

Memorandum on  
**The POSTWAR  
INTERNATIONAL  
INFORMATION  
PROGRAM of the  
UNITED STATES**

By DR. ARTHUR W. MACMAHON

**THE DEPARTMENT OF STATE**



Memorandum on the  
**POSTWAR INTERNATIONAL  
INFORMATION PROGRAM**  
of the **UNITED STATES**

Prepared by  
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in cooperation with  
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# PREFACE BY ASSISTANT SECRETARY BENTON

DECEMBER 1, 1945.

TO: MEMBERS OF THE STAFF AND OTHERS CONCERNED WITH THE INTERNATIONAL INFORMATION PROGRAM

FROM: WILLIAM BENTON, *Assistant Secretary of State*

SUBJECT: The Macmahon Report

I believe it may be helpful to circulate this report as background for discussion of policies for a continuing international information program.

This report is not a statement of departmental policy. It is a working paper, prepared by Dr. Arthur W. Macmahon, a consultant to the Department of State. In preparing this paper Dr. Macmahon sought to present facts and policy alternatives confronting the Department as it organized an overseas information program for the future.

Dr. Macmahon completed his report in July 1945, before the end of the war with Japan. In this printing, only one change has been made in the original manuscript. Part X, entitled "Transitional Timing," has been deleted: it was written before the President's Order of August 31, 1945, transferring the international information functions of the Office of War Information and the Office of Inter-American Affairs to the Department of State.

4. I recommend that this Memorandum immediately be transmitted informally to the Office of War Information, the Office of Inter-American Affairs, the Federal Communications Commission, the Bureau of the Budget, all Offices of the Department and to the Chiefs of Mission in the field; that it be so transmitted for their confidential information and any comments they may care to make prior to September 1, 1945, when definitive positions should be formulated.

## SUMMARY

THE ADEQUACY with which the United States as a society is portrayed to the other peoples of the world is a matter of concern to the American people and their Government. Specifically it concerns the Department of State. Modern international relations lie between peoples, not merely governments. Statements on foreign policy are intelligible abroad in the spirit in which they are intended only when other peoples understand the context of national tradition and character which is essential to the meaning of any statement. This is especially true of a collaborative foreign policy which by nature must be open and popular, understood and accepted at home and abroad.

International information activities are integral to the conduct of foreign policy. The object of such activities is, first, to see that the context of knowledge among other peoples about the United States is full and fair, not meager and distorted and, second, to see that the policies which directly affect other peoples are presented abroad with enough detail as well as background to make them understandable.

The emphasis in this memorandum is upon international information activities in a narrower sense (the mass media) than the application of the term which includes intercultural relations (for example, the exchanges of students and professors).

### Facilitative and Supplementary Nature of Governmental Information Activities

(1) The portrayal of the United States must be accomplished substantially by the normal currents of private interchange through the media of the printing press, radio, camera and screen, and others, and the complex institutions that rise spontaneously about them.

(2) The role of the Government is important but it is facilitative and supplementary. Some of the elements are facilitative, like governmental policies which may promote the cheapness, equality, speed, and universality of press communications. Some of the elements are supplementary in the sense that they must be conducted by the Government, or with its support, if they are to be conducted at all (for example, fast transmission abroad of full texts of important American speeches). A common spirit runs through both the facilitative and the

supplementary types of action (the Government's role is seen as positive but limited and essentially residual.)

(3) The scope of the governmental action is thus defined by surveying the active and potential international flow of information accomplished through the several media and the non-governmental institutions based upon them. Such a survey indicates various private or intermediate forms of enterprise which may advance the international flow of information and, particularly, a fuller and fairer projection of the United States abroad. But such a survey also indicates gaps of knowledge abroad which, for the present at least, must be filled by direct governmental action, linked to the conduct of its international relations.

(4) The gaps which must be filled by the Government are caused chiefly by the fact that other peoples do not have enough background knowledge of what is broadly typical of the United States to interpret fairly the dramatically unusual and therefore newsworthy episodes which command attention in the commercial organs of information, especially in fast news. Moreover, voluntary commercial facilities, which properly rest upon the patronage of consumers, sometimes deepen preexisting foreign stereotypes about the United States by supplying the kinds of items that fall in with the prepossessions of their customers (American crimes, divorces, and wealth being noteworthy stereotypes). In addition, it is hardly possible on a commercial basis to distribute full texts of addresses, laws, and the like, although these may be useful to foreign editors as well as to public officials. The foregoing are illustrations of the opportunity and need for non-competitive supplementary services.

