

ART & ENTERTAINMENT

Milton Friedman in *FREE TO CHOOSE*.

THE SELLING OF THE AIRWAVES

BY PAUL D'ARI

Among the handful of national production centers for public TV, one is emerging as a mouthpiece for business interests—WQLN in Erie, Pa., the nation's 137th television market.

WQLN, the station that brought monetarist economist Milton Friedman's series *Free to Choose* to PBS, has developed a 10-year plan that proposes to use its broadcasting and production facilities to promote the virtues of Social Darwinism and "free market competition." The plan, entitled "Communications and a Free Society," contends that the existence of a free society depends on a market free of governmental interference. Robert Chitester, WQLN's eccentric president and mastermind of the multi-million dollar effort, is a close friend and follower of Milton Friedman.

The ten-part series *Free to Choose* was WQLN's first major effort in national production. The extravagantly-produced series took host Milton Friedman to Scotland, England, Greece, West Germany, Japan, India, Hong Kong, and across the U.S. At each stop in his itinerary, Friedman paused to (in WQLN's words) "explode the myth of big government as a guardian of freedom."

WQLN's president Chitester managed to bring together an unprecedented number of corporate backers for the series. Fifteen underwriters, including

Reader's Digest, Firestone, Getty Oil, PepsiCo, Eli Lilly, and General Motors, paid a total of \$2.8 million for the opportunity to have Milton Friedman tell viewers of 270 (out of 284) PBS stations that "as we look to government to provide us with education, to guarantee everyone an income, to protect workers, to protect consumers, to make everything fair—we lose our freedom."

Free to Choose also received publicity from other major corporations. Hewlett Packard Company bought promotional space in at least one major newspaper, the *Denver Post*. And the Adolph Coors Company—probably attracted in particular by Friedman's unfavorable analysis of trade unionism—made an extraordinary effort to promote the series. The company printed and distributed schedules to its 8,700 employees, and bought space for advertisements for *Free to Choose* in the *Denver Post* and the *Rocky Mountain News*.

CONVERSION.

The success of *Free to Choose* has quickly brought WQLN into the forefront of national production in public broadcasting. The station's budget more than doubled last year, climbing to \$2.5 million. Next year's budget is projected to exceed \$4 million.

Chitester, a self-described "born-again capitalist," has a libertarian philosophy. Chitester says that governmental actions, even those of a demo-

cratic government, are repressive. Even consensus decision-making in a group as small as 50 people compromises freedom substantially, Chitester says.

Chitester calls for a "new awakening of values." He believes "nothing short of a religious-like conversion seems likely to have a significant effect

on the intense emotionalism that seems capable of carrying socialism as a secular religion forward over every rational obstacle.

"The success of the American Revolution was in part due to the founders' natural ability as propagandists," he says.

WQLN's plan for the next 10

years includes a 90-minute special with William F. Buckley Jr. on the status of human rights in the world; a series on crime and the criminal justice system, with a challenge to the thesis that crime derives from poverty; a series that questions the credibility of the environmental movement; and an

THE SELLING OF THE AUDIENCE

WQLN's flirtation with cable is only the tip of an iceberg called "commercialization." Now KQED in San Francisco has asked for FCC approval of pay-TV on its UHF subsidiary KQEC. The rent-a-station, rent-a-program concept appears to be gaining popularity.

One of the surest ways to bring in income is to sell advertising. And since public TV can't have commercials, PBS is groping for substitutes.

Under current consideration (and subject to FCC approval) is a plan to allow corporate logos to be displayed on the air. Underwriters only get plain-text acknowledgement now.

PUB stations are also launch-

ing in the fall a public TV guide. Called *The Dial*, it will have schedules, articles—and plenty of advertising.

In an *Advertising Age* announcement to prospective advertisers, *The Dial* explained the logic of the new magazine. Public TV watchers tend, its demographics show, to be "the better half" of Americans—"better educated, higher income, more influential." Just because they dislike network TV commercials, doesn't mean they are "anti-advertising."

"These are hardly communists," the ad says. "They're bringing home large amounts of capitalist money, intending to do lots of capitalist things with it and relying on advertising to help them choose."

The Dial promises to deliver to advertisers an important audience: decision-makers. At a time when purely ideological advertising—on the advantages of capitalism and the humanitarianism of particular corporations—is on the rise, corporate advertisers look for more places like the *New York Review of Books* to make their pitch. (The advantage is in finding a decision-maker in a

thoughtful, relaxed mood.)

The Dial is only the opening crack in the no-advertising rule on public TV. Its demographics also reveal that over 82 percent of the potential readership claims "that they would continue to watch public TV if it showed 'clustered commercials' as a means of supporting programming." Can you guess what's next?

