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## Remembering the Nixon official who gave us cable television

Glenn Garvin | Miami Herald

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You've probably never heard of Clay T. Whitehead. But without him, you'd never have seen Tony Soprano carry out a hit, or shed a tear when Big dumped Carrie Bradshaw. You'd never have cheered or booed Bill O'Reilly or Keith Olbermann. You quite possibly never would have dialed a number on a cellphone or logged onto the Internet.

One man couldn't have invented all those characters or things, of course. (In the case of O'Reilly and Olbermann, you've got to suspect the work of space aliens.) But Whitehead, who died last month at 69, made them all possible.

From 1970 to 1974, working as the youthful head of an obscure White House department armed with little more than his gumption, Tom Whitehead (as he was known to his friends) rammed through a series of policy decisions that not only created cable television as we know it today but also broke the entire telecommunications industry loose from monopoly control.

"Before Whitehead, the idea that any part of the telecommunications market could be open to competition was radical," says Tom Hazlett, a former FCC economist who teaches communications law at George Mason University. "In television you had the three networks; in telephone you had Ma Bell and nobody else.

"All the stuff that has come since — cable television and cellphones and broadband — springs from the idea that Tom Whitehead introduced, that a competitive market would bring innovation and diversity. You can't say that everything that's happened since 1974 is attributable to one guy, I guess, but if you could, it would be Tom. He was very, very important."

When Whitehead arrived at the White House in 1970, nobody — not him, and certainly not the Nixon administration he was joining — could have foreseen the giant deregulatory snowball he was about to set rolling downhill. He was just a junior economist (only 31 years old, a very junior economist) with a largely undefined job.

Almost casually, he suggested that telecommunications policy — which was managed piecemeal by the FCC and several congressional committees, all of them heavily under the sway of the industry's free-spending lobbyists — should be unified in a single White House office. His bosses, preoccupied with the Vietnam War — and soon the Watergate scandal — agreed. And when they couldn't come up with an obvious candidate for the job, they gave it to Whitehead himself.

Whitehead promptly assembled a small but talented team that included Brian Lamb, who would go on to found the cable public-affairs network CSPAN, and a hard-nosed young lawyer named Antonin Scalia. And they launched what certainly looked like a kamikaze mission: fighting for an "open skies" policy that would permit private companies to launch communications satellites. Practically everybody — the FCC, the congressional committees, and especially the behemoth phone monopoly AT&T — favored granting just one company (guess which one) control over all satellites.

"Everybody figured back then that if there was ever a natural monopoly, it was satellites," says Hazlett. That was especially so within the Nixon administration, which was wary of free-market economics (Nixon remains the only American president to have imposed widespread peacetime wage and price controls) and saw satellites as a national-security issue.

But Whitehead had a different agenda. He wanted to break up the cozy three-network monopoly that had controlled American television since its birth in the 1930s. His unlikely candidate for the task: cable TV, in those days a scrawny industry that existed mostly to bring the signals of big-city channels to remote little towns that didn't have their own stations.

Extending a TV signal beyond its ordinary broadcast range in those days required using long chains of microwave repeaters, one every 30 miles or so. But if the cable companies could get access to reasonably priced satellites, Whitehead knew, the sky would literally be the limit. They could start producing original content and competing with the broadcast networks.

For the next three and a half years, Whitehead fought ceaselessly for open skies. Along the way, he took up some other battles on behalf of cable. Broadcasters, who also sensed the potential threat from cable companies, were trying to strangle them by charging exorbitant "copyright fees" to carry signals from local stations. The Supreme Court had already ruled against them once, but the broadcasters, experts in bureaucratic guerrilla warfare, were using the FCC to fight back.

"Tom just announced one day that he was going to conduct negotiations on this," Lamb recalls. "He used the power of the White House to call everybody in, and Scalia sat there and knocked heads, and he got them to agree to rates. And then the FCC had to back off."

The open-skies policy Whitehead wanted finally became law in 1974. Western Union launched Westar 1, the first private communications satellite, that April. The next year, RCA followed suit; the principal customer for its Satcom 1 satellite was an obscure New York cable company called HBO. Showtime, TBS, CSPAN and the channels that would eventually become the USA and Christian Broadcasting networks followed soon after. The lively, burgeoning cable industry that Whitehead envisioned was well on its way to reality. He would live to see the

day when, at any given moment, more than half the television viewers in America were watching the cable channels he midwived.

It's not exactly correct to say that Whitehead's struggle against the telecommunications monopolies has been largely forgotten. Mostly it was never known in the first place. The arguments, though fierce, were also dry and technical, and Whitehead's vision was so far beyond the horizons of imagination that most people never even faintly understood the implications.

That remained true even after he left the government and made millions of dollars in the satellite industry. Lamb remembers a conversation 20 years ago in which Whitehead was predicting that television's giant satellite dishes could be shrunken to a couple of feet in diameter and placed in every home in America. "Everybody thought he was completely nuts," Lamb says. "And I think about it every time I drive down my street and look at all those DirecTV dishes."

[Read Miami Herald TV critic Glenn Garvin on the Whitehead speech that worried broadcasters.](#)