

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

OFFICE OF
THE DIRECTOR

December 4, 1968

MEMORANDUM FOR UNDER SECRETARY ROSTOW

Subject: Telecommunications Task Force Report

You have asked for my comments on the final draft report of the Telecommunications Task Force. I find it difficult to form a judgment about the report without an opportunity to hear first hand and understand the position of the other Task Force principals. My basic concern is that the important ground-breaking work of the Task Force be effectively exploited. My comments below are made with this standard in mind.

The report has inevitably provoked controversy. This was to be expected. If properly documented, disagreements among Task Force members can contribute to the value of a report. But it is also true that a report can lose its effectiveness as a mover of public policy if enough issues remain contested among the Task Force members. As a general principle, we should avoid controversy not essential to the basic assignment of the Task Force.

In the case of this report, disagreement extends to the basic assignment of the Task Force. From my discussions with individuals involved in drafting the original charter for the Task Force, it is clear that they did not anticipate as wide an inquiry as has eventually come about. The original intent that led to the Task Force is certainly ambiguous, at best.

Given the disagreement as to the relevance and substance of the two chapters entitled "Domestic Common Carrier" and "Future Opportunities for Television", I have serious question as to their net contribution to the report. If this peripheral controversy detracts from or discredits other parts

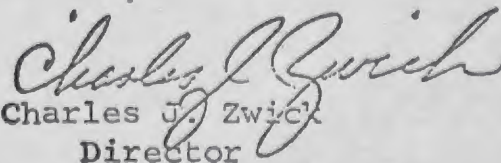
of the report, it will be, indeed, unfortunate. As Chairman of the Task Force, however, you, in the end, must make a judgment as to the net contribution of these two chapters.

In reaching this decision, I would counsel you to ignore two issues which are, I believe, unimportant. The first is that the work is done and therefore should be included. To repeat, the overriding criterion in judging the content of the report is whether or not specific material contributes to the effectiveness of the overall report.

Second, I reject the spurious argument that we must include all material for fear that taking it out will create speculation as to why it was removed. Our criterion should be an effective report, not extraneous concern for public speculation about the contents of the report. I recognize that the effectiveness of the report is also related to speculation about material that did not get in, as well as included material.

You have asked for my specific recommendation on these chapters. Absent a final meeting of the Task Force principals, in which individuals can state their unambiguous positions, I must base my judgment on various reports and discussions. This is unfortunate because there are widely conflicting statements in existence about individual viewpoints. But, based on the information now available to me, I conclude that there is significant concern about the relevancy and quality of these two chapters. I have no recourse but to assume that the overall report will be a less effective document with the chapters in than with the chapters out.

I continue to think a final meeting of the principals would be useful.


Charles J. Zwick
Director

FINAL REPORT

President's Task Force on Communications Policy

Established Pursuant to the President's

Message on Communications Policy,

August 14, 1967

December 7, 1968

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UNDER SECRETARY OF STATE
FOR POLITICAL AFFAIRS
WASHINGTON

December 7, 1968

The President,
The White House.

Dear Mr. President,

We have the honor to present herewith the Report required by your Message on Communications Policy of August 14, 1967.*

That message called for a review of past activities in the field, and the formulation of a national communications policy.

To that end, you announced the appointment of this Task Force "to make a comprehensive study of communications policy."

Your Message of August 14, 1967, requested our study to be submitted within a year. Later, you extended that date to December 31, 1968.

Fifteen Departments and agencies** of the Federal Government have cooperated directly in the Task Force effort.

* Reprinted as an Appendix.

** Department of State, Department of Defense, Department of Justice, Department of Commerce, Department of Labor, Department of Health, Education and Welfare, Department of Housing and Urban Development, Department of Transportation, United States Information Agency, National Aeronautics and Space Administration, Bureau of the Budget, Council of Economic Advisers, Office of Science and Technology, National Aeronautics and Space Council, Office of Telecommunications Management.

The participation of the Federal Communications Commission (FCC) had a special character. In the nature of the Commission's statutory responsibilities, Chairman Hyde's service on the Task Force was necessarily ex-officio, and nothing in this Report should be construed as reflecting the views of the FCC. Within the limits of that principle, however, Chairman Hyde, his colleagues, and the staff of the Commission have cooperated fully and constructively in the studies and consultations on which this Report is based. Their contribution is gratefully acknowledged.

In addition to the direct participants and the FCC, valuable assistance was also received from other government agencies, from private industry and from the academic community.

A small staff supplemented these resources with its own independent research and the documents produced under eight special research contracts. A comprehensive series of staff papers, research reports and appendices were prepared. The Task Force has not passed upon or approved these documents, but they proved useful in our deliberations, and in the preparation of this Report.

A particular debt of gratitude is owed to Mr. Alan Novak, Staff Director, and to the able group of associates, consultants, and advisers he assembled. Their work was distinguished both in intellectual quality and in its acute sense of policy. And they understood and wholeheartedly accepted the spirit of compromise without which it would have been impossible to accomplish the task you set us.

Communications policy is a complex subject on which reasonable men can and do differ, and differ strongly. No member of the Task Force would have written the Report in the form in which we submit it. Most would have preferred the Report to say more, or less, on almost every topic discussed. But all understood the importance of achieving a

Report which included the ideas and recommendations on which we could agree. We are gratified that taken together our statement outlines what we consider to be a suitable framework for a national communications policy -- a policy which could further the great goal of using communications technology to advance understanding and conciliation, at home and abroad.

Statements of partial dissent by Gen. James D. O'Connell, and by Joseph Bartlett, appear in the Appendix. Notations of dissent on several particular points by Dr. Edward G. Welsh are appended to the text.

With respect and regard,

Yours sincerely,

Eugene V. Rostow

Eugene V. Rostow

PRESIDENT'S TASK FORCE ON COMMUNICATIONS POLICY

EUGENE V. ROSTOW - Chairman
Under Secretary of State for Political Affairs
Department of State

JAMES D. O'CONNELL - Vice Chairman
Director of Telecommunications Management

ANTHONY M. SOLOMON
Assistant Secretary of State
Bureau of Economic Affairs
Department of State

SOLIS HORWITZ
Assistant Secretary for Administration
Department of Defense

DONALD F. TURNER
(replaced by)
EDWARD M. ZIMMERMAN (June, 1968)
Assistant Attorney General
Antitrust Division
Department of Justice

J. HERBERT HOLLOMAN
(replaced by)
JOHN F. KINCAID (September, 1967)
(replaced by)
JOSEPH BARTLETT (September, 1968)
Under Secretary
Department of Commerce

JAMES J. REYNOLDS
Under Secretary
Department of Labor

DEAN W. COSTON
Deputy Under Secretary
Department of Health, Education and Welfare

ROBERT C. WOOD
Under Secretary
Department of Housing and Urban Development

DONALD G. AGGER
Assistant Secretary for International Affairs
and Special Programs
Department of Transportation

LEONARD H. MARKS*
Director
United States Information Agency

JAMES E. WEBB
(represented by)
WILLIS H. SHAPLEY
Associate Deputy Administrator
National Aeronautics and Space Administration

CHARLES SCHULTZE
(replaced by)
CHARLES ZWICK (January, 1968)
Director
Bureau of the Budget

GARDNER ACKLEY
(replaced by)
MERTON J. PECK (February, 1968)
Council of Economic Advisers

DR. DONALD F. HORNIG
Director
Office of Science and Technology

EDWARD G. WELSH
Executive Secretary
National Aeronautics and Space Council

ROSEL HYDE - Ex Officio
Chairman
Federal Communications Commission

ALAN R. NOVAK - Executive Director

* Mr. Marks submitted his resignation as Director of USIA as of November 4, 1968, and did not thereafter participate in the deliberations of the Task Force.

ACKNOWLEDGMENTS

Neither the central staff nor the Task Force itself could have performed their duties without the invaluable assistance of many others. Although it would not be practical to list the names of all individual sources of important assistance, the contributions of our outside consultants, our research contractors, */ the academic community, representatives of numerous firms within the communications industry, and a host of groups interested in various aspects of telecommunications were all of invaluable assistance and are gratefully acknowledged.

Particular appreciation is due the staff of the FCC, who gave unstintingly of their time, and whose

*/ Complan Associates, Inc.
Page Communications Engineers, Inc.
Stanford Research Institute
Kelly Scientific Corporation
RAND Corporation
Spindletop Research
TEMPO-General Electric
Committee on Telecommunications Policy, National Academy
of Engineering

While the NAE panel was an important source of criticism and advice, their participation should not be implied as endorsement of any portion of the Task Force work.

participation, while on an ex officio basis, was critical to the development of data and concepts important to the final report. By the same token, special recognition should be given to the contributions of the staff representatives of the various participating Departments and Agencies.

Task Force Staff

NOVAK, Alan R.	Staff Director (from the Office of the Under Secretary of State)
JOHNSON, Leland L.	Director of Research (from the RAND Corporation)
POSNER, Richard A.	General Counsel (from the Solicitor General's Office, Department of Justice)
GRAY, Oscar (Jan. 68 - Aug. 68)	Counsel (from Department of Transportation)
HINCHMAN, Walter	Physicist/Systems Engineer (from Office of Telecommunications Management)
LASHER, Sebastian (Lt. Col.) (July 68 - Sept. 68)	Communications Engineer (from Department of Defense)
OSBORN, Charles	Systems Analyst (from Department of Defense)
SHERIDAN, James	Economist (from Federal Communications Commission; formerly Chief of FCC Broadcast Bureau)
STARR, Robert	Counsel (from Department of Health, Education and Welfare)
HICKS, Orton (Dec. 67 - May 68)	Research Librarian (from United States Information Agency)
LYONS, William N. (April 68 - Jan. 69)	Research Librarian (from United States Information Agency)

Staff Representatives

ARMSTRONG, Cole	Office of Telecommunications Management
BAKER, Donald	Chief, Evaluation Section, Antitrust Division, Department of Justice
BERG, Capt. Winfred E.	National Aeronautics and Space Council
CLARK, Ralph	Office of Telecommunications Management
DAVIS, Dr. Ruth M.	National Library of Medicine National Institutes of Health
DREW, Dr. Russel C.	Office of Science and Technology
GENTRY, John N.	Executive Assistant to the Under Secretary of State
GOLOVIN, Nicholas	Technical Assistant Office of Science and Technology
KESTENBAUM, Lionel	Department of Justice
LOWE, Robert	Department of Transportation
LOY, Frank E.	Deputy Assistant Secretary for Transportation and Telecommunications Department of State
LYONS, Dr. William N.	Foreign Service Reserve Office United States Information Agency
MORRILL, William	Bureau of the Budget
NELSON, Thomas E.	Acting Director, Office of Telecommunications Department of State
NOLL, Roger	Senior Economist Council of Economic Advisers
OMBERG, Arthur	Department of Commerce
OSER, Hans	Department of Commerce
RADIUS, Dr. Walter	Office of DOD and Interagency Affairs National Aeronautics and Space Administration

ROGERS, Thomas

Director
Office of Urban Technology and Research
Department of Housing and Urban Development

SOLOMON, David L.

Technical Adviser, National Communications
Office of Secretary of Defense

ZUCCOTTI, John E.

Special Assistant to the Under Secretary
Department of Housing and Urban Development

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BARNETT, Harold	Washington University St. Louis, Missouri
BARNETT, Stephen R.	University of California
BAUMOL, William J.	Princeton University Princeton, New Jersey
BAXTER, William F.	Stanford University Stanford, California
BLOCK, Clifford	Agency for International Development Washington, D.C.
BOLTON, Roger E.	Williams College Williamstown, Massachusetts
CAPRON, William	Brookings Institution Washington, D.C.
CHAYES, Abram	Harvard University Cambridge, Massachusetts
CHAZEN, Leonard M.	Rutgers University Newark, New Jersey
CLAYTON, John	Department of Health, Education and Welfare Washington, D.C.
DEUTSCH, Jan G.	Yale University New Haven, Connecticut
DUGGAN, Michael A.	University of New Hampshire Durham, New Hampshire
EHRlich, Thomas	Stanford University Stanford, California
EINHORN, Henry	Department of Commerce Washington, D.C.
ELDRIDGE, Frank R.	Research Analysis Corporation McLean, Virginia

FISHER, Thomas	Office of Telecommunications Management Washington, D.C.
GARDINER, John R.	Writer Washington, D.C.
GREENBERG, Edward	Washington University St. Louis, Missouri
HOLBORN, Frederick	Writer Washington, D.C.
HUSZACH, Fredrick W.	American University Washington, D.C.
IRWIN, Manley R.	University of New Hampshire Durham, New Hampshire
JONES, William K.	Columbia University New York, New York
LAZARUS, Simon, III	Lawyer Washington, D.C.
MATHISON, Stuart	Massachusetts Institute of Technology Cambridge, Massachusetts
MEYERS, Charles J.	Stanford University Stanford, California
MORRIS, Fred W., Jr.	Telecommunications Consultant Washington, D.C.
NEISSER, Albert	Federal Communications Commission Washington, D.C.
PRICE, Monroe E.	University of California (UCLA) Los Angeles, California
ROSS, Leonard M.	Yale University New Haven, Connecticut
SCHARFF, Samuel A.	Consulting Engineer Englewood, New Jersey
SCHWARTZ, Herman	State University of New York Buffalo, New York

STONE, Christopher D.

University of Southern California
Los Angeles, California

TAYLOR, Lester D.

Harvard University
Cambridge, Massachusetts

TREBING, Harry M.

Michigan State University
East Lansing, Michigan

WALKER, Philip M.

Massachusetts Institute of Technology
Cambridge, Massachusetts

METROPOLITAN SPECTRUM CONGESTION TASK GROUP

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(Chairman)

Institute for Telecommunications
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Department of Commerce
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BROOKS, CHARLES A.

Federal Aviation Administration
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CUTTS, ROBERT L.

Federal Communications Commission
Washington, D. C.

PROBST, SAMUEL E.

Defense Communications Agency
Washington, D. C.

RAISH, LEONARD R. (Capt.)

Office of Telecommunications
Management
Washington, D. C.

NATIONAL ACADEMY OF ENGINEERING
Committee on Telecommunications Policy

EVERITT, Dean William L.	<u>Chairman</u> College of Engineering University of Illinois at Urbana 106 Engineering Hall Urbana, Illinois 61801
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WEBER, Dr. Ernst	President Polytechnic Institute of Brooklyn Brooklyn, New York
BUSIGNIES, Dr. Henri G.	Senior Vice President and Chief Scientist International Telephone and Telegraph Corporation 320 Park Avenue New York, New York 10022
HILLIER, Dr. James	Vice President RCA Laboratories Radio Corporation of America David Sarnoff Research Center Princeton, New Jersey 08540
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Chief Technical Office
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Head, Electrical Engineer-
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McKAY, Dr. Kenneth G.

Vice President
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SOLOMON, Dr. George Edward

Vice President and Director
Systems Laboratories
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Redondo Beach, California
90278

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Miss Mary DURKIN

Mrs. Evelyn M. GROSS

Miss Nelle HALL

Miss Esther KLEIN

Mrs. Kathleen SHEARER

developed countries. INTELSAT should play a key role in those cooperative ventures.

V. CONCLUSION

In his Message of August 14, 1967, President Johnson said:

"This message does not create a new communications policy for our nation. Rather it proposes the foundation for that policy.

- It reaffirms our intentions as a partner in INTELSAT.
- It considers the need for modifications in our international communications posture.
- It sets in motion the necessary studies for a better understanding of policy needs in domestic and international communications."

The issues of policy we have isolated for examination in response to the President's charge are those we deem now to be most relevant. Many of our conclusions are necessarily tentative. They define what we regard as the directions that policy ought to follow, rather than definitive solutions for complex and closely balanced controversies now before our government. We conceive this Report as a compass for policy, not a blueprint.

We submit it with renewed appreciation for the critical importance of national telecommunications policy to many of our most vital national goals, at home and abroad.

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12-11

THE WHITE HOUSE
WASHINGTON

December 10, 1968

MEMORANDUM FOR

HONORABLE CHARLES ZWICK, DIRECTOR
BUREAU OF THE BUDGET

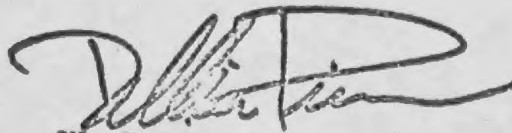
Attached is the final report of the Task Force on Communications Policy. This report was delivered to the White House for submission to the President on Saturday, December 7, 1968.

The President has requested that the report be transmitted to the Bureau of the Budget and instructs you to take the following action:

1. Study recommendations in the report relating to government organization to determine if you wish to incorporate any of them into a report on organizational changes as authorized in the President's message of August 14, 1967.
2. Study the other recommendations in the report to determine if you wish to submit any of these proposals as a part of the budget message or in other form.
3. Determine if any members of the Task Force desire to submit individual or supplemental views. (In this regard, you will note that the Task Force report was not signed by its membership and that some Task Force members took differing positions on various recommendations by letters of comment to the Chairman.)

4. Make a determination as to the best means of providing the Task Force's findings to representatives of the President-Elect as a part of the transition process.

I would be happy to discuss any questions you have after reviewing these materials.

A handwritten signature in dark ink, appearing to read 'W. DeVier Pierson', with a stylized, flowing script.

W. DeVier Pierson
Special Counsel to the President

Attachments

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12/16
CL2
12/16

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

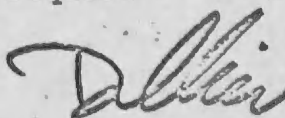
Bill Merrill

December 13, 1968

MEMORANDUM FOR

CHARLES ZWICK

Attached is a dissenting statement by General O'Connell to the report of the Task Force on Communications Policy. This supplements and replaces his earlier dissent. It should be added to your file on the Task Force report and be considered with other papers in accordance with the President's request.



DeVier Pierson

Attachment

TELECOMMUNICATIONS

January 29, 1969

Dear Abbott:

Thanks so much for your letter together with the summary of the Report on Telecommunications. I will be in touch with you within a few days to see if you can come down and counsel with us.

Warm personal regards.

Sincerely,

Robert Ellsworth
Assistant to the President

Mr. Abbott Washburn
Washburn, Stringer Associates, Inc.
4622 Broad Branch Road, N. W.
Washington, D. C. 20008

WASHBURN, STRINGER ASSOCIATES, INC.