PBS is also relaxing some restrictions for new underwriters, at the very time that it balks at accepting union money for labor-related programming (IN THESE TIMES, March 5). PBS officials are broaching local stations this month about making cigarette and liquor companies eligible to underwrite public TV shows. To continue the current prohibition, officials argue, "may give the appearance of our passing moral judgments about particular kinds of companies." Don't forget, they argue, underwriting isn't advertising.

But between possible corporate logos, *The Dial* and murmurs of "clustered commercials," the line between the two is blurring fast.

—Pat Aufderheide

animated special based on Richard Dawkins' book *The Selfish Gene*, in which selfishness is examined as a prime motivator of action and a positive social characteristic. *The Federal Budget Revue*, a musical comedy satire on federal spending starring Stan Freberg, is currently due for release.

IRONIES.

As Peter Bernstein pointed out in a recent *Fortune* article, it is ironic that "Chitester is a creature of one of the government-funded bureaucracies that Friedman deplores. For the last 14 years Chitester has run a not-for-profit, government-subsidized business."

Chitester recognizes the inconsistency. And he is trying to make his public TV station totally independent of government support. By 1985, Chitester predicts, WQLN will accept no federal money for overhead costs. Chitester will largely depend on corporate contributions—but these contributions will no doubt become tax deductions for the donors.

Chitester has also established a profit-making subsidiary of WQLN—Penn Communications, Inc.—to produce additional programming for commercial networks, syndication, and video-cassette distribution. Penn Communications will also sell national programming produced by WQLN's non-profit production subsidiary, Public Communications.

Further, WQLN hopes to win Erie's cable franchise to be awarded some time this year. The cable system would bring in at least an additional \$100,000 annually in revenues for the station, according to WQLN's projections. But the station has a number of obstacles to overcome, including opposition to its request for the FCC to grant a waiver of cross-ownership rules prohibiting broadcast licensees from operating a cable system in the same market.

FREE TO CLOSE.

Chitester is determined to make his public television station independent of formal mechanisms for public accountability. Chitester says if he is able to "free" WQLN from federal funding, he has no intention of complying with the Public Telecommunications Financing Act of 1978. The Act requires any station receiving federal money to have open financial records, community advisory boards, open board meetings, and affirmative action hiring programs. "Its only purpose was to make the politicians look like they were doing something," Chitester said about the act. "Having a community advisory board does not contribute quality unless there is a will on the part of the station to accomplish that objective."

The marketplace is the best regulator of community service, Chitester argued. "We are going to do what we need to do to have the best public TV station in the country, and present the best productions in the world. We must respond to our community needs to do this."

OPPOSITION.

But consumer groups, environmental groups, minority groups, unions, and independent producers have complained bitterly about the station.

The Opportunities Industrialization Center (OIC), a community-based minority training organization, complains that "WQLN has a strong pronounced anti-minority and anti-

black attitude in policy and history." For six years OIC has produced the program *Verbally Informed*. The program package includes music, news, features, and a few syndicated programs, and is produced by minority volunteers from OIC. *Verbally Informed* was carried by WQLN for 24 hours per week prior to January 1979. In that month, WQLN cut the program down to 14 hours per week.

The NAACP called the decision arbitrary and racist. "At the very time the minority population is growing from 10,000 in 1970 to 20,000 in 1980, WQLN has cut back their programming to the black and hispanic communities."

"Many times requests have been made to WQLN to provide coverage of black events and we are usually given the run-around."

The Erie County Energy Alternatives charges that back in 1977 WQLN refused to air the largest public meeting ever held in the Erie County Chambers because the meeting included a discussion of utilities, nuclear power, and public power. They also cite numerous WQLN public affairs programs covering energy issues that comprise a slanted, pro-business message.

Unions in Erie are also up in arms over WQLN's service. The Central Labor Union and Industrial Union Council alleges that WQLN has "systematically deliberately and insidiously worked against the interests of labor, blacks, women and other minority groups and consumers." In a filing opposing WQLN's request to the FCC for waiver of its cable/broadcast cross-ownership rules, the United Electrical, Radio and Machine Workers of America stated: "We are opposed to the management of WQLN having any further control of the media in Erie because management has demonstrated a deep 'philosophical' hostility to organized labor.... WQLN has actively sought to tailor its program-

THE BUYING OF THE SPONSOR

Tax breaks aren't the only cookies that corporate underwriters get on public TV. Every time you donate money, you may help them out.

