisner (M.I.T.), Henry Rowan (Rand), Ivan Allen (Atlanta), and a dozen other commissioners, it is "in the public interest to encourage the growth of cable television." And by "public interest" these men (and one woman; added to the Commission belatedly) mean not so much what Ralph Nader means—or what Black Efforts for Soul in Television or Action for Children's Television mean—but, more likely, what a successor of Alfred P. Sloan meant when he contended that what is good for GM is good for the nation. Cable television, in other words, will make America grow.

Moreover, not only is cable good for America, it is here to stay. This supporting notion is embedded in the Sloan Commission's second major conclusion. "The Commission believes," the report reads, "that by the end of the decade a cable television system will be in existence which covers 40 to 60 percent of all American television homes." Given the fact that television homes account for 95% of all homes, this is a staggering projection.

Unfortunately, it is also a projection that the National Cable Television Association abandoned about a year ago as too bullish to be even good P.R. It presumes that in less than half the time it has taken to hook up current cable TV households (roughly 9% of total) an additional four or five times as many subscribers will be found and serviced—a highly unlikely event. Even Vancouver, British Columbia, which over the past decade has managed to accumulate more cable television subscribers than any other city in the world has not experienced such a growth rate.

On the other hand, there may be a broader truth to the Commission's prognostic salesmanship. If cable television achieves only 20 or 25% penetration by 1980, this will still be enough to indicate that the medium is not simply a freakish variation of wireless TV. Whatever its precise growth rate, cable television ten years from now will no longer be centered in locales of dire necessity such as the hills of Oregon and Pennsylvania where the technology got its start. In those early days (circa 1948), operating under the pseudonym of CATV (for Community Antenna Television), the cable was a media St. Bernard bringing three or four live, pulsating signals to hidden nooks where before—due to distance or topography—none could be received. By the end of the decade cable television will be an electronic turnpike.

But growth, it should be added, is not assured merely by the capacity to grow. There must be something to fill that capacity. In Canada, where cable television has generally grown rapidly, the capacity has been filled by a widespread demand for clearer reception of more and more U.S. channels (the cultural effect of which has started to worry the Canadian government). What will our domestic cable bring us? More and clearer *I Love Lucy, Bonanza, Dr. Welby* and Spiro Agnew? Even the waxers of the TV dream machine do not put such faith in the American household's desire to spend $5, $10, $15 extra each month for such programming once Phase II subsides.

**Tale of a Thousand Channels**

It is here that the Tale of a Thousand and One Channels begins (with touches of Seuss’s *Mulberry Street* and Bradbury's *Illustrated Man*). Cable television, the promoters claim, will bring opera to Odessa, Broadway to Bayonne, adult education to Appalachia, "soul" to Watts and Bedford Stuyvesant, and sports—megahertz upon megahertz of sports—to superspectators wherever they are. The "television of abundance" will be a medium of joy as well as the "soap box" of our discontent. And the cable will also provide us with a mind-boggling roster of electronic services, from home burglary alarms and political polling to remote shopping and newspaper delivery by facsimile. (The facsimile machine will deplete Redwood Forest by the third Sunday. Unless, that is, the cable also brings us a paper recycling terminal and/or electronic storage, which is not inconceivable.)

Naturally enough, the philosophical principal most often raised by the proponents of cable television is diversity, a half-defined idea that has stumped national communications policy time and time again. Yet cable television, we are told, will be able to do what UHF stations, public broadcasting, network documentaries, local specials, amateur hours and even Dick Cavett have not been able to do, namely increase the content variety and break down the audience scale of television programming. Tropical fish hobbyists, karate enthusiasts, cerebral palsy victims, and retired musicians will each find a niche in the coaxial honeycomb. For cable television will be to network television what newsletters, community newspapers and specialty magazines are to *Life, Readers Digest* or *Playboy*.