4622 BROAD BRANCH ROAD, N. W.

WASHINGTON, D. C. 20008

362-9494

JAN 28 1969

ABBOTT WASHBURN

January 27, 1969

CALLE RIO SENA NO. 63-A
MEXICO 5, D. F., MEXICO
PHONE: 14-55-21

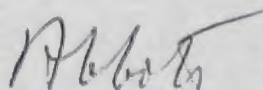
Dear Bob,

Last month, at Henry Loomis' request, I prepared a summary of the 450-page report of President Johnson's Task Force on Telecommunications. (The Transition Office was officially refused access to the report by Charles Murphy, LBJ's representative. However, I managed to get hold of a copy through other channels.)

The summary is attached, together with a "Telecommunications Organizational Chronology" and covering letter to Henry.

There is a good deal of substance here that needs review and reconsideration in the light of the new Administration's policies.

Yours,



Abbott Washburn

Hon. Robert Ellsworth
Assistant to the President
The White House
Washington, D. C.

COPY

WASHBURN, STRINGER ASSOCIATES, INC.

4622 BROAD BRANCH ROAD, N. W.

WASHINGTON, D. C. 20008

362-9494

ABBOTT WASHBURN

December 28, 1968

CALLE RIO SENA NO. 63-A
MEXICO 5, D. F., MEXICO
PHONE: 14-55-21

Dear Henry,

Again I apologize for the length of this summary. However, the Report on Telecommunications is 450 pages long and to give a fair notion of its major thrusts required more than 2 or 3 pages.

I know I don't have to sell you on the vital importance of communications. Mankind's future progress, here and abroad, is intimately bound up with communications. This Report represents 15 months of solid effort by capable people. Some of the recommendations are far-reaching and bold. Most experts, in and out of government, agree that reforms are overdue, the problems acute. Therefore, the new Nixon Administration can profit from this good groundwork by getting together a high-level group of 4 or 5 experts of its own to go through the Report and report back their recommendations. These would then be considered by President Nixon--leading toward his recommendations to the Congress in this field and also toward appropriate Executive Branch decisions and actions.

If I can be of any further help, please let me know.

Sincerely,

Abbott Washburn

The Honorable
Henry Loomis
1425 4th St., SW
Washington, D. C.
20024

COPY

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

January 30, 1969

MEMORANDUM FOR JOHN EHRLICHMAN

FROM: Dale Grubb *1/31*

Subject: Task Force on Communications Policy

There was a Task Force on Communications Policy that was setup by President Johnson to study the problems and policy relative to the International Communications Satellite and also possible plans for a Domestic Communications Satellite Program. This Task Force was chaired by Dr. Eugene Rostow and some members of his committee are as shown below:

Dr. Donald Hoernig, Scientific Advisor to President Johnson

→ Dr. Russell Drew, Technical Assistant to the Scientific Advisor to President Johnson

Leonard Marks - USIA

David Soloman - Defense

General Jim O'Connell

Dr. Russell Drew, an acquaintance of mine and a real fine gentleman, phoned me last week and offered his services, should they so be desired, to brief you or anyone whom you might desire regarding the decisions of this Task Force which has been in existence for the past year. He merely wants to be of assistance.

F. LeCompte

February 4, 1969

MEMORANDUM FOR THE PRESIDENT

Subject: Report of Rostow Task Force on Communications Policy

This memorandum describes White House involvement in two important matters of telecommunications policy.

INTELSAT Conference

My office has been discussing this important matter with the FCC, the Director of Telecommunications Management (OLP), the State Department, and Mr. Leonard Marks, who is head of the U. S. Delegation. Simultaneously, Dr. Burns' office sent a directive to the State Department to report on the possibility of postponing the conference. The State Department reply was in accord with our understanding and discussions of the matter.

Attached is a memorandum to John Ehrlichman with more details, along with a copy of a memorandum to Mr. Marks, outlining future steps to be taken.

Rostow Task Force Report on Telecommunications

My office has reviewed this report and a companion Budget Bureau study of Federal Communications reorganization. We are discussing these reports and what our policy should be on their release and will recommend action shortly.

Simultaneously, Dr. Burns' office directed OST to review the report for possible legislative proposals. We have agreed with Martin Anderson and Lee DuBridge that our office will handle this report with appropriate coordination.

Attachments

Robert F. Ellsworth
Assistant to the President

cc: Dr. DuBridge
Dr. Burns

CTWhitehead:ed

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

February 4, 1969

FOR: The Files

FROM: Tom Whitehead

SUBJECT: Meeting with Lee Johnson

Met with Lee Johnson today. Lee felt it was important to bring about early release of the contractor report because there have been numerous requests and because they were not tied intimately to the conclusion of the report. He also mentioned that the American Society of International Law has established a telecommunications panel headed by Abe Chayez of the Harvard Law School and that they were interested in receiving the report and/or staff papers for an upcoming conference. Lee felt that the two most important recommendations in the report were the creation of a spectrum management authority and implementation of the domestic satellite project.

DRAFT
Dr. Drew
February 5, 1969

*Cy given
to Dr. Drew
2/6/69*

Tom -

*2/4. If you have any
problems with this
reply please let me
know by 10:00 AM
tomorrow (Feb 6.).*

Russ Drew

THE WHITE HOUSE

MEMORANDUM FOR

Honorable Maurice H. Stans
Secretary of Commerce

I have ~~recently~~ requested a detailed assessment of the Task Force Report on Communications Policy, taking into consideration the recently completed study of the Federal Communications Organization, with a view toward preparation of legislative proposals or reorganization plans for the management and administration of communications matters within the Executive Branch. Until this assessment *here in the Executive Office of the President* has been completed, the action proposed in your memo of February 3, would be premature.

I appreciate your views and expect to discuss this matter with you after I have had an opportunity to consider the results of the current review.

*My staff will, of course, consult with
of the Commerce Department during our review.*

*Eva: please call & say I recommend
to make changes. Suggest memo to President
in response.*

Wg
11:30

February 6, 1969

FOR: ROBERT ELLSWORTH
TOM WHITEHEAD ✓

FROM: DAN HOFGREN

RE: TELECOMMUNICATIONS

Mr. Abbot Washburn, formerly head of USIA, has been asked by Henry Loomis to make a review of the Rostow Commission and BOB report on Telecommunications.

1. He is preparing some comments on this issue and would like to talk with us about it. May I suggest we invite him for Saturday morning.
2. For your information, General Lincoln has invited him to be the replacement for General O'Connell.
3. It also has been suggested that he be Deputy to Ambassador Marks for the INTELSAT conference. For your information Marks' appointment ends on March 28th.

Off. of Telecommunications

February 7, 1969

FOR: Mr. Larry Higby
FROM: Tom Whitehead ^{Signed}
SUBJECT: Detail for Dr. William N. Lyons

As I mentioned in our telephone conversation, Dr. William N. Lyons of the USIA has been detailed to the State Department for some time to work on the Telecommunications Task Force. His assistance will be necessary over the next few months in our review of the Task Force Report, particularly in relating how the numerous contractor reports and staff papers support the conclusion of the final report. There are numerous volumes associated with this effort that have been shifted to the Bureau of the Budget, and we would like to have Dr. Lyons located here with these materials to assist us.

Would you please arrange to have Dr. Lyons detailed to the White House through April 30th and arrange office space for him and his collection, preferably in the EOB. Mr. William Holcombe, Chief, Domestic Service Personnel, USIA, is aware of this and you can contact him directly. Mr. Donald Gessaman of the Budget Bureau will know what has happened to the materials.

CTWhitehead:ed

February 7, 1969

MEMORANDUM FOR

Honorable Lee A. DuBridge
Honorable Henry A. Kissinger
Honorable Robert Mayo
Honorable Paul McCracken

Subject: Telecommunications Policy

My office is conducting a review of the Rostow Report on Telecommunications Policy, which was submitted to President Johnson and not subsequently released by his Administration. The purpose of this review is to recommend to the President what our disposition of the Report should be and what legislative proposals should be advanced in the telecommunications field. We will consider at the same time the Budget Bureau report on Federal Organization for Communications.

Would you please identify someone from your staff to participate on this important task. The initial working group will be confined to OST, CEA, BOB, NSC and White House staff, although we will have contact as necessary with all interested agencies and departments.

I would like Mr. Clay T. Whitehead of my staff to meet with your representative and the others on Wednesday, February 12, at 10:00 a.m. He will be in touch with whomever you name to discuss the agenda and location of the meeting.

Telecommunications policy and Federal organization in that area is both important and complex. We will need to work closely and intensively to achieve the results that are needed. Please call me or Mr. Whitehead, should any problems arise.

Signed

Robert Ellsworth
Assistant to the President

cc: Dr. Burns
Tom Whitehead ✓
Dan Hofgren
CTWhitehead:ed

February 7, 1969

MEMORANDUM FOR
THE PRESIDENT

I propose the attached reply in response to Secretary Stans' memorandum requesting assignment of increased responsibility for communications policy to the Department of Commerce. Although the recently completed Bureau of the Budget study of communications organization recommends an increased role for Commerce, I believe it would be appropriate to defer such action until the broad assessment of the recent Task Force report is complete.

This response has been coordinated with both the BoB and Mr. Ellsworth's office.

Lee A. DuBridge
Science Advisor

cc: Dr. Thomas Whitehead

MEMORANDUM FOR

Honorable Maurice H. Stans
Secretary of Commerce

I have requested a detailed assessment of the Task Force Report on Communications Policy, taking into consideration the recently completed study of the Federal Communications Organization, with a view toward preparation of legislative proposals or reorganization plans for the management and administration of communications matters within the Executive Branch. Until this assessment has been completed, the action proposed in your memo of February 3, would be premature.

My staff will, of course, consult with the Commerce Department during our review. I appreciate your views and expect to discuss this matter with you after I have had an opportunity to consider the results of the current review.

RMN: LAD:RCD:of Feb 7 1969

President's Files
White House Central Files (2)
Dr. DuBridge's Chron
OST Files, Chron
Drew Files, Chron

THE WHITE HOUSE

WASHINGTON

2/7/69

Eva ----

Call Ed Morgan (Ext. 2332)
(Leave message -- need to know
reasonably quickly whether the Rostow
report on Telecommunications was
"formally" transferred to this
Administration.

They referred me to Ehrlichman's
office, who did not know where to begin
to check. Called Hopkins' office;
Rose Ann Herold suggested Brom Smith.
Called Mr. Smith (with Kissinger) and
he did not know but said Benjamin Read
in the Executive Secretariat at State
should know. Called him (he will
check and call back).

(182) 5381

Mr. Read indicates the Cmte. filed its
report with the President and the President
did not act on it. He thinks it would be
one of those things lingering on the
Presidential docket. Will check further
and call back.

*Monday 2/10 11:10 called Mr. Read
again --
Mr. Read indicates he can't find
anyone to give us the answer.
Indicates Alan Novak is the*

"walking encyclopedia"
and he's "snowed in" in
Boston.

No one at state
seems to know what
the exact status
is.

Their best guess is
that it remains
on the President's
docket since
it was never
disposed of.

THE WHITE HOUSE
WASHINGTON

2/14/69

Jeanette:

Tom says there's more to
this story and he'll develop
it as he can.

Eva

Telecommunications

February 13, 1969

MEMORANDUM FOR MR. ELLSWORTH

You asked me to verify that the Rostow Report was never officially turned over to the Nixon Administration by the outgoing Administration.

I have double-checked on the following:

During January, prior to the Inauguration, Henry Loomis, who was the executive director of the Task Forces, asked Mr. Franklin Lincoln's office to try to obtain the Report through official channels. Bill Harmon, Frank Lincoln's deputy, officially requested the Report of Charles Murphy, President Johnson's transition officer. Mr. Murphy responded in the negative. "I talked with him two or three times," Bill says, "and his reasons for turning us down were that the President had not had time to evaluate the Report, that he had turned it over to the Bureau of the Budget for their opinion first, etc." Bill says that LBJ ultimately shipped it off to Texas, considering it his own property.

We know that Eugene Rostow delivered the Report to the President on December 8, 1968. It is rumored that LBJ later told Rostow he would be willing to release it publicly if Chapter 7 were eliminated. This is the Chapter on broadcasting. Rostow is said to have refused to cut out the Chapter on grounds that it would not be intellectually honest. Accordingly, Johnson sat on the Report.

Tom Whitehead was informed that a copy had been left in the White House for the new Administration. But no one has yet been able to find it. He is working with a copy furnished him by the Budget Bureau. Bill Harmon says he is certain that no copy was left in the White House--that Charlie Murphy was emphatic in his refusal.

A.W.

--Abbott Washburn

Hon. Robert Ellsworth
Assistant to the President
The White House
Washington, D. C. 20500

** It strongly urges expansion of
cable TV, a possible threat
to the Johnson family TV
interests in Texas.*

→ COPY FOR MR. WHITEHEAD

Telecommunication

February 15, 1969

MEMORANDUM FOR MR. ELLSWORTH

I think I have about tracked down the full story on how the transition of the Rostow Report was handled.

Abbott Washburn's memorandum of February 13 is only approximately accurate. In particular, the original of the report was not taken to Texas or left in the White House. It was forwarded to the Budget Bureau with a memorandum from DeVier Pierson requesting a rather innocuous review for possible action. It is pretty clear that Chapter 7 on broadcasting was what kept the President from approving the report. Johnson's views are expressed in a memorandum from Budget Director Zwick to Rostow, of which we have a copy.

While it is true that we were not given a copy of the report itself during the transition period, it should be noted that DeVier Pierson wrote the Budget Bureau asking them to find the most convenient way to make available to the President-elect the conclusions of the report. This was done as well as could be, given the unfinished nature of the report and summarized in a BOB transition paper which was made available to the Nixon representative, Frank Lincoln. However, Lincoln actually picked up only two or three of the many transition papers, and, in spite of occasional agitation by me and Alan Greenspan, these were not collected systematically until mid-December when Alan came down as representative to the Budget Bureau. We had the knowledge that this transition paper existed because I had an off-the-record list of transition paper titles. However, all the transition papers were funneled through Dr. Burns' operation and they refused on grounds of extreme sensitivity to give them out to anyone.

One final note, it is interesting to note that the Rostow Task Force had to stretch its mandate to include the chapter on TV broadcasting in the Task Force effort, and that this is precisely the Chapter that Johnson most vigorously objected to.

Signed

Clay T. Whitehead
Staff Assistant

cc: Mr. Hofgren

February 8, 1969

MEMORANDUM FOR GENERAL O'CONNELL

Subject: Telecommunications Policy

Thank you for your memorandum of February 6 and
your recommended Presidential statement.

I agree that we need to calm down any agitation for
early action on the Task Force Report, but I think a
Presidential statement at this time would be premature.

Signed

Robert Ellsworth
Assistant to the President

cc: Mr. Hofgren
Mr. Whitehead ✓

CTWhitehead:ed

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF TELECOMMUNICATIONS MANAGEMENT
WASHINGTON, D.C. 20504

OFFICE OF THE DIRECTOR

February 6, 1969

FEB 7 1969

MEMORANDUM FOR MR. ROBERT F. ELLSWORTH
Assistant to the President

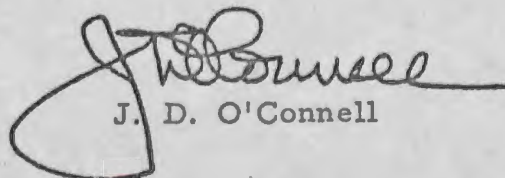
C.T.W.

Subject: Telecommunications Policy

On August 14, 1967, President Johnson established a Task Force to study U.S. telecommunications policy. Mr. Eugene Rostow, then Under Secretary of State for Political Affairs, was Chairman of the Task Force and the membership included 14 other representatives -- all Presidential appointee level from the various Federal Government departments and agencies, with the Chairman of the FCC as an Ex Officio member. The Task Force was given one year to complete its task. Due to the scope of the subject and the fact that its members never did reach unanimous agreement, the final report (with at least two dissents) was not submitted until December 1968. As far as is known the Johnson Administration took no substantive action on the Report, and it never was released to the public. However, there were many leaks of Task Force papers and there have been many articles in the Press conjecturing on the Report and the reasons for the dissents by some of the Task Force members.

Recently some of the former members of the Task Force Staff have started agitation for action to be taken on the Task Force Report. This agitation could culminate in pressure tactics that might force the new Administration into taking a position before there is opportunity to conduct a fresh review. Attached is a proposed public statement intended to "defuse" such pressures.

Recommend that such a statement be released to the Press by the President. Also recommend that no action be taken with regard to the Task Force Report until there has been ample opportunity for this Administration to consider the major problems involving our telecommunications services.


J. D. O'Connell

Attachment

cd. What?

Proposed White House Press Release by President Nixon
on Telecommunications

The effective functioning of the political, economic, and social structure of the United States depends to a very great degree on the adequacy and responsiveness of our telecommunications services. Telecommunications in the form of broadcasting, the telephone system, communications in general, as well as the countless other electronic devices that use the radio spectrum and assure the comfort and safety of our citizens has become an all pervasive servant profoundly affecting individuals, the commercial world, and the Government. New technology, such as communications satellites, offers great new capabilities for handling vast amounts of information over great distances on an instantaneous basis.

American ingenuity and resourcefulness have provided the technological know-how. National policy should provide assurance that this technology is used to best serve the total private, public and national interests.

This Administration from the beginning has stressed the need to communicate. Accordingly, this Administration will undertake a continuing review of the policies that guide our telecommunications with the aim of assuring responsiveness to national needs. Where necessary, legislation will be recommended to the Congress.

THE WHITE HOUSE

WASHINGTON

FEB 12 1969

February 11, 1969

↓

TO: Robert Ellsworth
THRU: Bryce N. Harlow
FROM: Bill Timmons BT
SUBJECT: Telcomm Hearings

*Bill -
let Bob Ellsworth know -
BT C.T.C.*

Rep. Bill Springer is out of town this week and I talked with Lew Berry, Minority-House Interstate & Foreign Commerce Committee, regarding hearings that may be held to consider Telcomm and recommendations of special Rostow report.

Mr. Berry contacted Bob Guthrie, majority staff member, and reported back that there are no plans for hearings on this issue. Expect to take up CATV and a domestic satellite program next month. Guthrie admits he has been calling the Bureau of Budget for Rostow Report and reaffirming committee's interest in recommendations. Apparently, Guthrie does not have a copy of papers. Bob & Lew feel committee will not act until Administration's recommendations are transmitted. Even then, Berry says Mr. Springer can delay hearings. Lew promised to keep his ear to ground and us posted on developments.