When that well-dressed volunteer fills your TV screen with pleas to call in and pledge, or to bid on an antique, or to become a member, you may think your money goes to the programs you want to see. But according to public media advocate Crane Davis, you'd be wrong. It mostly goes to subsidize corporate-funded programming.

Davis obtained a confidential 1979-80 financial report from New York public TV station WNET. It shows that when corporate underwriters give money, they find out what happened to it. But when we give money it disappears into a general fund. And that general fund is more likely than not to provide support services than programs.

"The station only has one thing to sell—programming," Davis explained to IN THESE TIMES. "So they sell that to private money, and to lure them they cut the cost and don't charge them overhead. They

sell the content of the program to the [corporate] underwriter and the overhead to the public."

Davis draws his conclusions from an analysis of the financial plan for the year. Money from corporations and (largely corporate) foundations accounts for a quarter of WNET's budget. WNET spends three-quarters of it on acquiring and producing programs.

The public—both through taxes and through contributions—provides over half of WNET's budget. Only 29 percent of it is used to acquire and produce programs. Public-funded programs, moreover, are often low-budget public affairs, documentary programs—and fundraisers.

Almost all the costs of fundraising programs and promotion costs are carried by "general support" funds. The fundraising programs, it is true, sometimes have an educational side. But that is often in the same vein—culture on high, safe ground—as what the corporations order up. As a staffer at KQED in San Francisco—a station whose recent fundraisers resulted in public protest over bland content and yanked programming—said, there is a "bias" in favor of programs that are non-controversial, uplifting and positive."

Tom Conway, WNET's director of finance, disputes Davis' analysis, especially concerning money raised through on-air fundraisers.

"Yes, the money raised by the auction is discretionary,"

he said, "but primarily it's used for local programming."

Davis responded, "Channel 13 doesn't track how they spend any of the general support funds. My calculations prorated the total funds over the total costs not covered by funds committed to particular programs."

"They're playing a shell game. They're running around telling everybody—the state, the federal government, private donors—'Your money pays for the programs.'"

"The fundamental thing that's wrong here is that they won't reveal anything."

WNET's fundraising techniques, which drastically limit public say over public money, are perfectly legal. It's all done with simple bookkeeping procedures.

Why does it take smuggling out documents to discover what a PBS station is only doing legally? Because the financial records of this taxpayer-funded institution are not open to the public. And although Congress has required both PBS and the Corporation for Public Broadcasting financial records to be made public, stations have not yet complied.

You can't even call up records through the Freedom of Information Act. When the CPB was created Congress ruled that it "will not be an agency or establishment of the U.S. government," which exempts it from scrutiny.

Once again it looks like at PBS some dollars are more free to choose than other dollars.

—Pat Aufderheide

ming to the interests of large business corporations."

The severely limited local programming on WQLN is also of concern to citizen groups in Erie. Most of the station's resources go into national production. Last year, WQLN provided only 400 hours of local programming. The NAACP complained that "400 hours a year

in local programming cannot be justified with [WQLN's annual] budget of over \$4 million—that is, about the total budget of National Public Radio.... WQLN is licensed to the Erie community and its minorities, not the multinational corporations." The United Electrical Radio and Machine Workers complained that WQLN "has provided only

the bare minimum of programming on issues of local concern, particularly issues of concern to working people."

THE CONNECTION.

Chitester dismisses the local opposition, claiming that it is by no means representative of the Erie community. He points to statistics ranking WQLN in the top ten percent of all public broadcasting stations both in audience viewing ratings and in station membership as a percentage of viewers in the market. He also claims that WQLN's ability to derive 25 percent of its station operating income from auctions and 35 percent from membership revenues indicates substantial community support.

WQLN's vice president and general manager David Roland calls the opposition "long-time antagonists... All of these individuals have their own axe to grind."

If Chitester's 10-year plan holds true, WQLN is likely to become a major national programming source for both public television and cable TV in the '80s.

WQLN's dependence on corporate contributions continues to increase rapidly. The station's non-profit subsidiary Public Communications, Inc., (which produces the national programming) is funded almost completely by corporate underwriters. By using WQLN—a "public charity"—business interests are able to use a substantial amount of taxpayers' money (thanks to the big tax breaks they enjoy for their "charitable contributions") to propagandize over the public airwaves.

Free market, indeed. ■ Paul D'Ari is a staff member of *Access*, the bi-weekly publication of the National Citizens Committee for Broadcasting. This article first appeared there in longer form.

WQLN, the PBS station that produced *Free to Choose*, has a 10-year production plan. And it doesn't include programs for blacks, labor, women or consumers.



Documentaries such as *NO MAPS ON MY TAPS* (produced in part through WNET's TV Lab) account for a tiny part of public TV's budget.