The difficulty with this vision is that too often it obscures the conditions essential to its realization. To begin with, barring the quick introduction of wave-guide or laser technology, we are not going to have 100-channel television, nor 200- or 100- or even 50-channel television in the foreseeable future. While it is true that one or two existing cable systems possess a latent capacity of about 60 channels, most new installations are choosing to remain within a 20 or 25 channel capacity limit. For greater capacity, system operators would have to fight channel interference or add second cables, which are not marginal undertakings.

The vision also obscures the fact that relatively few of
the new programming opportunities will be commercially viable (even with pay television). Add this to the practical limits on channel capacity, and one is left with programming alternatives on the order of adult movies (broadly defined), home alarms, special sports events, and perhaps a single, all-encompassing "cultural" channel (with Ed Sullivan rotating with Sol Hurok as guest hosts), but not library retrieval, consumer information, or neighborhood news and politics. Nor are the various non-commercial, institutional applications of cable television (e.g., communications support of health clinics) likely to find room on moderate-capacity systems oriented toward home billing.

Regulation could, of course, induce certain services that would not otherwise be available. For example, in Manhattan the two locally-franchised cable systems are required to "sub-district" their service areas in order to facilitate the production and reception of neighborhood-oriented programming. The Federal Communications Commission, however, has not imposed a parallel requirement on other cable systems, despite a recent chance to do so. Similarly, a Public Dividend Plan, which would have provided funding for local cable programming (through a 5% gross receipts tax on cable systems) was only momentarily espoused by the FCC and has now been entirely jettisoned.

**Beauty and the Beast**

Not everyone, however, is dismayed by the FCC's failure to adopt a Public Dividend Plan or variation thereof. Again, there are the growth proponents, who see the imposition of any tax or fee on cable television returns as a threat to industry survival. Cable television, they say, will do great things, but first, and above all, it must be allowed to grow. Unless the medium can spin its web of dollar-generating services such as sports and movies, the logic continues, the futuristic paraphernalia of the wired national will never appear. And it is only after sizeable penetration into the nation's households has occurred that a few public services might be "piggybacked" on the cable.

This piggyback theory of cable development has Hobbesian roots. The world, particularly the market place, it assumes, is an evil and precarious environment. The best that public policy can hope for is to impose certain limits on the cutthroat dynamics of human economic affairs. Only occasionally is it possible to append aspects of a higher, more spiritual order on economic reality, such as art, or in the case of television (high or minority) cultural programming. Beauty, in short, can at best punctuate everyday bestiality; it serves as a penance.

What is overlooked in this formulation is the nature of modern corporate enterprise, which is constantly seeking ways to routinize its relationship with ownership, government, consumers, labor, and other suppliers (i.e., of capital, equipment, programming, etc.). In this complex of relationships there is usually enough "give" for either government or consumer intervention to occur—where, that is, the need for such intervention is experienced strongly enough. Government's role in the development of our space and defense economies has been more than marginal. Similarly, consumer pressure for safety, ecology and mass transit is beginning to impact the transportation industry in more than a casual way. In sum, to say that growth in cable television must follow other, "natural" laws is fable also.

There is a second way in which the beauty/beast metaphor (apologies to Straparola and Cocteau) applies to the current cable TV debate. It takes its lead from the relationship between the cable industry and conventional TV broadcasting. In one corner is pictured not only an outdated technology but also a faulty management team, censoring, unresponsive and generally declining. In the other corner are the cable system operators, venturesome, spotless upstarts each and every one. Yet the record (despite its relative brevity in the cable field) does not necessarily reflect this one-sided evaluation. The ex-chairman of the largest cable corporation was recently found guilty of bribing municipal officials in Johnstown, Pennsylvania, for franchising rights. Local origination programming on cable TV systems has for the most part been uninspired. And so forth.

A variation on this last perspective is the belief that the growth of cable television is not likely to engender any serious negative consequences. For example, the Sloan report states on the impact on privacy: "We do not believe that these issues are as important with respect to cable television as with respect to the telephone and to data communications, where lines can be tapped with far more serious effects." Can they really? Again, the facts suggest that one could more easily tap an entire network of homes over cable television than over the phone system, especially as subscriber-response and computer-addressed services are initiated. Already cable system operators are rubbing their hands over the facility with which they will be able to determine secretly households' viewing preferences.