INTEL SAT

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Whitehead

DATE: February 14, 1969

FROM : Lyons *L*

SUBJECT: Dissent of James D. O'Connell, Vice Chairman of the President's Task Force on Communications Policy, to the Report

General O'Connell's dissent has two facets: 1) his objection to specific proposals within particular chapters; and 2) disagreement with two general themes which he finds "through most of the Report."

INTERNATIONAL INDUSTRY:

He agrees with the proposed formation of a single entity for U.S. international transmission (Chapter II), BUT concludes, "conditions ... imposed ... are so restrictive as to make the objectives ... impracticable of attainment." The conditions he rejects are: 1) free lease of channels; 2) prohibition of vertical integration; 3) restriction to international service only; and 4) government usurping managerial prerogatives.

DOMESTIC COMMON CARRIER:

The recommendation for freer entry into supplemental services of the domestic carrier industry, (Chapter VI), he regards as a serious threat to the integrity of the switched public message network. It should be noted that when his arguments for national security, set forth in Appendix D, were presented to a meeting several months ago, the Department of Defense representative seemed not to share his concern. This chapter should have been omitted, General O'Connell thinks.

TELEVISION:

The future opportunities for television, (Chapter VII), he would leave to the FCC - "it is not relevant to the President's Message and we can establish no satisfactory case for its inclusion."



DOMESTIC SATELLITE:

He supports the pilot domestic satellite program (Chapter V), but opts for "a suitable arrangement with INTELSAT," seeing no legal, economic or policy difficulties in such an admixture of domestic and international communications.

FEDERAL ROLES:

A new federal telecommunications capability (Chapter IX) is neither needed nor desired. "Provided with the essential resources, the Executive Branch and the FCC can initiate the necessary improvements expeditiously and at modest cost." Such a new capability would be justified only if needed to obtain "necessary resources."

The two general themes in the Report with which he takes exception are cited as "the need for more competition," and "the need for greater innovation."

COMPETITION:

The "promise and the prospects of competitive benefits," in the telecommunication industry are ephemeral and should be "critically examined." He speaks of "a long history of adverse effects upon the public interest," of competition in the telephone industry at the local level, and recounts that history in his Appendix A. Alternatively, "We would like to express confidence in the regulatory process ... In our judgment the results to be obtained by a well reasoned and informed regulatory process are more likely to achieve innovation and progress than ad hoc experiments with contrived competition." Government regulation in its area of competence should be strengthened.

INNOVATION:

There is nothing wrong with the present pace of innovation, and "we maintain that no case for lack of innovation in telecommunications has been made in the Task Force Report." He takes the occasion to put in a plug for industrial vertical integration, feeling the Task Force had not dealt with it adequately. While it is not required in satellite communications, vertical integration has been a "major factor in the success, rapid progress, and low cost of telephone service in this country."

FEB 18 1969

February 17, 1969

MEMORANDUM FOR

Honorable Maurice H. Stans
Secretary of Commerce

I have requested a detailed assessment of the Task Force Report on Communications Policy, taking into consideration the recently completed study of the Federal Communications Organization, with a view toward preparation of legislative proposals or re-organization plans for the management and administration of communications matters within the Executive Branch. Until this assessment has been completed, the action proposed in your memo of February 3, would be premature.

My staff will, of course, consult with the Commerce Department during our review. I appreciate your views and expect to discuss this matter with you after I have had an opportunity to consider the results of the current review.

RMN:LAD:RCD:of
Feb 7, 1969

President's Files
White House Central Files (2)
Dr. DuB ridge's Chron ✓
OST Files, Chron
Drew Files, Chron

cc: Robert Ellsworth



THE SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

February 3, 1969

MEMORANDUM FOR THE PRESIDENT

Subject: Federal Telecommunications Policy Management

The present system for formulating and managing telecommunications policy is dysfunctional because there is no properly ordained central policy locus. Mismanagement of the electromagnetic spectrum has resulted in valuable spectrum space lying unused and technical improvements unexplored. I propose you delegate responsibility for policy formulation and management to the Department of Commerce.

Background

Prime coordination and policy responsibility for the Executive Branch and for emergency purposes in this field rest with the Director of Telecommunications Management, an Assistant Director of the Office of Emergency Planning in the Executive Office of the President. Prime control over non-Federal use of radio communications is vested in the Federal Communications Commission. As key issues have become increasingly technical, the Director has become less able to function because he lacks the substantial research facilities necessary to properly consider the policy changes required by evolving technology. This is also true to a lesser extent for the FCC.

Moreover, the Director often competes with the Federal Communications Commission on control over portions of the spectrum because both offices are responsible for aspects of spectrum management. This unfortunate situation is compounded by the needs of operating agencies (such as NASA, Transportation, Defense and GSA) whose heavy functional involvement with telecommunications creates competing demands which no central policy authority has been able to balance in the national interest.

The Bureau of the Budget and the so-called Rostow Task Force, late last year, both recommended consolidating telecommunications policy and research functions in an existing cabinet agency. No agency was named or other constructive action taken.

Action Proposal

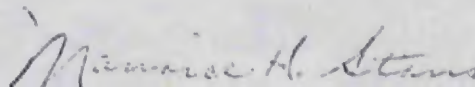
By Executive Order, you can transfer the policy function from your office to mine. I could then create a telecommunications analysis program to support the office by putting our research arm at the disposal of the Director. With the exception of the Defense and space agencies, Commerce has the largest research facilities in this field. I could also combine our data collection and economic analysis resources with the research effort in order to properly support the policy office.

May I submit for your consideration a draft Executive Order for this purpose?

Legislation (or a reorganization plan if the Reorganization Act of 1949 is revived) would be necessary to transfer the spectrum management function from the FCC to my office. The FCC would continue its regulatory functions and license spectrum space, but the policy direction would be unified under my office. This combined policy direction would materially assist coordinating the agencies in government who use the spectrum with private civilian and industrial requirements.

Conclusion

Sufficient evidence exists that the present system cannot function. Logic suggests that the coordinating agency not be a heavy user of the spectrum (in order to remain objective) and that the agency have substantial telecommunications research facilities. Commerce meets these requirements. Finally, I believe it is essential that policy management in this vital area be directly responsive to you at the Cabinet level.


Maurice H. Stans

30
2/19

Meeting
2/17/69

INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION
1707 L STREET, N. W. • WASHINGTON, D. C. 20036

JOHN F. RYAN
DEPUTY DIRECTOR
WASHINGTON RELATIONS

February 18, 1969

Dear Mr. Whitehead:

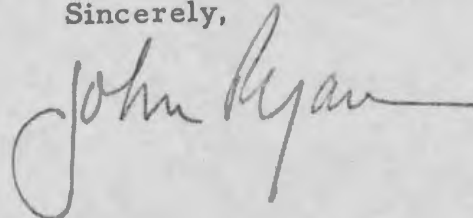
Recognizing that these are hectic times, I want to thank you for the opportunity for us to get together yesterday afternoon.

As I mentioned, we are quite interested in the disposition of the report of the President's Task Force on Communications Policy. Our prime concern results from the fact that while we, as well as many other entities concerned, had frequent contact with the Task Force staff during the early phase of their study, we were not involved to any significant extent during the final stages of their activity and were not invited to comment on their final conclusions. As you know, the report has not been released. The only detailed information available is that which has appeared in newspapers and several trade journals.

I hope that you will feel free to call upon me as I believe a continuing dialogue will be mutually beneficial.

Thanks again for squeezing me into your busy afternoon. I will be looking forward to hearing from you.

Sincerely,



Mr. Clay T. Whitehead
Staff Assistant
The White House

2/25/69

Tom.

Interesting that Butten has also
come around to releasing the
Rostov report, in a low key way.

Touching base first with the carriers,
however, is essential. (Charlie
McWhorter, et al)

— Abbott

COMMUNICATIONS SATELLITE CORPORATION

February 25, 1969

ROBERT E. BUTTON
The Special Assistant to the Chairman

Dear Ab:

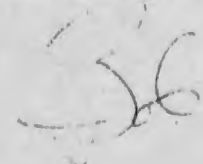
The attached is an accurate report.

I am beginning to think that regardless of how the Administration studies or evaluates the Task Force Report, and without any relation to the conclusions that might be drawn, the report itself ought to be surfaced for public discussion. One way to do this would be through the Brookings Institution or something of that nature. After all, it is an unclassified document, almost everybody in the business now has a copy, and even the foundations have acquired it. There is no sense in pretending that it is unavailable. Furthermore, if it were surfaced and discussed, a wise approach to it on the part of the Administration would earn considerably more credit than what now appears to be a slightly embarrassed attempt to hide it.

Novak's remarks indicated that he is prepared to oppose any attempt to bury the report or misrepresent the circumstances in which it was finally handed over. We know also that Nick Zapple is preparing to ask questions as to what is happening to the report when he gets O'Connell on the stand during the confirmation hearing.

In summary, I think the report ought to be published without comment, other than that the Administration is studying it and will develop its own program.

Sincerely,



atcs.

P.S. Herb Klein apparently disagrees (see attached).

Mr. Abbott Washburn
4622 Broad Branch Road, N.W.

VIEW OF WIDE DISAGREEMENT AMONG TASK FORCE MEMBERS DISPUTED BY NOVAK

Alan R. Novak, who was Executive Director for the staff of President Johnson's task force on communications policy, last week disputed published statements that there was a great deal of disagreement among members of the group in the preparation of its final report.

Mr. Novak made his observation in a talk at a meeting of the Federal Bar Association's communications committee Tuesday, Feb. 18.

Noting that there were only two "partial" dissents by members of a task force numbering 15, plus brief comments by one other member on two points, Mr. Novak said he feels some newsmen were "taken down the primrose path" by those who disagreed with the work of the task force and wanted to emphasize any disagreements. He stated that there was "95% agreement" among members of the task force in passing on a report that dealt with hundreds of different points.

Mr. Novak prefaced his comments with the statement that he did not intend to discuss contents of the report of the task force, which was not released by the White House after its submission to President Johnson, and which is now under review by Dr. Lee A. DuBridge, the Science Advisor in the new administration, under a directive issued by President Nixon.

His personal observations, based on exposure to the telecommunications field for little more than a year while serving as head of the task force staff, did, however, parallel many of the conclusions reliably reported to be in the still-not-released task force report at the time the group was winding up its assignment (TELECOMMUNICATIONS, Dec. 9, 1968).
-End-

HAWAIIAN REITERATES CLAIM RCA KHZ OFFERING TO DoD IS NOT NEW SERVICE

Hawaiian Telephone Co. has reiterated its claim that RCA Global Communications' 48 kiloHertz service to the Defense Department between the United States mainland and Hawaii is not a new service and should be denied by the Federal Communications Commission.

A prompt decision by the FCC would make hearings in the matter unnecessary, Hawaiian declared.

The result of the Commission's grant of temporary authority to RCA-Globcom to provide the service, HTC stated, "was simply the provision by RCA of the same services (11 voice grade channels) to the same customer (Defense Communications Agency) over the same facilities (satellite). There were but two differences: (1) the name of the billing carrier; and (2) the amount of the bill."

-End-

March 4, 1969

MEMORANDUM FOR MR. KLEIN

Regarding the attached item in Television Digest, I thought you should know that our current thinking is that the Rostow Report should be released, probably in some low-key way. We really have no choice, given the great publicity and wide availability of leaked copies.

We are now thinking how best to do this and will do so shortly after the close of the INTELSTAT Conference (March 21).

Robert Ellsworth
Assistant to the President

Attachment

CTWhitehead:ed

cc: Mr. Whitehead ✓

CATV has great promise. It should be permitted to grow. A CATV system gets more subscribers with more programs, more special services. It's unlike commercial on-air TV, which is based on mass audience & advertising. On the other hand, air TV is considered free—at least in a psychological sense. Of course, it isn't free, because we pay for the sets, for the advertising in cost of products.

"There's no immediate way to shift to CATV without spending hundreds of billions of dollars. Ghetto people, who need it most, are least able to pay for it. Fragmentation can hurt stations—but it's my belief that this concern is not enough to warrant the restrictions in the 2nd Report. Studies indicate that most stations—particularly network affiliates—wouldn't go under."

Novak touched on other topics, emphasizing that he wasn't giving Task Force Report conclusions—only his own. However, his conclusions were remarkably similar to those in the unpublished-but-well-leaked Report. For example, he said spectrum management should be concentrated entirely in a new Executive Branch entity; that FCC is "inhumanly starved" for funds & manpower; that permanent domestic satellite ownership setup can't be selected yet, so Comsat should manage temporary system, but "it's good to have a satellite company in competition with authorized carriers"; that "some people believe there's less need for regulation & monopoly if you allow more competition—and that's becoming more popular in academic circles"; that "if multi-channel TV becomes a reality, then maybe there's less need for govt. to worry about programs"; that "there wasn't as much dissent within the Task Force as the press has indicated—in fact there was extraordinary consensus."

Among other CATV trends last week: (1) CBS board approved acquisition of Homer Berggren's 10 west coast systems for some \$17 million (Vol. 8:52 p3), which makes network 7th largest system owner in U.S. (2) House Commerce Committee hearings on CATV are delayed until early April, instead of first March week—at request of all major interests who asked for more time. (3) FCC Comrs. Cox & Johnson had rare clash in policy, in statements finally issued Feb. 17 in connection with Nov. 26 decision allowing Bell System to build leaseback system in Rome, Ga. Johnson said FCC gave Bell green light without even looking into matter, termed Bell "one of the Commission's corporate clients." In 6 single-spaced pages, Cox defended decision all the way, even got a little sharp with his philosophical buddy for the "client" crack. Johnson came back with his now-traditional dissent-to-dissent-to-dissent, politely saying he & Cox disagree.

Boston Ch. 5 case brought rare, if not unique, petition to FCC last week from Boston Bcstrs. Inc. (BBI), to which Commission ordered channel be shifted from WHDH-TV (Vol. 9:4 p1). BBI admitted it's strange to complain about details of decision giving it multi-million-dollar property, but it wants to: (1) Minimize possibility of FCC reconsideration and/or court reversal, and (2) reduce opprobrium it has gathered from broadcasters who feel that BBI's success has jeopardized their own properties. BBI asked Commission to modify decision to crack down harder on WHDH-TV principals for "false testimony," for "ex parte" efforts, for program quality less than BBI proposed, etc.—and to stress that station didn't have a conventional license up for renewal, thus differing from most other stations. BBI has offered to buy WHDH-TV equipment at present list prices, assume employment & program contracts. WHDH-TV Pres. Harold E. Clancy wrote stockholders that "we are shocked but undismayed by this development" and expect to win ultimately. He said Herald-Traveler stock drop from 70's to 40's is "overly pessimistic reaction" and he plans to increase his holdings.

Four CATV franchises, in towns totaling 165,000 population, have been added by Nation Wide Cablevision, subsidiary of housing firm Kaufman & Broad: Pomona, Monterey Park, Saratoga & Morgan Hill, Cal. Company has 40 franchises in Cal., Wash. & Ore.

"Pot Party" comments, filed with FCC by CBS through former Commission Chmn. Newton Minow, charged Chief Examiner Cunningham with scores of errors in his adverse findings (Vol. 9:2 p3), and concluded: "Sometimes investigatory journalism may arouse controversy; and some may quarrel with the judgments made in a particular case. That is a risk journalism must run if it is to fulfill its function. But it is more important that journalism be free to discharge its responsibility to the community than that it not take risks which may subject it to criticism. WBBM-TV chose to take some risks by reporting the use of marijuana by college students in the community. The station chose in good faith to do so because it was concerned about the situation and felt an obligation to alert and inform its viewers of a growing social evil. That effort is service to the public interest in the best sense."

White House aide Herbert Klein told SDX journalism fraternity last week that President Nixon "has no plans" to revamp FCC or seek congressional approval of Dept. of Communications. He also indicated—in private conversation after speech—that there are no plans to release White House Task Force Report on Communications (prepared under LBJ). "You can't get people to serve on these task forces if they know their work is going to be released," he said. (Many members of TF & its staff are known to be eager to have report published.)

Wednesday 3/5/69

4:55 NOTE FOR THE FILE

Mr. Whitehead asked me to call Bill Morrill and tell him he would appreciate it if Mr. Morrill would let all the agencies know that the White House has no objection to the release of the Task Force contract studies.

