July 31, 2008

Clay T. Whitehead, Guide of Policy That Helped Cable TV, Is Dead at 69

By <u>DENNIS HEVESI</u>

Clay T. Whitehead, the official in the Nixon administration who laid the groundwork for Open Skies, the policy that led to the creation of the domestic satellite system that brought cable television and lower-cost long-distance telephone service into millions of American homes, died in Washington on July 23. He was 69 and lived in McLean, Va.

The cause was prostate cancer, his wife, Margaret, said.

As director of the White House Office of Telecommunications Policy from 1970 to 1974, Mr. Whitehead (who preferred to be called by the diminutive of his middle name, Tom) was a technological innovator with a free-market approach to the newborn information revolution and a controversial voice in President <u>Richard M. Nixon</u>'s battles with journalists.

In the throes of the Vietnam War and Watergate, Brian Lamb, chief executive of C-Span, the public affairs cable network, said in a telephone interview this week, "Tom walked a fine line when they wanted in many cases to use the power levers of the White House to manipulate or control the output of the media." At the time, Mr. Lamb was Mr. Whitehead's assistant.

Two phrases from a speech Mr. Whitehead gave in 1972 came to epitomize his and the administration's contention of a liberal bias in network news: "elitist gossip" and "ideological plugola."

Still, Mr. Lamb said: "The most important thing Tom did was to direct the president's policy on domestic satellite communications. That was the trigger that led to the diminution of power of the three networks and <u>AT&T</u>, allowing for the creation of new cable television channels and low-cost long-distance telephone systems."

Under Open Skies, which became <u>Federal Communications Commission</u> policy, any qualified company could launch a domestic communications satellite, meaning potential users did not have to subscribe to one major provider. There are now several dozen satellites in the system.

Mr. Whitehead was chairman of a cabinet committee that issued a report in 1974, setting the tone for the future of cable television. It called for the virtual removal of government regulation over the new medium. Until then, cable had been seen as an extension of broadcast television, subject to regulation under the Communications Act of 1934.

"The committee has concluded," the report said, "that programming, advertising and other information and services on cable channels can be allowed to develop on a free and competitive basis, with no more regulatory power exercised over the content of this communications medium than is exercised over the print or film media."

Thomas Hazlett, a professor of economics and law at George Mason University, said that Mr. Whitehead "spearheaded a deregulatory movement that brought much more liberal rules and far stronger First Amendment protection to the emerging media."

"Cable television was first," he continued, "but the effect of allowing the new information services to compete in a more open environment set the stage for progress in the technologies to come, including the Internet and cellular."

But Mr. Whitehead had to perform a balancing act. In 1972, he rattled the nation's public broadcasting system when he recommended that it end national news and public affairs programming and stress local programming, or possibly lose government funds.

A memorandum he wrote to Mr. Nixon said: "We stand to gain substantially from an increase in the relative power of the local stations. They are generally less liberal and more concerned with education than with controversial national affairs. Further, a decentralized system would have far less influence and be far less attractive to social activists."

Yet, in 1974, Mr. Whitehead persuaded the president to sign a bill prepared by his office that extended federal funds for public television for five years.

One evening in April 1974, as the Watergate crisis moved toward its climax, Philip W. Buchen, a member of Vice President <u>Gerald R. Ford</u>'s staff, went to dinner at Mr. Whitehead's home and said: "We have to do some planning for Jerry. We have to face the fact the president may resign." For the next three months, Mr. Whitehead, Mr. Buchen and three other federal aides laid out plans for Mr. Ford's first days in office.

Clay Thomas Whitehead was born in Neodesha, Kan., on Nov. 13, 1938, the eldest of four children of Clay and Helen Hinton Whitehead. He graduated from the <u>Massachusetts Institute of Technology</u> with a degree in electrical engineering in 1960; earned a master's degree there in the same field a year later; and in 1967 received a doctorate in management from M.I.T.

In 1973, he married Margaret Mahon. Besides his wife, he is survived by a son, Clay; a daughter, Abigail Craine; and three sisters, Susan and Nancy Whitehead and Helen Conerly.

Mr. Whitehead came early to telecommunications. As a boy, he spent hours on his Heathkit ham radio talking to amateur operators around the world. With his M.I.T. degrees, he took that interest to defense studies at the RAND Corporation.

After his White House service, Mr. Whitehead joined Hughes Aircraft, starting the <u>Hughes</u> <u>Communications</u> subsidiary and forming Galaxy, a satellite system that carried television programming to cable operators around the country. Mr. Whitehead left Hughes in 1983 and started SES-ASTRA, the first private satellite business in Europe.

Not all of his flying interests were extraterrestrial. On April 7, 1970, while at the White House, Mr. Whitehead wrote a memorandum to a colleague, Jeb Magruder, protesting a 1892 law that banned kite-flying in Washington.

"I reiterate my suggestion that we consider a presidential message asking for repeal," he wrote.

The law was repealed. Soon after, Mr. Whitehead flew a kite on the National Mall; it struck the Washington Monument.

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