Similarly, the Sloan report cites the example of how cable television came to Palm Springs, California. "At once," it reads, "for a few dollars a month the seven VHF channels and three UHF channels from Los Angeles were at the disposal of anyone in Palm Springs willing to pay the price." Since Palm Springs' television receivers are isolated from Los Angeles due to an intervening mountain range, the coming of cable can easily sound like technological nirvana. Yet what the Sloan Commission does not bother to report is that the franchise term of the Palm Springs cable system is fifty years, which leaves local citizens and government little leverage over how the system performs both now and in the year 2000. There is ample room for negative consequences.
Putting Humpty Together Again

This leads us to the ultimate question, which is whether the development of cable television should be an important societal concern. And if so, how is this concern to be expressed through citizen and government action.

Without being overly McLuhanesque, it is not unreasonable to suggest that the advent of cable television is in fact shattering our conventional, limited-channel image of television into a thousand pieces (or, to be more specific, about twenty-four). Like Humpty Dumpty, our broadcasting system is about to hit a hard reality, that of technological breakthrough and innovation. And it is unlikely that the transformation the medium will undergo as a result will not have profound ramifications on our social fabric, just as television has already affected family life, schooling, politics, the movie industry and international relations.

What remains at issue is the extent to which this transformation must be clouded by fable. More specifically, can we apply a social development model to this new technological phenomenon or must we be subject solely to the traditional exigencies of hurried economic growth?

If the former is to occur, three steps need to be taken. First, a process of disseminating information about cable television and of citizen participation in related policy decisions will have to be instituted. To date, inputs into cable policy have come almost exclusively from industry sources, think tanks, and other elites. The recently engineered "cable compromise" is a case in point. The Office of Telecommunications Policy limited its arbitration solely to private interests. With comparable circumscription, the Sloan Commission consulted establishment groups (private and public) almost exclusively in the preparation of its report. To repeat, a broader framework of discussion and decision must be created.

A second major objective of cable policy in the context of what Alvin Toffler has called "anticipatory democracy" should be to improve our experimental and predictive capacities about cable technology. This means, for example, being able to project whether remote shopping will undermine the commercial and social interdependence (minimal as it already is) of our suburbs and central cities. It means evaluating which interactive television systems are most likely to improve home learning. And it also means testing alternative modes (financial and organizational) of local program production. It goes without saying that if this "research" activity is to fully complement the first objective of diverse citizen involvement, it should emanate from a variety of sources and not solely the think-tank confines of the Rand Corporation or Urban Institute.

Finally, specific policy instruments should be applied in instances where the application of cable technology can clearly serve a public purpose. In the case of minority ownership of cable systems, for example, this means going beyond the suggestion that localities give a preference to minority franchise applicants. Such a suggestion (see the Sloan report) is meaningless unless supported by regulatory and financial mechanisms (e.g. government-guaranteed loans to community development corporations). In the case of municipal and governmental services that might be improved through cable communications, it means not only reserving channel capacity but also providing the incentives for particular kinds of two-way systems to come into being.

The overarching difficulty with regulation in the cable television area, as in many other areas, is that it tends to be both negative and protectionist. Rather than encouraging the fulfillment of communications objectives, it simply discourages the unmitigated pursuit of their opposites (as, for example, in cross-ownership limitations). And rather than attempting to meet consumer and public needs, it repeatedly protects industry interests, whether they be those of broadcasters, cable system operators or copyright holders. Again, the cable "compromise agreement" can serve as the example. Instead of injecting a measure of positive public policy into a long-standing framework of protectionist regulation, the Office of Telecommunications Policy merely arbitrated the degree to which specific private interests were to be protected in the future. Ironically, the President's communications policy arm did not even represent the federal government in these deliberations nor, apparently, were any public service issues even discussed. Given this context, there is little hope that the development of cable television will be guided by any other process than a fable.