UNITED STATES GOVERNMENT

Memorandum

TO : Dr. C. T. Whitehead

DATE: March 5, 1969

FROM : USIA:IOP/PA - William N. Lyons *L*

SUBJECT: Task Force on Communications Policy - Contract Studies

You inquired concerning studies contracted by the Task Force on Communications Policy. Here they are:

1. Complan Associates, Inc., 19 Miles Road, Suffren, New York 10901
A STUDY OF DISTRIBUTION METHODS FOR TELECOMMUNICATIONS
A STUDY OF CONSUMER TELECOMMUNICATIONS SERVICES
2. Page Communications Engineers, 3300 Whitehaven Street N. W.,
Washington, D. C.
NEW COMMUNICATIONS TECHNOLOGIES FOR LESS DEVELOPED
COUNTRIES
3. Stanford Research Institute, Menlo Park, California
SATELLITE-DISTRIBUTED EDUCATIONAL TELEVISION FOR
DEVELOPING COUNTRIES
4. Spindletop Research, Iron Works Road, Lexington, Kentucky
IDENTIFICATION AND ANALYSIS OF THE ALTERNATIVES FOR
ACHIEVING TELEVISION PROGRAM DIVERSITY IN THE UNITED
STATES
5. RAND Corporation, 1700 Main Street, Santa Monica, California
TELECOMMUNICATIONS IN URBAN DEVELOPMENT
6. Kelly Scientific Corporation, 4706 Wisconsin Avenue N. W.,
Washington, D. C.
PUBLIC SAFETY RADIO SPECTRUM REQUIREMENTS
7. TEMPO-General Electric, Santa Barbara, California
ELECTROMAGNETIC SPECTRUM MANAGEMENT
8. National Academy of Engineering, 2101 Constitution Avenue N. W.,
Washington, D. C. 20418
SATELLITES AND OTHER LONG-HAUL TRANSMISSION MODES
URBAN COMMUNICATIONS
ELECTROMAGNETIC COMPATIBILITY



Persons outside Government concerned with
Telecommunications Task Force Report

	<u>Date of Meeting</u>	<u>Industry</u>	
AT&T	4/9/69	Ed Crosland, V.P., Federal Relations, N. Y. 195 Broadway, NYC 10007	(212) 393-1000
		Ben Oliver, V.P., Government Operations, D.C.	(202) 466-4121
		Ben Givens, Asst. V.P., Federal Relations, D.C. 2055 L Street, N.W., D. C. 20036	
COMSAT	4/14/69	General James McCormack, Chairman Joseph Charyk, President David Acheson, General Counsel 950 L'Enfant Plaza, Washington, D. C. 20024	(202) 554-6020
General Electric	5/8/69	Richard Gifford, Gen. Mgr. Raymond Baker Mountain View Road, Lynchburg, Va. 24502	(703) VI 6-7311, x. 486
	4/22/69	Don R. Rodgers, Mgr., Missile & Space Field Operations Don Atkinson, Mgr. Aerospace Market Development 777 14th Street, N.W., Washington, D. C. 20005 Bernard White, Missile and Space Division King of Prussia, Pa. 19406	(202) EX 3-3600 (215) 962-4111
General Telephone & Electronics		Theodore F. Brophy, V.P. and General Counsel Jim Clerkin, V. P. Operations 730 Third Avenue, NYC 10017 Gaylord Horton Suite 900, 1120 Connecticut Avenue, D.C. 20036	(212) 551-1000 (202) FE 7-6600

Industry (Continued)

Hughes Aircraft	5/2/69	Dr. A.D. Wheelon, V.P. Engineering Bldg. 1, M.S. A193, Culver City, California 90230 Mr. Paul Visser, Associate Division Manager, Space Systems Division, Bldg. 366, M.S. A1260, P.O. Box 92919, Los Angeles, California. 90009 Mr. C. (Clell) H. McKinney, NASA & Commercial Communications Activities 1875 Connecticut Ave., Washington, D. C. 20009	(213) 391-0711, x 3770 (202) 234-9300
IBM	4/29/69	Robert King, Government Relations Consultant, D. C. George Hallgren, Federal Special Activities Representative Jack Melick, Data Processing Division, D. C. 1111 Connecticut Ave., Washington, D. C. 20036 Fred Warden, Communications Policy Directorate Old Orchard Road, Armonk, N. Y. 10504	(202) 333-6700, x 7391 x 7108 x 7035 (914) 765-1900, x 2241
IT&T	4/8/69	Ted Westfall, Executive V. P. 320 Park Avenue, N. Y., N. Y. 10022 Joseph Gancie, V. P., ITT World Communications John Ryan, Deputy Director, ITT World Communications 1707 L Street, N. W., Washington, D. C. 20036	(212) PL 2-6000 (202) 296-6200
RCA Global Communications	4/14/69	Howard Hawkins, President 30 Rockefeller Plaza, NYC 10020 Leonard Tuft, V. P. 1725 K Street, N.W., Washington, D. C. 20006	(212) 363-4200 (202) 337-8500
Sperry Rand Corporation		W. L. Barrow, V. P. for Research, Development & Engineering Herbert Harris, 1290 Avenue of the Americas between 51st and 52nd Streets, NYC 10019	(212) 956-2121

Industry (Continued)

Western Union International	4/30/69	E. .A.. Gallagher, President R. E. Conn, Senior V.P., Law & Administration Tom S. Greenish, Executive V.P. 26 Broadway, NYC 10004 Henry Catucci, V.P. 521 12th Street, N.W. Washington, D. C.	(212) 363-6400 (202) 638-6724
Western Union Telegraph Co.	4/18/69	Earl Hilburn, Executive Vice President 60 Hudson Street, NYC 10013 Richard Callaghan, V.P., Congressional Liaison Room 374, National Press, Bldg., Wash, D. C. 20004	(212) 577-4321 (202) 628-8868

Industry Associations

American Advertising Federation of N. Y.		Howard H. Bell, President 1225 Connecticut Ave., Washington, D. C. 20036	(202) 659-1800
Association of Maximum Service Telecasters		Lester Lindow, Executive Director 1735 DeSales St., N.W., Washington, D. C.	(202) 347-5412
Electronic Industries Association		George Butler, President, 2001 I Street, N.W., Washington, D. C. 20006	(202) 659-2200
National Association of Broadcasters	4/9/69	Vincent Wasilewski, President Grover Cobb, Chairman of the Board 1771 N Street, N. W., Washington, D. C.	(202) 293-3516
National Cable Television Assoc., Inc.	6/11/69	Frederick W. Ford, President 1634 I Street, N.W., Washington, D.C. 20006	(202) 347-3440
National Educational Television	4/23/69	James Karayn, Washington Bureau Chief 1619 Massachusetts Ave, N.W., Washington, D. C. 20036	(202) 483-6367
Radio Advertising Bureau		Miles David, President 116 E. 55th St., NYC	(212) MU 8-4020
Television Bureau of Advertising, Inc.		Norman Cash, President 1 Rockefeller Plaza, NYC	(212) PL 7-9420
United Utilities, Inc.		Paul Hinson, President 1700 K St., N.W., Washington, D. C.	(202) 659-4600
United States Independent Telephone Companies Association		Clyde Sautters, Govt. Communications Coordinator Adm. William C. Mott, Executive Vice President 425 Pennsylvania Avenue, N. W. Washington, D. C.	(202) 783-5300

Institutions

Brookings Institution

William Capron
1775 Massachusetts Ave, N.W., Washington, D. C.

(202) HU 3-8919

Carnegie Corporation
of New York

Alan Pifer
437 Madison Avenue, NYC

(212) 753-3100

Ford Foundation

4/25/69 McGeorge Bundy, President
Paul Laskin, Task Force Contact
320 East 43rd St., NYC 10017

(212) 573-5000

Labor

American Federation of
Television & Radio Artists

Vicki Viola, NYC
724 5th Ave, NYC

(212) CO 5-3267

Communications 4/9/69
Workers of America

Joseph A. Beirne, President
Louis Knecht, Assistant to the President
John Morgan, Administrative Assistant
1925 K Street, N.W., Washington, D. C. 20006

(202) FE 7-7711

International Brotherhood of Electrical Workers 4/16/69

Al Hardy, Director of Radio, TV & Recording
Division
Lawrence Rimshaw, Business Manager for
Local Union 1200
1200 15th St., N.W., Washington, D.C. 20005

(202) CO 5-8040

National Association of Broadcast Employees & Technicians (Chicago) 4/14/69

Clifford Gorsuch, Regional Director
J. F. Donley, Regional V.P. of the Union (NBC)
4530 Connecticut Ave., Washington, D. C. 20008
Albert Recht, Vice President of local union
(same address)
James Harvey, 'ABC, international V. P.
(same address)
Timothy J. O'Sullivan, President, Hollywood, Calif.
606, North Larchmont, Los Angeles, Calif.

(202) 244-7527

(213) 464-9138

Technical Groups

Joint Technical Advisory
Committee of Electrical
& Electronic Engineers
& the Electronics Indus-
try Association

John M. Kenn, Secretary
345 E. 47th St., NYC

(212) PL 2-6800

Tele-Sciences Corp - 5/27/69
oration

Fred W. Morris, President
9315 Holly Oak Court, Washington, D. C. 20034

(202) 469-6034

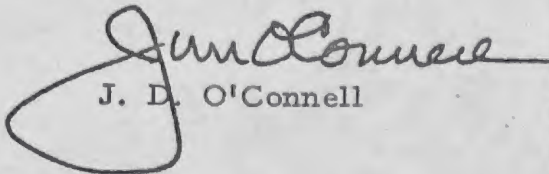
FROM DIRECTOR OF TELECOMMUNICATIONS MANAGEMENT

TO Tom Whitehead

DATE: 4/2/69

As a follow-up on my discussions with Howard Hawkins, President of RCA Global Communications, I asked Mr. Ben Oliver, Vice President of AT&T for his views on the advisability or possible effects of release of the Task Force report.

He has furnished the attached comments in writing. I thought they would be of interest to you.


J. D. O'Connell

Attachment

DECLASSIFIED
E.O. 13526, Sec. 3.3h

By mw, NARA, Date 11/24/12

Adm
~~CONFIDENTIAL~~

..
Jo

Mr. O'Connell

If you have any questions, please
give me a call.

B. H. O.

3-27-69

BENJAMIN H. OLIVER, JR.
Government Communications
Washington
202 466-4121

~~CONFIDENTIAL~~

March 27, 1969

REASONS WHY IT WOULD BE INADVISABLE FOR THE ADMINISTRATION
TO RELEASE THE ROSTOW REPORT AT THIS TIME

1. To keep the Rostow Report in its proper perspective, it is important to remember that the U.S. communications industry is financially sound, is extremely innovative technologically and is growing rapidly. This is not a "sick industry." There are very few matters relating to the communications field which can be regarded as urgent or as requiring the immediate attention of the Administration, which is faced with other problems far more pressing. The Rostow Report tends to exaggerate the urgency of the problems in the communications field. Its release would create the impression that the Administration gave some credence to the importance of these issues.
2. The Rostow Report is one of several governmental studies relating to communications matters in recent years. The Bureau of the Budget and the General Accounting Office have also prepared reports which have been officially transmitted to the appropriate government authorities. It might be noted that while the Rostow Report was prepared by a special task force of the Johnson Administration it was not released by President Johnson. It does exist, however, and various staff members of the Rostow Task Force have been urging that its contents be made public by the Nixon Administration.
3. The Administration has a responsibility to provide leadership with regard to communications but it does not follow that the most effective method of handling current problems would be to release the Rostow Report and/or the BoB and GAO reports. Rather, what is required is an effort by the Administration to initiate a careful study of these reports and a current informal review of communications matters

Adm
~~CONFIDENTIAL~~

with industry representatives, labor organizations and others directly interested in communications. Following this review, it would be possible to establish an order of priorities for executive action or, if necessary, legislative proposals. For instance, a study of these reports plus an informal review of current industry position would probably indicate general agreement for legislation dealing with the frequency spectrum. Other issues raised in the reports, however, would be much less likely to receive broad support from all segments of industry.

4. If the Administration should decide that what is required is an ordering of its priorities in the communications field, then it seems doubtful that the release of the Rostow Report would help achieve that objective. Of the various reports mentioned above, the Rostow Report has created the greatest amount of controversy because it covers such a wide range of issues and because, as indicated above, it tends to exaggerate the importance of many of these issues. If the Rostow Report were released it should be accompanied by a strong disclaimer of agreement or support from the Administration. However, the fact that the Administration had made the decision to release it would give some degree of additional credibility to this report by making it available through the White House. The affirmative act of releasing this report would not only give it an emphasis which is not justified, but would create the impression of controversy where none need exist. This would interfere with the efforts of the Administration, and presumably the Commerce committees of the Congress, to set priorities and to focus on getting effective results in the areas where there is greater general agreement.
5. The Intelsat Conference will not result in an Intelsat agreement until at least late in 1969 or some time in 1970. Intelsat and international communications matters directly related to Intelsat are covered in the Rostow Report. It seems clear that the negotiating position of the

United States could be affected by a release at this time of a report making recommendations in this area. The existence of these recommendations could create confusion in the minds of foreign countries as to what the position of the United States really is. The release of the Report would impair the flexibility of the U. S. negotiators.

Summary

The Administration should have an affirmative program with regard to selected communications issues to present to the appropriate committees of the Congress and for its own internal executive decisions. To achieve this result, the Administration needs to have maximum freedom to reach its own conclusions. The decision to have the Rostow Report released by the White House, even if accompanied by a strong disclaimer, would exaggerate the importance of the Rostow Report and hamper the efforts of the Administration to develop its own communications policies.

April 6, 1969

Nixon Urged to Release Communications Report

By Lawrence Laurent

Washington Post Staff Writer

A California Congressman, ment and protected from is pressing the Nixon Administration to release a presidential task force report that recommends establishment of a new Federal department of communications.

The 476-page report, which also recommends more funds for the Federal Communications Commission, was prepared by a Johnson Administration task force and has been kept under official wraps by both the Johnson and Nixon Administrations.

Rep. Lionel Van Deerlin (D-Calif.), in a New Orleans speech last week, called on President Nixon to release the report. Failure to do so, he said, would raise questions about "what special interests are still being protected at the highest echelons of the govern-

what?"

Copies of the report have been leaked to both Government officials and to members of the press. The task force included members of more than 15 Federal agencies, led by former Under Secretary of State Eugene Rostow. It spent more than \$1 million.

Some of its other recommendations are:

- The use of low-powered TV channels to meet the special needs of the ghetto.

- A domestic satellite system that would provide free channels for non-commercial and instructional TV.

- Financing of public (non-commercial) TV to "meet the need for more variety" and "a more resourceful localism" on TV.

See REPORT, A11, Col. 1

THE WASHINGTON POST Sunday, April 6, 1969

Nixon Urged to Release Communications Report

REPORT, From A1

Much of the report dwells on what every student of U.S. communications policy already knows: That need exists to coordinate management of the U.S. share of the electromagnetic (radio) spectrum.

"Our studies show," the report states, "that neither the FCC nor the Director of Telecommunications Management (DTM) has the resources essential to the satisfactory discharge of the regulatory and Executive Branch responsibilities as we now perceive them."

The urgency for better management of the frequencies comes from stepped-up demand being shouted by police, business, taxicabs, maritime radio and even broadcasters.

Certain to be controversial is the report's view that Community Antenna or Cable (CATV) "has high promise . . .

for improving and diversifying television services."

A cable system carrying 20 channels, the report claims, can be operated cheaply and could provide such programs as a series of local college plays, a foreign film festival, a continuous stock ticker, a college-level lecture series, along with special programs for ethnic groups.

Also controversial is the report's view that "over-the-air pay TV seems unlikely to reach substantial proportions." Pay TV—exactng a per-program charge—has been fought by commercial broadcasters and movie owners for 20 years. The FCC proposes to authorize nationwide Pay TV in June.

The task force decided also that any hope for broadcasting programs via satellite—direct to homes—is "unpromising."

Nor is the task force impressed with the promise of the "video record," which

some believe will become as common as long-playing audio records.

The "video record" has "some potential" for expanding "the range of visual information and entertainment in the home" but "does not meet the larger social need for low-cost, multi-channel facilities for specialized audiences."

In the dispute over a domestic satellite system—which must be decided soon by the FCC—the task force argues for a "prompt start" on a pilot program. "The overall management role in the venture," the report argues, "should logically be entrusted to Comsat (Communications Satellite Corp.), on the basis of its operational experience . . ."

Those who oppose Comsat—ABC, the Ford Foundation—claim that if the domestic satellite is given, even temporarily, to Comsat a propri-

etary claim for the future will result.

One of the task force's most unusual suggestions is for a four-channel, low-powered, TV system to be used in a ghetto such as the Watts section of Los Angeles. It would cost an estimated \$750,000 and "would be devoted to job information and training; to both in-school and at-home instruction tailored to the special needs of ghetto children; to the presentation of programs created by and for the local community; to public health; adult education; literacy training and other purposes."

On a broad level, the report stresses the presently chaotic state of spectrum management. The FCC, the report charges, "lacks resources adequately both to deal with the burdensome day-to-day business . . . and to develop long-run telecommunications policies."

The report's proposed solu-

tion is "a new and strengthened Executive Branch organization."

The Telecommunications Task Force Report—the only high-level study of U.S. communications policy ever written—probably will never be made public, officially. It will, however, enjoy a wide, covert circulation and undoubtedly will have some impact on Congressional policy-makers and even on members of the FCC.

UNITED STATES GOVERNMENT

Memorandum

TO : Dr. C. T. Whitehead

DATE: April 14, 1969

FROM : IOP/PA - William N. Lyons *L*

SUBJECT: President's Task Force on Communications Policy - Information Requested

Attached are the following:

1. Presidential Message to the Congress on Communications Policy of August 14, 1967
2. White House Press Release of August 14, 1967
3. Updated roster of President's Task Force
4. Roster of Task Force Staff
5. Roster of Staff Representatives
6. List of Consultants
7. Cost Estimate

Of the Task Force members, Vice Chairman O'CONNEL and Mr. BARTLETT of the Department of Commerce submitted formal dissents. Dr. WELSH of the National Aeronautics and Space Council had certain disagreements that are recorded in footnotes throughout the Report. Mr. MARKS, having resigned as Director of the United States Information Agency on December 12, 1968, disassociated himself from the Task Force and did not sign the Report.

Telecommunications

Tuesday 4/15/69

11:45 Dr. Lyons has checked about GPO publication of the Rostow Report. He talked with Mr. Henning (in charge of planning and service) who indicates if there's no rush or push, it would take 8 to 10 weeks. If the request comes from Carson Howell's office (here at the White House, it would be a priority item. He asked how soon it could be published if there were urgency. Asked if it could be done tomorrow -- if need be. Mr. Henning said they could probably do it. At this time, Dr. Lyons won't check with Howell's office. (I assume you would want such a request to come from here). In the meantime, Dr. Lyons will continue to proofread and get it to the point of being ready for the printer if and when. 541-3511

UNITED STATES GOVERNMENT

Memorandum

Telecommunications

TO : Dr. C. T. Whitehead

DATE: April 18, 1969

FROM : IOP/PA - William N. Lyons *L*

SUBJECT: Task Force Report

As reported by phone to Miss Doutrey a few days ago, a normal, routine print job for 400 pages at GPO requires 8 to 10 weeks. However, White House requests are given priority treatment and almost any deadline established will be met by GPO.

The official request voucher with specifications (kind of type, paper stock, binding, number of copies, etc.) should emanate from Carson Howell's office.

The text has now been proof-read and is ready to be delivered to GPO if you decide to release it.



UNITED STATES GOVERNMENT

Memorandum

TO : Dr. C. T. Whitehead

DATE: April 18, 1969

FROM : IOP/PA - William N. Lyons *L*

SUBJECT: Task Force Report

A small problem of tactics:

If the Task Force Report is printed and released, the two dissent statements of Under Secretary of Commerce Bartlett and Vice Chairman O'Connell will need to be included in that Eugene Rostow refers to them in his letter of transmittal to the President, and both of them, I am sure, intended that their dissents become an integral part of the Report.

However, General O'Connell has classified his dissent **CONFIDENTIAL** "Until Released by the President." You might wish to anticipate this possibility of a minor misunderstanding.



4/18/69

... I ...

I think you just
talked with this
one and did you
decide against
meeting with anyone
from Sperry?

yes.

Friday 4/18/69

(212) 956-2121

4:20 In checking on W. L. Barrow, V.P. for Research, Development and Engineering at Sperry Rand Corporation, Don Gessaman has discovered that the man has retired. Herbert Harris has taken his place; however, Gessaman says that Barrow had very little to do with the Rostow Task Force and Harris knows very little about it.

