

The Information Economy Project Remembers Clay T. Whitehead

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A great American, and valued friend of the IEP, has been lost. Clay “Tom” Whitehead was a key historical figure, driving radical notions about competition in telecommunications before those ideas were in vogue. Indeed, when Dr. Whitehead organized the White House Office of Telecommunications Policy in 1971, most countries considered the U.S. a bit odd for having a private monopoly, AT&T, rather than a state PTT. Tom saw what others missed, however, envisioning a world in which private rivals offered businesses and individuals competitive voice, video, or data services, tapping into innovative technologies and delivering the efficiencies of the market.



Clay T. Whitehead listens as Supreme Court Justice Scalia speaks to George Mason law students.

After an illustrious government career, Tom achieved great success as an entrepreneur, and in recent years settled back into academia as a Distinguished Visiting Professor at GMU Law School. We were privileged to have Tom Whitehead as a colleague, and deeply saddened by his passing. Our sympathy extends to his family and friends, of which there were very many. We are honored to have been included in that fine circle. The quality of that vision is reflected in the fact that today — not four decades later — it seems utterly obvious. Not nearly so when Tom launched his regulatory initiative, achieving one fundamental redefinition of U.S. policy — the “open skies” policy in satellites — and laying the predicate for myriad reforms to come.

Tribute to Clay T. Whitehead (presented at the 37th Telecommunications Policy Research Conference (TPRC), Arlington, Virginia, September 25, 2009)

[Lisa Sockett: Tribute to Tom Whitehead \(13.56Kb\)](#)

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[Clay T. Whitehead Tribute by Thomas W. Hazlett \(39.43Kb\)](#)

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- Clay T. Whitehead, Guide of Policy That Helped Cable TV, Is Dead at 69, *New York Times* (July 31, 2008)
- Clay Whitehead, 69; Changed TV Landscape, *Washington Post* (July 29, 2008)
- Appreciation: His ideas launched the future, *Miami Herald* (Aug. 3, 2008)
- Mason Gazette: Former Distinguished Visiting Professor Whitehead Dies (Aug. 1, 2008)

Things Worth Remembering From Telecommunications Policy Review, Vol. 24, No. 30 (July 27, 2008).

When a serious history of U.S. telecommunications policy in the last quarter of the 20th century is written, Clay T. (“Tom”) Whitehead will probably get creditable mention. He died this past week following a recurrence of cancer. And, we thought that needed to be noted.

Tom Whitehead was raised in Cherokee County, Kansas — he once said his home town was “like that town in Last Picture Show.” He got a bachelor’s and Master’s degree in electrical engineering from MIT — no mean accomplishment in the 1960s — and then a PhD. in systems analysis (for a time, his dissertation adviser was MIT Professor, later Council of Economic Advisers Member and Yale Dean, Paul W. MacAvoy). Your Review’s Editorial Committee, incidentally, actually owns a copy of Dr. Whitehead’s bound MIT dissertation (albeit gnawed — though only a little — by a young Golden retriever, possible eager for some learning). All about Festinger’s theory of post-cognitive dissonance. Arcane things like that.

Whitehead ended up at the Nixon White House, working with Peter Flanigan and Jonathan C. Rose. Whitehead once half-jokingly said his greatest accomplishment there was getting the District of Columbia’s law banning the flying of kites repealed (it had been passed in the 1900s because of the risk of frightening horses, and like all good regulatory schemes, persisted well after the initial justification ended). But he also “inherited” the recommendations of the Rostow Task Force on Telecommunications Policy (this was an effort chaired by Under Secretary of State Eugene Rostow — now U.S. appeals court Judge Richard Posner was the deputy director).

Completed in the waning days of the Johnson Administration, the Rostow Task Force recommended a series of pro-competitive changes in U.S. communications policies, perhaps most notably the competitive development of U.S. domestic satellite services. That recommendation was a challenge to Comsat Corporation — created by the Kennedy Administration — as well as AT&T (which, at the time, owned half the stock in Comsat).

Tom Whitehead pushed to have an Office of Telecommunications Policy (OTP) created within the Executive Office of the President (at the time, there was an Office of Telecommunications Management which was part of the Office of Emergency Preparedness (OEP) —

predecessor of today's FEMA, and one of the most powerful agencies in Government because the OEP Director administered America's oil import quotas). OTP, Whitehead, and the Antitrust Division of the U.S. Department of Justice then encouraged FCC Chairman Dean Burch to adopt the domestic satellite recommendations, which the agency commendably did.

As OTP Director, Whitehead battled Congress over public broadcast authorization legislation (President Nixon vetoed one such bill). Whitehead and his senior staff — including now-Justice Nino Scalia (and, C-SPAN inventor Brian Lamb) — developed a “cable compromise” to allow for speedier development of cable television. Whitehead overlooked the personnel recommendations of former Senator Montoya — later ousted for corruption — and, as a result, lost his Chrysler New York sedan, and had to be driven in a GSA Motor Pool Plymouth instead. Mr. Coyt Belo, Whitehead's driver, incidentally, was to be OMB Director David Stockman's driver for years.

Tom Whitehead had tense relations with Senator John Pastore, long-time Chairman of the Senate Communications Subcommittee, and Massachusetts Congressman Torbert MacDonald (whose initial claim-to-fame was playing football at Harvard and rooming for a while with John F. Kennedy). But Whitehead and OTP were new kids on the U.S. telecommunications policymaking block at the time, and that was to be expected.

Tom Whitehead left Government service soon after President Nixon departed for “Casa Pacifica” in San Clemente. He went on to success in a variety of satellite and financial ventures (Google can provide a good deal in that regard). But getting competitive domestic satellite service was probably his singular accomplishment. Remember, but for that service we wouldn't have the cable television system we do now — nor the competitive business communications that made growth on the part of a lot of other industries possible.

Now, one aspect of Dr. Whitehead's career involved facilitating the Nixon-Ford transition — something which was detailed in “Woodstein's” sequel to All the President's Men. Like many books of this era, The Final Days is hard to find — it's been “de-accessioned” by too many libraries. But it's a book worth scouting out and acquiring. Here's a brief excerpt:

Phil Buchen of Grand Rapids... dined that evening [April 1974] at the Georgetown home of Clay T. Whitehead, director of the White House Office of Telecommunications Policy. Buchen spent tree days a week in Washington as executive director of the Federal Privacy Commission headed by his former law partner, the Vice President of the United States [and billeted in the OTP offices]. ... Whitehead... agreed to help prepare for a transfer of power. ... In Washington that evening [June 1974], Whitehead and Buchen met with the new members of the transition team for the first time: Brian Lamb, Whitehead's assistant... ; Larry Lynn, a former aide to Kissinger at the NSC; Jonathan Moore, formerly an assistant to

Rockefeller and then to Elliot Richardson. The five men sat around Whitehead's dining-room table, drinking Cokes. (Bob Woodward & Carl Bernstein, *The Final Days* (1976) at pp. 158, 214 (excerpted)).

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