Do you want to skip Sperry Rand or talk with Harris?

4/21 talked with
Herbert Harris
will call
back

Tom:

On 5/8/69 you met with Richard Gifford, GE of Lynchburg, Va.

Was ~~this~~ one of those telecommunications meetings?

~~You~~ met with Don Rodgers and Don Atkinson of GE on 4/22/69.

How about Fred W. Morris, Jr., President, Tele-Sciences Corporation ???
Telecommunications meeting to be added to Morrill's list?
(Met with him 5/27)

~~You~~ said to add to the list of names -- United Utilities, Paul Hinson, President
Did you meet with him?



DEPARTMENT OF STATE

Washington, D.C. 20520

May 9, 1969

MEMORANDUM FOR : Dr. C. Thomas Whitehead,
Special Assistant
to the President,
The White House.

SUBJECT : Release of the Rostow Report.

I have reviewed the attached memorandum with Dr. Lyons. He is in accord with it, and made some very helpful suggestions.

Dr. Lyons checked earlier with GPO. Their normal time for such a job: eight weeks. However, a request from the White House would greatly speed this up -- to perhaps ten days to two weeks.

Jim O'Connell's dissent is classified: "Confidential Until Released by the President." If the decision is to release the Report, Jim should be asked to declassify his dissent so that it may be included. (His extensive quote from Galbraith's book should probably be omitted to avoid copyright problems.)

Disposition of the contract studies is a separate problem. They occupy an entire file drawer. Dr. Lyons recommends:

That permission be given to the various contractees (Tempo, et al) to make them available upon request.

A.W.
Abbott Washburn
Deputy Chairman, U.S. Delegation
INTELSAT Conference

UNITED STATES GOVERNMENT

Memorandum

TO : Dr. C. T. Whitehead

DATE: 9 May 1969

FROM : IOP/PA - William N. Lyons *L*

SUBJECT: Report of the President's Task Force on Communications Policy

This morning Abbott Washburn and I reviewed his recommendations to you concerning the release of the Report on Communications Policy.

We agreed particularly that if and when the decision is made to release, it should be in a low-key, routine fashion, and that it would be helpful if, in response to a question, Mr. Ziegler would lump this together with other reports that are under consideration.

If Mr. Washburn's recommendations are adopted, and I trust they are, and if Mr. Ziegler is asked, "What other reports?" as he might well be, here is a list that possibly could be helpful:

White House Task Force on Educational Television in Less Developed Countries (Leonard H. Marks chairman), "Final Report to the President," of June 26, 1967;

President's Communications Policy Board, "Telecommunications - A Program for Progress"

Relevant portions of the Landis Report, "Report on Regulatory Agencies to the President-Elect"

Planning Research Corporation, "Study of Federal Telecommunications Management"

OTM, "Report on Frequency Management within the Executive Branch of the Government"

OTM, "National Telecommunications Management Responsibilities of the Presidency"

Joint Technical Advisory Committee, "Spectrum Engineering - The Key to Progress"

Herman W. Land Associates, "Television and the Wired City"

Congressional Report, "Modern Communications and Foreign Policy"

FCC, "Survey of the Telecommunications Industries"



5010-108

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan



DEPARTMENT OF STATE

Washington, D.C. 20520

May 9, 1969

MEMORANDUM FOR: Mr. Clay T. Whitehead

SUBJECT: Release of the Rostow Report

PROS

Making the Report available would add to the desirable "public dialogue" about communications and communications policy.

We would gain some brownie points for being "an open Administration."

The action would be applauded by the Fourth Estate, the academic community, and the concerned Committees on Capitol Hill. Contrariwise, we would be criticized by the Congress if we buried it. Indeed, some member of Congress might release it himself in some fashion (Representative Dingell, Democrat of Michigan, has indicated his intention to do so). This could prove embarrassing.

The action would demonstrate forthrightness and initiative versus a sit-tight-and-take-no-risks attitude.

It would give increased exposure and definition to key problems with which we must eventually come to grips (for example, the domestic satellite and the international merger). We would be able, later on, to cite the Report in support of decisions and recommended legislation.

There are so many pirated versions of the Report that, at least among the pros, there will be no surprises nor any major repercussions. Some industry officials will not be especially happy about it; but if the release is handled in a low-key manner and if these individuals are cut in ahead of time, such reaction can be cushioned. (Charlie McWhorter would be very helpful in this connection.)

Since some very able people at high levels in the Executive Branch worked on the Report for fifteen months, and since almost a million dollars of taxpayers' money was spent on research in its preparation, the Report should not be buried. It should be allowed to make its own contribution to the overall subject.

CONS

Why should the new Administration release something that was not even accepted by its own progenitor, LBJ? In doing so, the Nixon Administration will be buying risks that the former Administration did not wish to accept.

The press will say, "You have now had the Rostow Report for a hundred days, so what are you going to do about the recommendations in Chapter 6 or in Chapter 9, etc."

Certain elements in the industry will feel compelled to come out swinging against various recommendations, and the Administration will find itself in the middle of a rhubarb which it could just as well have avoided.

Two of the members of the Rostow committee (O'Connell and Bartlett) disagreed with elements of the Report and filed dissents. Why should this Administration issue a split Report from the Johnson Government? (Query: Would the dissents be released together with the Report? If not, what do we say if the press inquires about or requests them?)

Bringing the Report out in the open will generate increased pressures for policy decisions in particular areas which may run counter to the new Administration's thinking. In other words, it might make more difficult the establishment of our own policies.

OPINIONS OF INDIVIDUALS

Jim O'Connell is against releasing the Report. He was one of the dissenters, thinks it gives the wrong emphasis.

Jim McCormack says, "I believe it should be released, but I don't burn brightly on the subject." He stresses the importance of the subject matter and urges the Nixon Administration to state Executive Branch policies and send recommendations to the Congress and appoint a vigorous, able FCC chairman.

Leonard Marks is against release of the Report; he cites the number of dissenters. "It represents, mainly, the opinions of its young draftsmen plus Gene Rostow."

Frank Loy feels it should be released "because it points up some of the major continuing problems, e.g. international merger". This issue was considered at length in 1964. Various people from the Executive Branch testified on the Hill, but legislation was not sent up. Then, in 1966, draft legislation was prepared but the President decided not to send it up and appointed the Rostow Committee. Now, therefore, five years later, Congress is virtually certain to demand to know what we intend to do about it -- and will unquestionably hold hearings later this year.

Governor Scranton feels that if we are going to take some affirmative actions on some of these issues by, say, next Fall, then it is O.K. to release the Report now. However, if we release the Report now and fail to take any affirmative actions this year, then it will be a continuing embarrassment to us. The release of the Report would not effect the INTEL SAT Conference, since the chapter on INTEL SAT is very bland.

Nick Zapple thinks the Report should be released.

Ed Gallagher, President of Western Union International, sees only problems arising from release of the Report.

FCC Chairman Hyde states: "The Report is not worthy of the time, talent, and costs that went into it; but, in my opinion, it is not good policy to withhold such a document from the people when there is demand for it. One is always on the defense when in this withholding posture." He dissented on the section advocating centralized spectrum management, and avoided comment on any issues which were then before the Commission.

CONCLUSIONS

There would be more advantage than disadvantage to release of the Report.

The adverse effects can be minimized by releasing it in a low-key manner and by advance consultation with a few key industry representatives.

As you said, this is not an issue on a par with the Pueblo affair or the Korean shoot-down. It will not generate any deep or lasting controversy.

Recommended Method of Release:

1. Have 500 copies routinely printed by the Government Printing Office for distribution at ____¢ per copy by the GPO.
2. Turn several copies over to the Library of Congress.
3. Plant a question in a Ziegler news briefing to which Ron could reply in a casual way that the Report is being used along with four or five earlier ones inherited from previous Administrations. He would add: "We have transmitted ten copies to the Library of Congress, and additional copies are available to interested parties through the Government Printing Office."

A.W.

Abbott Washburn
Deputy Chairman, U.S. Delegation
INTELSAT Conference

THE WHITE HOUSE
WASHINGTON

5/16/69

To: Dr. DuBridge
From: Tom Whitehead

→
Attached is a memo for the President on the release of the Rostow Report. May I have your comments as soon as possible?

*I concur
Lauchlin Curran*

THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR THE PRESIDENT

Subject: Disposition of Task Force Report
on Communications Policy

A Presidential Task Force on Communications Policy was set up within the executive branch by President Johnson on August 14, 1967, chaired by Under Secretary of State Eugene Rostow. The Task Force undertook a comprehensive review of telecommunications problems, many of which were exceedingly controversial. It produced a voluminous report with a wide range of recommendations. There was little representation of telecommunications expertise on the staff, and the report is not highly regarded in the industry.

The report was delivered to the White House in early December of last year. Due at least in part to the controversy concerning the report, particularly with respect to the common carrier and broadcasting chapters, President Johnson did not release the report. However, it was widely leaked to the press and to the industry.

Some of the principal recommendations in the report included the following:

- Legislation should be enacted to permit merger of the U. S. international transmission facilities, including those of AT&T, the record carriers, and COMSAT under a number of specifically recommended conditions. The legislation should permit the Government to force action in this area, should private efforts fail.

- INTELSAT should continue in essentially its present form but with some additional flexibility in both structure and policy (e.g., some relaxation of policy against regional or domestic satellites systems).
- The U. S. should engage in a number of modest steps to encourage the use of satellite communications capability for the less developed nations.
- A demonstration domestic communications satellite program should be undertaken promptly in order to explore the possibility of such a system. COMSAT should act as trustee in order to leave important questions about ownership and competition until the pilot was completed.
- There should be some increase in the amount of competition among common carriers. Other recommendations were made with respect to Western Union, including exploration of consolidation of some parts of its system with Post Office.
- Policies in the general direction of freeing cable television to develop in accordance with competitive market forces were urged.
- A single spectrum manager for both the Federal Government and other users was recommended over the present military-civilian dichotomy between the executive branch and the FCC.
- Throughout the document, strengthening and some alteration of Federal regulation of telecommunications was recommended, and an improved policy making and spectrum management capability in the executive branch was also urged.

Reasons supporting release of the Rostow Report at this time include:

- The document was widely leaked during the previous Administration. On the one hand, it is awkward not to acknowledge its conclusions; and, on the other hand, we are accused of hiding "something" to protect AT&T or others.
- A number of sources, including Congressional committees, have been pressing for its release.
- The Administration's policy of openness, together with the Freedom of Information Act, makes it desirable to release it.
- The report can be released in such a way as to make clear that there is no Administration commitment to its contents. Although the report is entirely a brief for Task Force recommendations, we can legitimately claim credit for stimulating more informed public discussions of these important issues.

Reasons against release of the report include:

- Public release may generate pressures for action in areas where we would prefer to avoid or delay action.
- A number of Government agencies involved, particularly FCC, and various segments of the industry are strongly opposed to one or another of the report's recommendations, so that release could generate undesirable public conflicts.
- President Johnson's unwillingness to release the report might raise some unfavorable comment or reaction as to the motives for release by this Administration.

We believe the report should be released in a low-key way and should be done promptly to prevent adverse criticism during upcoming Congressional hearings on various telecommunications matters. The report is not very convincing on most of the controversial matters, so that release of the report is unlikely to create strong pressures for those recommendations for which we disagree.

We do intend to recommend in the near future two or three major Administration initiatives in the telecommunications area and expect that these actions, rather than the Rostow Report, will dominate the attention of the press and the industry.

Recommendation

That you approve the public release of the report by transmittal of copies to the Library of Congress and release by the Government Printing Office. No press release will be prepared, but a background memorandum will be sent to Mr. Ziegler.

Dr. DuBridge and Mr. Klein concur in this recommendation.

Peter M. Flanigan
Assistant to the President

Drafted by Johnson Task Force

Communications Policy Plans Finally Released

By Robert J. Samuelson
Washington Post Staff Writer

The White House yesterday released—without endorsing—a massive report on the future of national communications policy, from domestic satellites to cable television.

The report, written by a task force appointed by the Johnson Administration in 1967, was completed last December. Though copies have freely circulated among industry representatives, it has never been made public.

Yesterday release came in response to repeated Congressional requests that the document be made available. The White House sent a copy of the report to Rep. James Broyhill (R-N.C.), the ranking member of a House subcommittee on communications and power policy.

Not Endorsed by Nixon

"The report is being made available at this time in the interests of informed public opinion," Clay T. Whitehead, a White House staff assistant, wrote Broyhill.

At the same time, Whitehead appeared to downplay the report's importance.

"It should be a useful addition to the many other studies of telecommunications problems that have been done over the last few years," he wrote. "I must emphasize that this Administration in no way endorses the recommendations of the task force or its analysis of the issues."

The task force, chaired by Eugene V. Rostow, former Under Secretary of State for Political Affairs, recommended that:

- The Federal Communications Commission immediately authorize a pilot domestic satellite system, which would primarily transmit television signals but would also experiment with other types of long-distance communications, such as the transmission of computer data.

- A new branch of the executive be created to manage the entire frequency spectrum—the available wavelengths over which television, commercial radio, private and governmental transmissions are carried.

- Companies transmitting telephone and telegraph signals abroad be consolidated into one "entity"—a move, which, if endorsed, would bring the owners of rival undersea cables and satellite communication under one roof.

New Study Under Way

Administration sources indicated that these issues—and many of the others raised by the report—are under new study, but that the report is not being used as a "blueprint" for the Nixon Administration's own recommendations.

However, these sources indicated that there is now no disposition to support some of the key recommendations, such as the proposal for a single "entity" for all international communications.

In this area, the task force found that rival companies, with conflicting interests in cable and satellite communication, had, in effect, forced the FCC to approve investment in both systems. A single firm—Comsat was the recommendation of the task force—would be better equipped to decide on the most efficient mix, the task force said.

The Administration reportedly feels, however, that eliminating competition in transoceanic communications is too fundamental a change without a conclusive demonstration that the savings of a single-entity operation will be substantial.

"The case hasn't been made yet," said one official.

Controversial Plans

Almost all the recommendations made by the task force are considered controversial, because they involve not only detailed technical questions but also the vested interests of many large American companies. Cable owners, such as the

American Telephone and Telegraph Co., could be expected to fight consolidation of their facilities into a single firm.

The proposed domestic satellite system raises similar issues. There is general agreement that there should be such a system, but there are rivalries over who should own it and how it should operate.

The task force recommends that the primary ownership and management role in the pilot program go to Comsat, with smaller portion of ownership being assigned to other firms such as AT&T.

Resolution of the domestic satellite controversy technically lies in the hands of the Federal Communications Commission, which has been considering a number of different proposals since 1966.

FCC to Act Soon

The Commission decided to await the results of the task force report and any subsequent action of the executive branch. The FCC has now promised a decision in the near future.

Another issue raised by the task force report, cable television (CATV), actually stimulated the release of the long document.

A subcommittee of the House Committee on Foreign and Interstate Commerce is currently holding hearings on the role of CATV, the use of "community" television antenna to receive programs and then transmit them to individual homes by cable.

The task force strongly supported the use of CATV, and the subcommittee wanted to get a look at the report's recommendations.

Nixon Urged to Release Communications Report

By Lawrence Laurent
Washington Post Staff Writer

A California Congressman is pressing the Nixon Administration to release a presidential task force report that recommends establishment of a new Federal department of communications.

The 476-page report, which also recommends more funds for the Federal Communications Commission, was prepared by a Johnson Administration task force and has been kept under official wraps by both the Johnson and Nixon Administrations.

Rep. Lionel Van Deerlin (D-Calif.), in a New Orleans speech last week, called on President Nixon to release the report. Failure to do so, he said, would raise questions about "what special interests are still being protected at the highest echelons of the government and protected from what?"

Copies of the report have been leaked to both Government officials and to members of the press. The task force included members of more than 15 Federal agencies, led by former Under Secretary of State Eugene Rostow. It spent more than \$1 million.

Some of its other recommendations are:

- The use of low-powered TV channels to meet the special needs of the ghetto.
- A domestic satellite system that would provide free channels for non-commercial and instructional TV.
- Financing of public (non-commercial) TV to "meet the need for more variety" and "a more resourceful localism" on TV.

Much of the report dwells on what every student of U.S. communications policy already knows: That need exists to coordinate management of the U.S. share of the electromagnetic (radio) spectrum.

"Our studies show," the report states, "that neither the FCC nor the Director of Telecommunications Management (DTM) has the resources essential to the satisfactory discharge of the regulatory and Executive Branch responsibilities as we now perceive them."

The urgency for better management of the frequencies comes from stepped-up demand being shouted by police, business, taxicabs, maritime radio and even broadcasters.

Certain to be controversial is the report's view that Community Antenna or Cable (CATV) "has high promise . . .

for improving and diversifying television services."

A cable system carrying 20 channels, the report claims, can be operated cheaply and could provide such programs as a series of local college plays, a foreign film festival, a continuous stock ticker, a college-level lecture series, along with special programs for ethnic groups.

Also controversial is the report's view that "over-the-air pay TV seems unlikely to reach substantial proportions." Pay TV—exactng a per-program charge—has been fought by commercial broadcasters and movie owners for 20 years. The FCC proposes to authorize nationwide Pay TV in June.

The task force decided also that any hope for broadcasting programs via satellite—direct to homes—is "unpromising."

Nor is the task force impressed with the promise of the "video record," which

some believe will become as common as long-playing audio records.

The "video record" has "some potential" for expanding "the range of visual information and entertainment in the home" but "does not meet the larger social need for low-cost, multi-channel facilities for specialized audiences."

In the dispute over a domestic satellite system—which must be decided soon by the FCC—the task force argues for a "prompt start" on a pilot program. "The overall management role in the venture," the report argues, "should logically be entrusted to Comsat (Communications Satellite Corp.), on the basis of its operational experience . . ."

Those who oppose Comsat—ABC, the Ford Foundation—claim that if the domestic satellite is given, even temporarily, to Comsat a proprietary claim for the future will result.

One of the task force's most unusual suggestions is for a four-channel, low-powered, TV system to be used in a ghetto such as the Watts section of Los Angeles. It would cost an estimated \$750,000 and "would be devoted to job information and training; to both in-school and at-home instruction tailored to the special needs of ghetto children; to the presentation of programs created by and for the local community; to public health; adult education; literacy training and other purposes."

On a broad level, the report stresses the presently chaotic state of spectrum management. The FCC, the report charges, "lacks resources adequately both to deal with the burdensome day-to-day business . . . and to develop long-run telecommunications policies."

The report's proposed solution is "a new and strengthened Executive Branch organization."

The Telecommunications Task Force Report—the only high-level study of U.S. communications policy ever written—probably will never be made public, officially. It will, however, enjoy a wide, covert circulation and undoubtedly will have some impact on Congressional policy-makers and even on members of the FCC.

Drafted by Johnson Task Force

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The task force strongly supported the use of CATV, and the subcommittee wanted to get a look at the report's recommendations.

WIRE PHONED TO MR. BILL TIMMONS 9:40 PM - 19TH GFS

7 (BLUE CY SENT DIRECT TO HIS OFC PER HIS REQUEST AM 20TH)

1239 MAY 19 PM 9 06

WA176 (HC) DN GOVT PDB

BT WASHINGTON DC 19 433P EDT

THE PRESIDENT

THE WHITE HOUSE

I RENEW MY REQUEST THAT YOU IMMEDIATELY MAKE AVAILABLE TO THE APPROPRIATE CONGRESSIONAL COMMITTEES THE REPORT OF THE PRESIDENT'S TELECOMMUNICATIONS TASK FORCE. TODAY IS THE FIRST DAY OF HEARINGS ON CATV WHICH ARE BEING HELD BY THE HOUSE COMMUNICATIONS AND POWER SUBCOMMITTEE, OF WHICH I AM PRIVILEGED TO SERVE AS THE CHAIRMAN. IT WAS VERY APPARENT AT THE HEARING

SESSION THIS MORNING THAT THE COMMITTEE SHOULD HAVE THE BENEFIT OF THE FINDINGS OF THE TASK FORCE'S REPORT. TOMORROW, EUGENE ROSTOW, WHO HEADED THE PRESIDENT'S TELECOMMUNICATIONS TASK FORCE, WILL APPEAR BEFORE OUR COMMITTEE. SURELY, THE COMMITTEE SHOULD HAVE AVAILABLE TO IT THE REPORT OF THE TASK FORCE PRIOR TO THE TIME MR ROSTOW TESTIFIES.

I AM ADVISED THAT THE REPORT CONSISTS OF 450 PAGES, IS SUPPORTED BY 300 PAGES OF STAFF FINDINGS AND COST BETWEEN ONE MILLION AND ONE AND A HALF MILLION DOLLARS. IN MY JUDGEMENT, FAILURE TO RELEASE THIS REPORT IS CONTRARY TO THE PUBLIC

INTEREST SINCE THIS INFORMATION COULD BE OF SUBSTANTIAL
ASSISTANCE TO THE CONGRESS AS IT GRAPPLES WITH THE
DIFFICULT PROBLEM
OF TRYING TO FORMULATE SOUND TELECOMMUNICATIONS POLICIES
TORBERT H MACDONALD MEMBER OF CONGRESS.

Telecommunications

Tuesday 5/20/69

2:05 Dr. Lyons called to say that Gessaman has the Rostow Report and is on the way to GPO with it.

THE WHITE HOUSE
WASHINGTON

May 20, 1969

To: Jerry Warren

From: Tom Whitehead

Copy of memo to the
President on the Rostow
Task Force Report.

THE WHITE HOUSE
WASHINGTON

5/19/69

To: Ken Cole

We would like to get this
signed reasonably quickly
in view of the current
hearings.

THE WHITE HOUSE
WASHINGTON

May 19, 1969

MEMORANDUM FOR THE PRESIDENT

Subject: Disposition of Task Force Report
on Communications Policy

A Presidential Task Force on Communications Policy was set up within the executive branch by President Johnson on August 14, 1967, chaired by Under Secretary of State Eugene Rostow. The Task Force undertook a comprehensive review of telecommunications problems, many of which were quite controversial. It produced a voluminous report and a wide range of recommendations. There was little representation of telecommunications expertise on the staff, and the report is not highly regarded in the industry. However, the Task Force did provide a useful thrust of economic and political analysis into the communications field.

The report was delivered to the White House in early December of last year. Due at least in part to the controversy concerning the report, particularly with respect to the common carrier and broadcasting chapters, President Johnson did not release the report. However, it was widely leaked to the press and to the industry.

Some of the principal recommendations in the report were:

- Legislation should be enacted to permit merger of the U. S. international transmission facilities, including those of AT&T, the record carriers, and COMSAT under a number of specific conditions. The legislation should permit the Government to force action in this area, if necessary.

- INTELSAT should continue in essentially its present form but with some additional flexibility in both structure and policy (e.g., some relaxation of policy against regional or domestic satellites systems).
- The U. S. should engage in a number of modest steps to encourage the use of satellite communications capability for the less developed nations.
- A demonstration domestic communications satellite program should be undertaken promptly in order to explore the possibility of such a system. COMSAT should act as trustee in order to leave important questions about ownership and competition until the pilot was completed.
- There should be some increase in the amount of competition among common carriers. Other recommendations were made with respect to Western Union, including exploration of consolidation of some parts of its system with Post Office.
- Policies in the general direction of freeing cable television to develop in accordance with competitive market forces were urged.
- A single spectrum manager for both the Federal Government and other users was recommended over the present military-civilian dichotomy between the executive branch and the FCC.
- Throughout the document, strengthening and some alteration of Federal regulation of telecommunications was recommended, and an improved policy making and spectrum management capability in the executive branch was also urged.

Reasons supporting release of the Rostow Report at this time include:

- The document was widely leaked during the previous Administration. On the one hand, it is awkward not to acknowledge its conclusions; and, on the other hand, we are accused of hiding "something" to protect AT&T or others.
- A number of sources, including Congressional committees, have been pressing for its release.
- The Administration's policy of openness, together with the Freedom of Information Act, makes it desirable to release it.
- The report can be released in such a way as to make clear that there is no Administration commitment to its contents. Although the report is entirely a brief for Task Force recommendations, we can legitimately claim credit for stimulating more informed public discussions of these important issues.

Reasons against release of the report include:

- Public release may generate pressures for action in areas where we would prefer to avoid or delay action.
- A number of Government agencies involved, particularly FCC, and various segments of the industry are strongly opposed to one or another of the report's recommendations, so that release could generate undesirable public conflicts.
- President Johnson's unwillingness to release the report might raise some unfavorable comment or reaction as to the motives for release by this Administration.

We believe the report should be released in a low-key way and should be done promptly to prevent adverse criticism during upcoming Congressional hearings on various telecommunications matters. The report is not very convincing on most of the controversial matters, so that release of the report is unlikely to create strong pressures for those recommendations with which we disagree.

We intend to recommend in the near future two or three major Administration initiatives in the telecommunications area and expect that these actions, rather than the Rostow Report, will dominate the attention of the press and the industry.

Recommendation

That you approve the public release of the report by transmittal of copies to the Library of Congress and release by the Government Printing Office. No press release will be prepared, but a background memorandum will be sent to Mr. Ziegler.

Dr. DuBridge concurs in this recommendation.

Peter M. Flanigan
Assistant to the President

Mr. Ziegler
cc: Dr. DuBridge
Mr. Flanigan
Mr. Hofgren
Mr. Whitehead ✓
Mr. Rose
Central Files

CTWhitehead:ed

THE WHITE HOUSE

WASHINGTON

May 20, 1969

MEMORANDUM FOR THE PRESIDENT

Peter Flanigan has sent you a memorandum recommending that you approve the public release of the report of the Presidential Task Force on Telecommunications Policy (Tab A).

The report, prepared by a Task Force set up by President Johnson and chaired by Under Secretary of State Eugene Rostow, was delivered to the White House in December of 1968. It was not released by President Johnson because it was highly controversial. However, it was widely leaked to the press and to the industry.

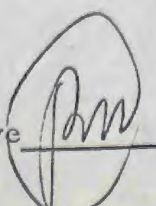
Mr. Flanigan's memorandum outlines in detail several principal recommendations. He goes on to point out, however, that the report is not very convincing on most of the controversial matters and is unlikely to create strong pressure for those recommendations with which we disagree.

While there are several arguments for and against releasing the report at this time, Mr. Flanigan recommends that it be released promptly so as to prevent adverse criticism during upcoming congressional hearings on various telecommunications matters and because in the near future your Administration will recommend two or three major initiatives in the telecommunications area which will dominate the attention of the press and the industry and overshadow the Rostow report.

RECOMMEND

That you approve the public release of the report by transmittal of copies to the Library of Congress and release by the Government Printing Office. No press release will be prepared but a background memo will be sent to Mr. Ziegler. Dr. DuBridge and Mr. Ehrlichman concur in this recommendation.


Kenneth R. Cole, Jr.

Approve 

Disapprove _____

THE WHITE HOUSE
WASHINGTON

May 19, 1969

MEMORANDUM FOR THE PRESIDENT

Subject: Disposition of Task Force Report
on Communications Policy

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Recommendation

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Dr. DuBridge concurs in this recommendation.
John Ehrlichman concurs in this recommendation.

Peter M. Flanigan
Assistant to the President

Approve _____

Disapprove _____

5/20/69

Copies sent to:

Dr. DuBridge
Herb Klein
William Timmons
Bryce Harlow
Gen. O'Connell
Cong. Wm. Springer
2202 Rayburn
Sen. Carl Curtis
5313 New SOB
Sen. John Pastore
3215 New SOB
Sen. Hugh Scott
260 Old SOB

THE WHITE HOUSE

WASHINGTON

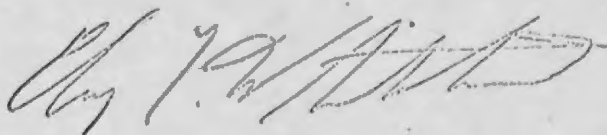
May 20, 1969

Dear Mr. Broyhill:

I am enclosing one copy of the report of the President's Task Force on Communications Policy in response to your recent request. Ten copies will shortly be sent to the Library of Congress and additional copies will be available from the Government Printing Office.

As you know, this report was commissioned by President Johnson and submitted to the White House in December 1968. The report is being made available at this time in the interests of informed public opinion. It should be a useful addition to the many other studies of telecommunications problems that have been done over the last few years. However, I must emphasize that this Administration in no way endorses the recommendations of the Task Force or its analysis of the issues.

Sincerely,



Clay T. Whitehead
Staff Assistant

Enclosure

Honorable James T. Broyhill
U. S. House of Representatives
Washington, D. C.

THE WHITE HOUSE
WASHINGTON

May 20, 1969

To: Lew Berry

From: Tom Whitehead

As we discussed.

Telecommunications

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cc: Mr. Flanigan
Mr. Hofgren
Mr. Whitehead ✓
Mr. Rose
Central Files

Dr. DuBridge
Herb Klein
William Timmons
Bryce Harlow
Gen. O'Connell

2202 Boyle
Cong. Wm. L. Springer
Sen. ~~Thomas~~ ^{Carl} Curtis 2313
Sen. John O. Pastore
Sen. Hugh Scott 325
260 Jd
Sen. ~~White~~
11/11

CTWhitehead:ed

May 20, 1969

MEMORANDUM FOR MR. ZIEGLER

Attached is a background memorandum on the Communications Task Force Report, including a number of the issues that were addressed and a number of previous studies on similar areas that have been done within the last few years.

Also attached is a summary of the 450-page report.

Finally, I have attached a copy of the transmittal letter by which a copy of the report was made available to the Congress.

We estimate that copies for preliminary distribution will be available tomorrow and they will be sent to you as soon as possible.

We are uncertain how much play this will get in the press but are hopeful it will not be too great. Therefore, we recommend no formal press release. I am sure you will be getting a few questions, however.

Clay T. Whitehead
Staff Assistant

Attachments

cc: Mr. Flanigan
Mr. Hofgren
Mr. Whitehead ✓
Mr. Rose
Central Files

CTWhitehead:ed

Background Material on Communications Task Force Report

Communications policy has been an on going concern of the Government. Since the 1950's, the Government has undertaken more than a half dozen major studies in the communications field. In August of 1967 the previous administration appointed an Interdepartmental Task Force "to make a comprehensive study of communications policy". The report was completed but not released. Without comment on its conclusions and recommendations, this Administration has decided to make copies of the report available. This is one of several reports now under review. This one is being made available at this time to the Congress, the communications industry and the public, as a means of stimulating additional dialogue in this important and difficult field.

A copy of the summary of the major conclusions and recommendations of the Task Force Report is attached. In general, the Task Force Report deals, among other things, with the following questions:

How does an open society attain maximum communication efficiency - internationally and domestically?

Should the United States have a single chosen instrument for international communications?

Is the electromagnetic radio spectrum allocated in the best interest of all parties?

Will a domestic satellite system violate our legal and treaty obligations under the interim agreement to participate in INTELSAT?

How can a permanent international satellite consortium be finalized?

In what way does satellite communications offer new possibilities for educational and instructional television in the United States and in countries less technically developed than ours?

What are the advantages and disadvantages of the newly developing industry of community antenna television?

Is present communication regulation adequate, too restrictive, ineffectual?

Have we sufficient communications resources to guarantee the security of the United States?

What organizational structure will best execute the responsibilities of the Federal Government in the field of communications?

In the 1950's, the President's Communications Policy Board submitted a report on "Telecommunications - A Program for Progress." More recently, the Office of the Director of Telecommunications Management has studied frequency allocation in the Executive Branch, as well as the "National Telecommunications Responsibilities of the Presidency." Industry's Joint Technical Advisory Committee reported on "Spectrum Engineering - The Key to Progress." Congress investigated "Modern Communications and Foreign Policy." The Federal Communications Commission made a "Survey of the Telecommunications Industry."

CHAPTER TWO

ORGANIZATION OF THE U. S. INTERNATIONAL COMMUNICATIONS INDUSTRY

Conclusions:

1. The existing fragmented ownership structure of the U. S. international communications industry -- particularly the separate ownership of international transmission facilities -- no longer serves the national interest.

2. Of the various alternatives that have been suggested, formation of a single entity for U. S. international transmission, subject to certain conditions, seems to be the most attractive way to deal with the industry's problem:

-- it would promote system optimization and enable realization of the available economies of scale;

-- it would help further U. S. foreign policy objectives;

-- it would resolve the anomalies of Comsat's role and function;

-- it would help resolve the problems of the international record industry;

-- it could improve the prospects for effective government regulation.

3. Creation of the single entity should be subject to certain conditions:

-- it should be limited to that function -- the provision of the transmission and other facilities -- where the economies of scale are clearly so great that effective competition is unlikely;

-- it should not engage in manufacturing that can be provided by the competitive marketplace or have any manufacturing affiliations;

-- it should not provide domestic service, save as may be necessary to permit completion of the pilot domestic satellite program, and should have no domestic carrier affiliation;

-- it should be subject to strengthened government regulation.

Recommendations:

1. Legislation should be enacted to provide for the creation of a single entity for U. S. international transmission through a consolidation of the international transmission plant of AT&T and the international record carriers, Comsat's satellite investments, and the U. S. earth stations now operating or planned for operation with Intelsat satellites. The legislation should embody the following general principles:

- opportunity for full hearing and submission of views by interested parties on the plan of consolidation;
- appropriate protection of labor;
- effective competition be maintained in procurement of apparatus, equipment and services by the single entity;
- single entity to have no manufacturing affiliation, direct or indirect;
- terms of all agreements among interested parties, as well as capitalization and financing of the single entity, subject to government approval;

- single entity forbidden to provide terminal or service functions now offered by the international record carriers, but permitted to deal directly with users;

- provision of 1962 Satellite Act prescribing Executive Branch responsibilities to protect the national interest and further U. S. foreign policy apply with equal force to single entity;

- single entity should not provide domestic service, save as necessary to permit completion of the pilot domestic satellite program, and should have no domestic carrier affiliations;

- users or carriers obtaining leased circuits from the single entity be forbidden to provide terminal or service functions now offered by the international record players.

2. The government should be prepared to take whatever action is necessary to ensure against undue delay in achieving rationalization of the industry structure.

3. Regardless of action taken with respect to principal recommendation that a single transmission entity be created, the government's capability for regulating and supervising the industry should be augmented and the international carriers should be divested of their ownership of Comsat's stock and representation on its board of directors.

CHAPTER THREE

THE FUTURE OF INTELSAT

Conclusions

The success of Intelsat has demonstrated the wisdom of our commitment to a global communication satellite system. We should continue to support the goal of developing and perfecting the global system, taking into account developments since 1964 as well as those new in prospect.

Recommendations

1. The definitive arrangements for Intelsat should be sufficiently flexible to adapt to the changing needs of members and accommodate specialized satellite facilities without weakening the indispensable foundations of the global system.

2. Intelsat's institutional structure and decision making progress should be modified where necessary to reflect changed circumstances since its creation.

3. The U. S. should do its best to ensure that Intelsat continues to be a forum in which communications matters are central; political alignments and difference need not and should not have a place in such an organization.

4. We commend our staff study of the Future of Intelsat to those responsible for formulating U. S. policy with respect to the forthcoming definitive arrangement negotiations.

CHAPTER FOUR

SATELLITE COMMUNICATIONS AND EDUCATION TELEVISION IN LESS DEVELOPED COUNTRIES

Conclusions:

The less developed countries vitally need better communications, both internally and with the rest of the world. Satellites may hold particular promise in this regard: our studies indicate for example, that multipurpose satellite facilities have substantial promise for Latin America, and nation-wide television system offers special promise for India (although substantial software problems would have to be overcome). In general, instructional television deserves high place in the educational priorities of less developed countries.

Recommendations:

1. The U. S. should encourage and support the establishment of regional training centers for use of educational technology as recently proposed in a study for the Organization of American States. */

2. The U. S. should take the lead in encouraging and supporting the use of television as a complementary tool in the educational systems and development programs of less developed countries. In this context, we applaud the pilot program to be undertaken by NASA and the Government of India, involving the use of satellites in the early 1970's on an experimental basis.

*/ Organization of American States. Final Report, Fifth Meeting, Inter-American Cultural Council, Feb. 1968

3. To support the regional centers and the individual country efforts, the U. S. should consider establishing an institute or center capable of performing basic research in ways to increase the educational efficiency of telecommunications media, research in applications of educational technology to meet the needs of less developed countries, and offer training personnel in the techniques developed.

4. In cooperation with private industry, the government should explore the feasibility of developing a low-cost, low-maintenance TV receiver suitable for use with batteries or other sources for use in remote regions that do not have electricity.

5. Less developed nations should be encouraged to explore the potential use of satellites for meeting their communication needs, particularly through regional cooperation, and to look to Intelsat for appropriate assistance.

CHAPTER FIVE

DOMESTIC APPLICATIONS OF COMMUNICATION SATELLITE TECHNOLOGY

Conclusions

Technological developments portend potentially attractive domestic applications of communication satellite technology. Even with today's technology, it may be economically attractive to provide some domestic communication services by satellite. While a prompt start is warranted, there are a number of factors, including spectrum considerations and the impact of our international commitments, which caution restraint in deciding how best to proceed in the domestic satellite field. An operational demonstration pilot domestic satellite program, designed to provide useful technical, operational, economic and other data would be a logical first step in the use of satellites to meet domestic communications requirements.

Recommendations:

The FCC should give favorable consideration to a demonstration pilot program along the lines described in the report, which included the following features:

- Employes the appropriate advanced technology to obtain needed technical and operational data.
- Participation through investment open to
 - space segment: Comsat as trustee
 - ground environment: Comsat, common carriers, and prospective users of wide-band services, as trustees, approval of specific applications by FCC by weighing the desirability of broad participation and need to ensure an efficient, expeditious program and systemic integrity.

-- Comsat as Program Manager.

-- Free satellite channels for non-commercial and instructional television.

-- Interested parties represented through an Advisory Committee.

-- Consistent with U.S. international commitments and appropriately related to Intelsat.

-- Authorized on basis of 1934 Communications Act and 1962 Communications Satellite Act.

-- Monitored by high level office within the Executive Branch.

CHAPTER SIX

DOMESTIC TELECOMMUNICATIONS CARRIER INDUSTRY

Conclusions

Although the nature of the common carrier industry remains essentially monopolistic in many areas, more liberal policies toward entry of new competitors and new service could improve industry performance by stimulating greater responsiveness to consumer needs, and spurring technological innovation and internal efficiency leading to cost and price reductions. The thrust of public policy should, therefore, be toward freer entry.

The merits of freer entry are less clear in the area of public message telephone service. Maintenance of a monopoly on switching and distribution for the switched message telephone services in a geographic area seems essential to retain the principle of universal access without substantial duplication of facilities or loss of service reliability. Comprehensive government regulation of this industry will continue to be required and government capabilities should be strengthened.

Recommendations

1. Freer entry into supplementary services and into the equipment market should be explored:

- Subject to spectrum limitations, entry into forhire private line toll transmission should be permitted, and regulated on a common carrier basis; existing common carriers should be permitted to compete with new entrants in for-hire private line

toll transmission, but subject to minimum rate regulation which takes into account, to the extent feasible, long-run incremental costs for the specific services and routes involved.

-- Suppliers of private line services (both for-hire and user-owned) should be allowed to interconnect with each other, and with the common carrier private line networks, subject to appropriate standards regarding compatibility and protection.

-- Computer-communications services (tele-processing) should remain open on a non-regulated basis to firms wishing to provide them, except for the telephone carriers.

-- Line sharing, brokering and channelizing should be permitted in all private line services, subject to appropriate technical standards.

-- The carrier equipment market should be opened up to greater competition among suppliers, particularly in the procurement policies.

2. While the prospects of free entry in transmission and local distribution in the public message telephone service are not bright at this time, self-contained private systems (not-for-hire) and user-furnished terminals should be permitted to connect into the message-telephone network, subject to protection of system integrity by development and publication of system standards and, where necessary, provision of protection equipment.

3. Institutional and regulatory changes with respect to the operations of Western Union appear desirable:

-- In order to maintain viable public message service, cost reductions are essential. Partial consolidation of this service with the U.S. Post Office should be explored.

-- Western Union should be permitted to compete on an unregulated basis in teleprocessing.

-- The Telex-TWX should be consolidated in accordance with the recommendations of the FCC telegraph report.

4. The government's capability for promoting efficiency and innovation both in the FCC and the Executive Branch should be strengthened:

-- Legislative action should be considered to ensure more effective review by the FCC of major additions to carriers' plant, inter-carrier contracts, procurements and carrier financing.

-- The FCC requires a larger staff and budget, with a shift in focus to longer-run dynamic considerations, and improved methods and principles of rate regulation.

-- A new Executive Branch capability (as described in Chapter Nine on Federal Roles) should be established to assist the FCC in fulfilling its regulatory responsibilities.

CHAPTER SEVEN

FUTURE OPPORTUNITIES FOR TELEVISION

Conclusions

1. Sound national broadcasting policy should seek to satisfy a wide variety of needs, interests and tastes at low cost to user and viewer.
2. To achieve these goals, television programming must be far more multifaceted than it is today, with broadcasting costs significantly reduced, and many channels available to each user.
3. The requisite conditions are not likely to be fulfilled within the framework of the present structure of the television broadcasting industry, which places primary reliance on local over-the-air stations.
4. Of the various measures that might be pursued to bring us closer to the above goals, the single most promising one is the distribution of television to the home by means of cable, supplemented where appropriate by short-range millimeter wave multipoint wideband radio.
5. At the same time, unfettered cable expansion may involve serious social cost, and should be guarded against by establishing a policy designed to safeguard an adequate minimum level of free over-the-air service.
6. Attention must also be given to problems relating to control of, and access to, the cable medium, and to the need for new sources of programming. This will require an expanded role for the Executive Branch, including promotion of new applications of television for public purposes.

Recommendations:

1. Congress should promptly amend the Copyright Act to impose an appropriate measure of copyright liability on cable television systems.

2. The FCC should pursue without delay policies which allow cable television to develop in accordance with competitive market forces, but which ensure a defined minimum adequate over-the-air service.

3. The FCC should ensure against undue concentration of control over cable systems.

4. The FCC, the Department of Justice and the Congress should scrutinize developing patterns of ownership in the cable industry so that the necessary steps are taken with respect to other conflicts of interest or threats of media domination, particularly by restricting multiple ownership of cable systems as the FCC has done in the case of broadcasting stations.

5. Executive Branch agencies should exercise more active participation in FCC proceedings where they have a legitimate interest.

6. The Federal Government should initiate and support programs designed to test new broadcasting applications to further important public purposes:

-- we recommend a pilot project for South Central Los Angeles, and one for the Navajo Indian reservation in northern Arizona.

7. To further implement the above recommendations will require a new Federal government capability, described more fully in the Chapter Nine on Federal Roles, as well as the assumption of a new role for the

Corporation for Public Broadcasting as a source of assistance in experimenting with various kinds of non-commercial programming to advance public needs.

CHAPTER EIGHT

THE USE AND MANAGEMENT OF THE ELECTROMAGNETIC SPECTRUM

Conclusion:

We are not now making the best use of the electromagnetic spectrum, and present spectrum management goals and capabilities are inadequate to achieve optimum use of the spectrum.

Recommendations:

1. Clear policy objectives and a new approach to spectrum management should be adopted, founded on the basic guideline that we should seek to achieve that combination of coordinated uses of the spectrum which in the aggregate maximize its social and economic contribution to the national welfare, under a continuing framework of public administration.

2. Greater consideration of economic factors is necessary:

- Annual fees for licensed spectrum use should be imposed.
- License privileges should be clearly stated for each generic class of spectrum use in terms of interference probability, channel loading, service quality and other factors as appropriate.

- Procedures should be modified to permit greater transfer of licenses among spectrum users.

- Procedures should be developed whereby a prospective spectrum user may obtain a license even though this may potentially cause interference to an established user provided that appropriate indemnification arrangements are established.

3. Greater attention to individual spectrum uses should be achieved through "spectrum engineering" and related technical considerations:

- Convert formal block allocations over an appropriate interval to a basic planning guide by service classification.

- Develop a comprehensive spectrum engineering capability for individualized planning and engineering of spectrum uses, and establish improved technical design and operating standards.

4. Increased spectrum management resources are vital.

5. Specific recommendations in selected problem areas:

- Land Mobile (LM) Radio Services

- Authorize LM to use spectrum now allocated for UHF-TV but unusable under present TV station assignment plan, subject to appropriate criteria.

- Establish standards for future LM services to permit closer spacing of base stations using same frequency assignment; encourage greater use of multi-channel radio equipment.

- Encourage development and use of common-user and common-carrier mobile radio systems.

- Establish a range of channel loading criteria.

- Modify sub-allocation of LM bands by user class.

- Enable persons now restricted to Citizens Radio bands to obtain licenses in LM bands.

-- Public Safety.

- Incorporate public safety and other local and state government uses into the government spectrum allocation and management framework.

- Establish operating standards requiring greater frequency sharing.

- Encourage the development of localized common-user mobile radio systems.

-- Television Broadcasting.

- Spectrum resources presently allocated but unusable for TV should be made available for land mobile and other uses.

- Continue studies of alternative techniques for TV broadcasting.

-- Microwave bands (1,000 - 10,000 MHz)

- Radio relay services - establish improved operating standards for greater spectrum re-use and interference protection between systems.

- Communication satellite services - Reevaluate criteria for satellite/terrestrial sharing of all spectrum allocations below 10,000 MHz; conduct the necessary experimental programs to ascertain probability of harmful interference between satellite earth stations and microwave radio relay stations in shared frequency bands below 10,000 MHz; and develop improved criteria and coordination procedures for efficient sharing of spectrum allocations and orbital locations among various domestic and international satellite systems, both government and non-government.

-- Millimeter Wave bands.

- Encourage continuing research and development on use of these spectrum bands, including federal R&D programs.

- Exercise restraint in authorizing exclusive use by either terrestrial or satellite systems pending clarification of feasibility of inter-service sharing.

6. Institutional reforms are needed, requiring legislation to vest overall responsibility for spectrum management (both government and non-government) in an executive branch agency, with appropriate guidance regarding coordination between the spectrum manager and other agencies.

CHAPTER NINE

THE ROLES OF THE FEDERAL GOVERNMENT IN TELECOMMUNICATIONS

Conclusions:

The U.S. needs a coherent governmental framework for formulating and implementing telecommunications policies. The patchwork nature of the present structure is not conducive to optimum performance of the telecommunications activities and requirements of the Federal government.

Recommendations:

1. A new Federal telecommunications capability is urgently needed to integrate the various roles in which the government is now engaged. Without supplanting on-going mission-support telecommunications activities or FCC regulation, the proposed capability should:

- have the necessary multidisciplinary capability to advise and assist the FCC by engaging in communication systems analyses, long-range economic and technological forecasting, delineation of technical and service standards, and review of major system design and investment choices of the industry;

- have centralized responsibility for spectrum management, including government research and development related to spectrum, as discussed in the Chapter Eight on Use of Spectrum;

- have responsibility for studying communications-related research and development for potential application to the mission needs of other agencies, and for the accomplishment of broader national goals;

-- have responsibility for initiating, monitoring and evaluating prototype experiments and pilot programs, and providing assistance to other agencies in connection with such experiments and programs, as discussed in the Chapters Five and Seven on Domestic Satellites and Broadcasting, respectively;

-- provide telecommunications advice and assistance to other Federal agencies, as well as States and local government, on request, especially in connection with procurement;

-- engage in long-range policy planning.

2. The FCC's common carrier regulatory capability should be strengthened through a more comprehensive legislative mandate, increased resources, refocus of priorities and improved methods and principles of regulation, as discussed in Chapters One and Six on the Structure of the U.S. International Communications Industry and the Domestic Common Carrier Industry, respectively.

3. One or more Communications Policy Training Programs should be established with Federal assistance to provide advanced interdisciplinary training at the graduate and mid-career levels.

THE WHITE HOUSE

WASHINGTON

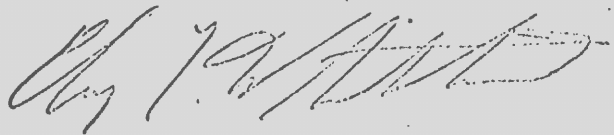
May 20, 1969

Dear Mr. Broyhill:

I am enclosing one copy of the report of the President's Task Force on Communications Policy in response to your recent request. Ten copies will shortly be sent to the Library of Congress and additional copies will be available from the Government Printing Office.

As you know, this report was commissioned by President Johnson and submitted to the White House in December 1968. The report is being made available at this time in the interests of informed public opinion. It should be a useful addition to the many other studies of telecommunications problems that have been done over the last few years. However, I must emphasize that this Administration in no way endorses the recommendations of the Task Force or its analysis of the issues.

Sincerely,



Clay T. Whitehead
Staff Assistant

Enclosure

Honorable James T. Broyhill
U. S. House of Representatives
Washington, D. C.

May 26, 1969

Task Force report finally emerges

Yielding to Congressional pressure, the Nixon Administration last week released the report of the task force on telecommunications policy. It allowed the House Commerce committee to accept the report as part of its hearing record while the committee was considering cable television legislation. CATV, mobile radio operators, and the Communications Satellite Corp. were eager to get the report out as it contained recommendations favorable to them.

The Republican Administration was careful not to endorse the report, only to make it available for the public record. Communications carriers and broadcasters, on the other hand, urged the report be buried.

Even without Administration blessing, the report will have a major impact on a wide range of communications problems. Its details have long been reported in the press, and friends and foes of the report's findings had begun using it as a lever to shape future Federal communications policy.

Telecommunications

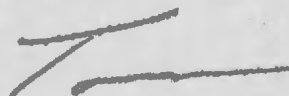
THE WHITE HOUSE

WASHINGTON

May 26, 1969

MEMORANDUM FOR MR. FLANIGAN

Here is a rather long account of the Rostow Report release and my dealings on the Hill. After an admittedly very short exposure to these problems in AEC, maritime, and communications matters, I must confess an uneasiness at the impression that the Republicans are a bit less well organized and professional than the Democrats. I think we should devote a little more time to developing our relationships with both sides.



Clay T. Whitehead
Staff Assistant

Attachment

THE WHITE HOUSE

WASHINGTON

May 27, 1969

MEMORANDUM FOR MR. FLANIGAN

Shortly after Inauguration, I touched base with the Republican staff of both the House and the Senate to tell them that we would be handling telecommunications matters, that we hoped to keep in touch with them, and that they would do the same. I subsequently talked to the Majority counterparts. There seems to be little interest among the Republicans on these matters. I have had occasion for contact with the Majority from time to time but not with the Minority.

On May 9, Eugene Rostow called to say that he would testify in early June and that, unless the report were released prior to his testimony, he would have no recourse but to say that the White House was sitting on the Rostow Report and that he was not free to talk about it. I had earlier concluded that we should release it without endorsement and began to prepare for release the last week in May in order that the report would be out prior to Rostow's testimony. At this point, I again informed Berry of what was going on and requested that he keep me informed of any significant developments.

On Monday, May 19th, I prepared a memorandum for your signature recommending to the President that the report be released. At 7 o'clock that evening, I received a call from Mr. Guthrie, the Democratic counsel for the Communications Subcommittee in the House, informing me that Rostow would appear the next morning at 10 o'clock and that the Rostow Report would be prime target as it had been that day. He suggested that it would look better if the White House released the report and that they were that evening requesting it. (We received later that evening a telegram from the Subcommittee Chairman, Torbert Macdonald of Massachusetts, asking that the report be released.) We then had the exchange of phone calls that I am sure you remember, and the President approved the release at 9:30 Tuesday morning.

I called Lew Berry the next day to ask what had happened, and his comment was to the effect that "you never know what's going to happen around that place." I told him that the report was being

released and offered to send up the only copy we had. I suggested that it would be preferable to send it to the ranking Republican, Mr. Broyhill, in order that the Republicans would get the credit for receiving it from the White House and in order that Macdonald could not get too much mileage out of getting it released. Berry agreed that that was acceptable. I am told Macdonald was a little peeved at this procedure, but it worked well.

It is quite possible that the Rostow testimony was moved at the last minute without Berry's knowledge. However, it is rather disappointing that so much of our cooperation on these communications matters seems to come from the Democrats in spite of attempts on our part (not always to our advantage) to work through the Republicans.

I met yesterday with Berry and the Democratic staff of the Subcommittee (Bob Guthrie) to make sure we knew what each other was doing. I still have the uneasy feeling we will get more useful cooperation out of Guthrie than Berry.



Clay T. Whitehead
Staff Assistant

5/23/69

6:20 pm

Mr. Hopkins:

I have called Mr. Henning at least 8 times and the line continues to be busy.

Attached is the listing from Mr. Henning and the reference number at the top of the page.

His phone number is Code 149, Extension 2031.

It is important that copies of this report be made available next week, as early as possible. Mr. Whitehead would like you to handle this matter.

Eva Daughtrey

Telecommunications

May 22, 1969

MEMORANDUM FOR MR. HIGBY

As you know, there was a great urgency to get the Report of the Task Force on Telecommunications (Rostow Report) printed as expeditiously as possible. When the President decided to release the report, the only feasible means of having it ready for release prior to hearings was to ask the Budget Bureau to have it printed at GPO. The Budget Bureau paid for the rush printing of a small initial run that was necessary for press and Congressional release and would like to be reimbursed.

The GPO should arrange for printing additional copies. We require 300 additional copies for our use and for the Press Office; OEP requests and will pay for 1,000 copies; and the GPO should print copies for public sale in whatever quantities they normally print for this type of report.

Copies should be available for wider distribution on the Hill, within Government, and the industry early next week. I am advised that GPO can meet this schedule if we emphasize that it is necessary.

We are holding the original copy of the report, which the GPO will need.

Signed

Clay T. Whitehead
Staff Assistant

cc: Mr. Flanigan
Mr. Hofgren
Mr. Whitehead ✓
Mr. Rose
Central Files

CTWhitehead:ed

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Mr. Donald E. Gessaman, Budget Examiner
Executive Office of the President
Bureau of the Budget
Superintendent of Planning Service
Government Printing Office

May 20, 1969

Presidential Task Force Report

The following informal estimate is furnished for printing the above:

300 copies, paper bound \$2,050.00

Added one hundred copies:
paper bound 112.69

Specifications:

No. pages:	400 and cover
Trim size:	7 $\frac{1}{8}$ " x 10 $\frac{1}{4}$ "
Type:	Camera copy furnished
Negatives:	Yes
Method of Printing:	Offset
Text paper:	100 lb. white offset
Cover paper:	100 lb. blue vellum
Binding:	Sew, glue on paper covers
Color of ink:	Text - Black Cover - Blue Capico 8-33
Storage of:	Negatives 104 weeks

Bernard B. Henning

cc
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BBH:pw

(149)/2031

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

May 20, 1969

MEMORANDUM FOR Mr. Clay T. Whitehead

SUBJECT: Task Force Report

This note precedes in time my review of the Lyons prepared material for Mr. Ziegler. I have, however, discussed a release with Joe Laitin, our public information man.

He suggests that we may have some flack if McDonald announces today that the report is released and that we do not have copies available anywhere in the executive branch. I am moving now to find the fastest way possible to get us at least a 100 copies.

When we have the copies in hand, Laitin suggests that Ziegler simply announce that he has available a limited number of copies of the Rostow Task Force Report which are being made available without Administration comment.

I have appended the material which just arrived from Bill Lyons together with my redraft thereof.

William A. Morrill
William A. Morrill

Attachment

Task force study finally reaches Hill

But White House withholds support, issues report to promote 'discussion'

Twenty-one months after it was commissioned and five months after it was completed, the Johnson administration's task force report on communications policy was released by the White House last week.

But the release was in response to insistent demands from Congress and was unaccompanied by any endorsement from the new Nixon administration. White House news secretary Ronald L. Ziegler said the release of the document was simply to provide a basis for "further discussion" of communications policy matters.

He said the report would figure in an "over-all review" of communications matters that has been undertaken by Dr. Lee DuBridge, the President's science adviser, and James D. O'Connell, director of the Office of Telecommunications Management.

The administration's position on the report was made even more emphatic in a letter Clay T. Whitehead, a White House aide, sent to Representative James D. Broyhill (R-N.C.), of the House Communications Subcommittee, along with a copy of the document. "I must emphasize that the administration in no way endorses the recommendations of the task force or its analysis of the issues," Mr. Whitehead said.

The release of the report provided no new information. The document had leaked to the press, and was the subject of extensive coverage (BROADCASTING, Dec. 16, 1968). An early draft of the report had been available since September (BROADCASTING, Sept. 9, 1968).

Congressional pressure for its official release, which has been building for months, reached a climax on Monday, when Representative Torbert H. Macdonald (D-Mass.), chairman of the House Communications Subcommittee, wired President Nixon.

Representative Macdonald requested release of the document prior to the scheduled appearance before his panel on Tuesday of Eugene V. Rostow, former under secretary of state for political affairs, who was chairman of the task force (see page 19). Word that the report would be released was received shortly before 10 a.m. Tuesday. (The actual release of the report to Representative Broyhill left Representative Macdonald visibly annoyed. He felt it was "petty" of the White House to look for a Republican to whom it would send the document.)

The task force made a number of far-reaching, and controversial proposals:

It called for the creation of a cabinet-level agency with broad powers to allocate the spectrum to both government and nongovernment users, a function now divided between the director of telecommunications and the FCC, to coordinate government research in spectrum problems and to provide technical assistance in connection with regulatory policy. Mr. Rostow, in his appearance before the Communications Subcommittee, said he would rank that recommendation as first in his order of priorities.

It said CATV can provide an "abundance" of channels, at relatively low cost, and suggested, without being explicit, that the FCC loosen some of its restrictions on CATV growth. CATV representatives have seized on this portion of the report in opposing commission proposals to regulate their industry.

It urged the commission to authorize the start of a pilot domestic satellite system and recommended that the Communications Satellite Corp. be authorized to operate it. But it said no commitment should be made as to who would eventually operate a permanent

system. The commission has been struggling with the question of who should be authorized to operate a domestic system since 1965. Comsat two years ago proposed that it be allowed to establish a pilot program (BROADCASTING, April 10, 1967).

The task force, in a section that caused some concern among broadcasters, also suggested that executive branch agencies participate in commission proceedings involving the grant or renewal of broadcast licenses. The report said that agencies responsible for such matters as health, education and the improvement of race relations have a "legitimate interest" in the programming practices of licensees. The medium, the report noted, "offers significant potential as a support to a variety of governmental missions. . . ."

The general view on Capitol Hill was that the report would wind up as footnotes to studies still to be made. No hearings are even contemplated in the Senate on any aspect of the report. And congressional sources said that, as a practical matter, no substantive legislation could be enacted without strong administration backing—which is plainly lacking.

Mr. Rostow, however, in a private meeting with Representative Macdonald, offered his assistance to any effort to translate the report's recommendations into law.

But regardless of the fate of the report, he expressed pleasure publicly at the official release of the document, which has circulated privately all over Washington for months. Representative Macdonald put the same sentiment in a quip: "It no longer needs to be circulated in a plain brown wrapper."

Telecommunication

June 13, 1969

Dear Mr. Sauter:

I am sending under separate cover a copy of the staff papers of the Task Force on Communications Policy for inclusion in the Clearinghouse collection. This report is free of copyright or any other limitations on its distribution and can be made available to the general public in accordance with standard Clearinghouse practice. Since the report is so voluminous, the Clearinghouse is free to divide the report into manageable sections.

It is requested that the White House be provided with four copies and that the Bureau of the Budget be supplied with three copies.

Sincerely,

Clay T. Whitehead
Staff Assistant

Mr. Hubert Sauter
Director
Clearinghouse for Federal,
Scientific and Technical Information
Springfield, Virginia 22151

cc: Mr. Flanigan
Mr. Whitehead ✓
Mr. Hofgren
Central Files

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Cong. Ryan (N. Y.)	1		X	✓
William Capron	1		X	✓
George D. Cary, Deputy Register of Copyrights, Lib. of Congress	1		X	✓
Dr. Walter Radius, NASA	1		X	✓
John M. O'Donnell, Justice	1		X	✓
Holly Puckett , Asst. Service Library Library of Congress	10		X	✓
Richard W. Edwards, Jr , Am. Society of International Law, 2223 Mass Ave., N. W. (Darius Woodhington) 4:35 pm 5/22)	1		Will pick up	✓
Chalmers Marquis, Nat. Assoc. of Educational Broadcasters - ETS 1346 Conn. Ave., N. W.	1		X	✓
Paul Laskin	1		Will pick up	✓
Dale Grubb	1		X	✓
Bill Hickman	1		X	✓
James T. McKenna COMSAT	1		X	✓
O'Connor & Green 1750 Pa. Ave., N. W. Attention: Mr. Halper (Miss Ryan - 298-6020)	1		packed up	✓

Sent

✓ Sen. Magnuson
Chairman
Senate Commerce Committee

1

5/28

✓ Sen. John O. Pastore
Subcommittee on Communications
Senate Commerce Committee

1

5/28

Nicholas Zapple
Communications Counsel
Senate Commerce Committee

50

5/28

✓ Sen. Norris Cotton
(Ranking Republican)
Senate Commerce Committee

1

5/28

✓ Sen. Hugh Scott
(Ranking Republican)
Subcommittee on Communications
Senate Commerce Committee

1

5/28

✓ Honorable Harley O. Staggers
Chairman
Interstate and Foreign Commerce Cmte.
House of Representatives

1

5/28

✓ Honorable Torbert Macdonald
Chairman
Commerce and Power Subcommittee
House Interstate and Foreign Commerce Cmte.

1

5/28

✓ Honorable William Springer
(Ranking Republican)
Interstate and Foreign Commerce Cmte.
House of Representatives

1

5/28

Honorable James T. Broyhill
(Ranking Republican)
Commerce and Power Subcommittee
House Interstate and Foreign Commerce Cmte.

1

5/28

Robert Guthrie
House Interstate and Foreign Commerce Cmte.

14

5/28

		<u>Sent</u>
Lee Johnson RAND Corporation	1	5/28/69
Bill Morrill	1	5/28/69
Library	1	5/28/69
Dr. Drew for PSAC	40	5/28/69
Ken Cole for the President	1	5/28/69
Eugene Rostow Yale University	1	5/28/69
Boyd Nelson Chief, Economics Studies Division Federal Communications Comm. Rm. 534 1919 M Street, N. W.	1	5/29/69
Dr. William Lyons	1	5/29
Mrs. Bellinger , Research (WH)	1	5/29
Marsha Lindsay, Library	1	6/4
Carl Shipley, Republic Nat. Cmte.	1	6/4
Benny L. Kass, Atty. at Law Suite 200, 1819 H St., N. W.	1	6/4
Professor Maurice Levy French Scientific Mission 2011 Eye Street, N. W. Washington, D. C. 20006	1	6/6
Dr. Walter Radius, NASA	5	6/6
Sen. Carl T. Curtis, Attn. Mrs. Slegers	1	6/10
NASA, Moffett Field, Calif. (Ames Research Center-Library)	1	6/10
Don Baker, Justice	1	6/11
Daniel Hunter, Justice	1	6/11
Lawrence Tribe, Nat. Academy of Sciences 2101 Const. Ave., Rm. 204	1	6/12

George Krudravetz
Document Processing Branch
Clearinghouse for Federal,
Scientific, & Technical Information
Springfield, Va. 22151
(Dr. Lyons suggested this be sent
since they are publishing the staff papers)

6/13/69

Frank Ayres (Timmons' office)

6/13/69

Two copies each to the following:

Jne. 1969

Department of State
Department of Defense
Department of Justice
Department of Commerce
Department of Labor
Department of Health, Education and Welfare
Department of Housing and Urban Development
Department of Transportation
United States Information Agency
National Aeronautics and Space Administration
Bureau of the Budget
Council of Economic Advisers
Office of Science and Technology
National Aeronautics and Space Council
Office of Telecommunications Management

Shirley Brown, Press Office, W.H.

July 7, 1969

Shaffeek Nader (2 cys)

July 8, 1969

American Association of Junior Colleges
Suite 304
1225 Conn. Ave., N.W. Washington 20036

Cong. H. Allen Smith (California)
Rm. 2433 Rayburn Bldg. -- Attn. Helen

7/10/69

Mrs. Barbara Grimes
Librarian
Federal Communications Comm.
Room 201A
1919 M St., N. W.

8/5/69

THE WHITE HOUSE
WASHINGTON

Called

✓ Edna Lee (149) 398
GPO

✓ BOB

✓ Mrs. Fitzgerald

✓ O Connell's office

✓ Ziegler

✓ Klein

✓ James Materno (Bosch)

✓ Louis Gelpin 296-2550
(Hill + Knowlton)

✓ Paul Laskin (80) 289-5662

✓ Mrs. Melow Bu of Henderson Co
(164) 3414

James T. McKenna (COMSAT)
called to ask for 50 copies
of the Task Force Report;
told them we would be
getting a new supply next
week and could give them
one, if that would help.
However, GPO would have
them for sale.

5/26 requested/
sent -
wants to know
when they'll
be printed

THE WHITE HOUSE
WASHINGTON

✓ Call Helen O'Connell's office)
when we know when the report
will be released. Give~~r~~ her
the requisition # 5182

✓ Call James McKenna 554-6100
when we know when the
Rostow Report will be released.

\$4.50
Edna Lee
GPO

(149) 398

wants to know if the report will be submitted to
GPO for printing and if it is to be for public sale

✓ Louis Gilpin -- Hill & Knowlton -- want to know when copies of the
Rostow Report will be available -- they want to buy some. How much???

296-2500

7 ✓ Paul Laskin
55 East 86th St.
New York, N. Y. 10028

Wants me to drop him a note when the
Rostow Report is available... for purchase
at the GPO.

7 ✓ ~~Jim McKenna 554-6100~~ how much for the report?

~~Smelow, Nat. Bureau of Standards (164) 3414~~ wanted anything that's printed on
telecommunications --

~~Richard Gable (13) 34313~~ will be calling

Office of Computer Info.

THE WHITE HOUSE
WASHINGTON

5/29/69

Press Briefing as requested.

AT THE WHITE HOUSE

WITH RON ZIEGLER

AT 4:25 P.M. EDT

TUESDAY

MAY 20, 1969

MR. ZIEGLER: This is a mini-briefing. I don't have any announcements at all.

You have, I think, in the bins, the toasts from the luncheon today that the President gave for King Baudouin and the Queen of Belgium. In that toast you may notice that the President indicated that he would attend the APOLLO 11 launch. That is in the transcript of the toasts, and the date of the launch is also in the transcript.

Q Is that firm or indicated?

MR. ZIEGLER: Did I say indicate? You should never say indicate in this business. The President said it in the toasts. (Laughter.)

Q But is it firm?

MR. ZIEGLER: Whatever he said, he said. (Laughter.)

Q You have nothing to add to that?

MR. ZIEGLER: I didn't hear it too clearly, but I was told it was in there.

Also, the Presidential Task Force on Communications Policy, which was called for by President Johnson on August 14, 1967, and I believe it was delivered here to the White House sometime in December -- it was prepared under President Johnson's Administration and delivered to the White House during that time. We have released that to the Library of Congress and to Torbert Macdonald's Subcommittee on Communications and Power. We are making it available to them.

We have a copy of it here. It is nine chapters, I think about 400 or 500 pages. We have only one copy today, but we will have 200 copies of that over here tomorrow, which we will make available to those of you interested.

Q Does the President subscribe to the recommendations in there?

Q What has he indicated?

MR. ZIEGLER: The Communications' report was prepared at the request of President Johnson and it was delivered to the Johnson Administration. We simply are making it available. We saw no need to not make it available. We would have no comment on the contents.

MORE

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MORE

We are making it available to the subcommittee that requested it and to the Library of Congress. It was a Presidential report, requested by the previous Administration.

Q Will those copies be over here early tomorrow?

MR. ZIEGLER: There is one copy here now.

Q Couldn't you make it all available at once so we won't have to fight over it? Can't you wait until you have it available for everybody?

MR. ZIEGLER: That is a good suggestion. We will make all the copies available tomorrow.

Q Is it up at the Library of Congress now?

MR. WARREN: One copy of it is there in the Library of Congress.

Q Does this mean that all the work goes down the drain, or will any be resurrected in terms of this study? Doesn't the White House view it with any interest?

MR. ZIEGLER: I don't know that the content of the material goes down the drain. It is available for those concerned with this area. As I indicated, the Congressional Committee on Communications and Power have it available to them for their work.

Q Ron, is the President thinking about enunciating any broad communications policy in the near future or launching a study of it?

MR. ZIEGLER: No.

Q Or doing anything else in the Executive Branch?

MR. ZIEGLER: No, I don't have anything for you that would say that, Herb.

Q When you say he has not launched a study, I thought he sent a directive to take this Rostow study and report on it to him. Wouldn't that be in the nature of a study?

Q It was given to Dr. DuBridge and to the State Department.

MR. ZIEGLER: I am sorry, I don't have anything on that.

Q Can you find out for us tomorrow what, if anything, is being done with that?

MR. ZIEGLER: I don't know what there is to find out, Herb. The thing I think there is to state is that we are releasing this particular communications' report for your information and we are making it available to the Congressional subcommittee, and that there is no announcement or statement from this office or from the White House on any particular enunciation of communication policy or study.

Q What is this DuBridge thing?

MR. ZIEGLER: There is nothing to announce on that.

Q Why are they studying this thing, for the possibility of action?

MR. ZIEGLER: There was a directive on this. There is no doubt some --I don't recall that directive, but some of you do, and if there is a directive on that, there is some thought being put against this, but there has been no recommendation given to the President on it or no announcement to be made.

Q Do you have a cost figure on that study, Ron?

MR. ZIEGLER: No, I don't.

Q Why is this being released now rather than earlier or later?

MR. ZIEGLER: The subcommittee requested it and there was a determination here at the White House. It has been here at the White House since December and we saw no need to hold it.

Q Are there any travel plans for the weekend you can tell us about at this time?

MR. ZIEGLER: No, sir.

Q Can you tell us who is going with the President on the Trans-Pacific part of his trip?

MR. ZIEGLER: I have no further information.

MORE

Q Is Dr. Kissinger going?

MR. ZIEGLER: He would be going, yes.

Q Is there any thought being given to inviting any of the other allies involved in Vietnam to that meeting?

MR. ZIEGLER: I just don't have any other information on that trip this afternoon, Bob.

Q I think without resorting to the wording, Congressman Ford indicated today that the Supreme Court did not come up at the Congressional breakfast; is that your understanding?

MR. ZIEGLER: At the Congressional meeting?

Q Right, in terms of the vacancies.

Q How does that jive with this?

MR. ZIEGLER: Is that a U.P.I. report?

Q It is. Is that the President's view?

MR. ZIEGLER: I am not going to respond to that. All I can say is that the matter did not come up when I was in the meeting.

Q What does that say?

Q President Nixon today ruled out nominations of any member of Congress for nomination to the Supreme Court until after the 1970 elections, that he asked members of Congress to submit names for vacancies on the court and told of his interpretations of the kind of Justice he would like.

MR. ZIEGLER: Helen, I could not verify that because when I was in the meeting, and I went into the meeting after I made the announcement on the trip, the matter was not discussed. But I will have to check that out.

Q She was there? (Referring to Margaret Chase Smith)

MR. ZIEGLER: Yes, she was there.

Q So you will not be releasing that single copy of the communications report this afternoon, but you will be releasing several hundred tomorrow?

MR. ZIEGLER: Right.

Q Has anyone in this Administration gone through that report and studied it?

MR. ZIEGLER: I can't answer that. I am sure certain members of the staff have looked it over but I don't know how intensive the study was. If your question is, have we looked it over and do we have a comment on it, the answer is, we do not have a comment on it.

Q Are you suggesting that the work is less valid because it was requested by a previous administration?

MR. ZIEGLER: Absolutely not. We are simply making a report available that was up to now unavailable.

Q You were somewhat ambiguous on weekend travel. Are there any plans?

MR. ZIEGLER: There are no plans for California or Key Biscayne. I don't know if the President will go to Camp David.

Q What about Memorial Day?

MR. ZIEGLER: I don't have any firm information on Memorial Day. There is a chance the President may go to Key Biscayne over that period, but that is by no means firm.

Q In view of the widespread interest on this communications report, would it be possible for you to check with the President's science advisor and others who were mentioned in that initial directive to see if there is continuing study being made of the recommendations? You leave us kind of up in the air.

MR. ZIEGLER: I can check that, sure.

Q Just what they are doing in that area is what we would like.

MR. ZIEGLER: I will find that out and have it for you tomorrow.

MR. WARREN: The Library of Congress does not yet have that report. They will have that available tomorrow.

Q Are you going to announce a new SEC Commissioner soon?

MR. ZIEGLER: I don't have a name before me to announce, no. I don't know if it is soon. I just have not checked that particular point.

Q Are you going to announce a new Tariff Commissioner soon?

MR. ZIEGLER: I have not checked.

Q Have you got a new chairman to announce?

MR. ZIEGLER: No. (Laughter.)

THE PRESS: Thank you.

END

(AT 4:35 P.M. EDT)