(5) The United States Government will not compete with the private informational media and industries. In peacetime it will not conduct any general fast news or radiophoto services. The Government's supplementary role may be illustrated as follows: it will keep its officers in the field sufficiently supplied with full texts of important utterances and documents, and the knowledge of episodes in the news that may need fuller explanation so that the officers can meet the needs of foreign newspapers and other informational organs. To illustrate further: the Government's relation to the international flow of commercially produced and commercially exhibited motion pictures will be at most facilitative; but by the display of non-theatrical films the Government will seek to alter or supplement certain impressions created by the commercial showings or other media.

(6) These supplementary types of activity must be conducted largely in the field. In the end they are intensely personal; they are accomplished through active contacts between American officials, particularly public-affairs officers, and the foreign press, radio, motion-picture and related enterprises.

## The Bearing of International Agreements on Freedom of Information

(1) In estimating the scope of future governmental action to increase the flow of information, the possibility of international agreements must be considered. Such agreements are desirable. There are, however, limits to the pressure which the United States, in the face of the supreme need for common action on security among the United Nations, could afford to apply in seeking guarantees of the right of unrestricted access to and publication of information. Similarly, the United States could hardly expect (as some extreme advocates of freedom of information have seemed to hope) to secure assent to agreements that would bar governments like those of Great Britain and the Soviet Union from conducting or participating in informational agencies of various kinds. An area of agreement may be possible. International agreements on the right to collect information within any country and to export it to other countries should apply to both governmental and private agencies. But an agreement on the right to send information into another country and to disseminate it there should distinguish between private and governmental bodies. Otherwise a loosely drawn guarantee might confer novel and unwise extraterritorial privileges on governments. It is urgently desirable that agreement be reached on minimum standards of behavior for governmental information agencies projected into other countries. The standards might cover such matters as reasonable registration requirements, identification of governmental material as to source, and avoidance of political propaganda. These standards would amount to conditions attached to any general guarantee of unrestricted movement of foreign governmental information and, as such, would be enforceable by the receiving countries.

(2) The United States (by reason of its traditions of private enterprise and the attitude of Congress in peacetime toward the use of unvouchered funds, among other factors) would be at a disadvantage and a relative loser in the downward spiral of standards likely to attend an unbridled competition among governmental informational programs. The Government of the United States will not force the pace. But this caution does not mean inaction. Inaction in itself would be seriously to the disadvantage of the United States.

(3) The favorable attitude of the United States toward the possibility of international guarantees of freedom of information and standards of governmental behavior is not a reason for withholding action now on the numerous *positive* factors that affect the volume and accuracy of the international flow of information, including a fuller and more balanced knowledge of the United States in other countries.

## Criteria of Organization

(1) In addition to various *ad hoc* bodies of a private, public, or intermediate character suitable to special fields like short-wave broadcasting, documentary motion pictures, the export of books, and others, the United States in peacetime will need a general informational staff throughout the world. This must be serviced by a headquarters workshop in the United States.

(2) There are strong grounds for assimilating these elements of organization to the diplomatic missions and the Department of State. The reasons are partly administrative, partly political, and partly in the nature of the tasks to be done. Congress is hardly likely to support a suitable sizeable program unless it knows that the activities are a necessary and organic part of the foreign relations of the United States. Identity with the missions and the Department of State, moreover, is especially appropriate in view of the factual emphasis of a peacetime information program, the avoidance of subterfuge and "slanting", and at the same time the closeness that exists between supplementary background material and current information needed by the diplomatic missions in discharging their inherent responsibilities. A part of the information program involves intimate touch with the heads of missions to obtain interpretation of the current policies of the United States Government.

(3) Nor will the productive and distributive activities of the peacetime program, as reviewed later in this paper, be so heavy and intricate as to require an informational organization in Washington separate from the Department of State, forfeiting the administrative and political advantages which have been mentioned. These advantages will be especially strong during the early years of peace while the new informational program is becoming an habituated part of the conduct of the foreign affairs of the United States.

## Recommended Home Organization

(1) The home organization should be in the Department of State under permanent assignment to an Assistant Secretary. The element that exists in common between the foreign and domestic information programs will be sufficiently recognized by placing both, as separate Offices, under the same Assistant Secretary. His staffing (which may include a career deputy) should be kept at a size which will not undermine the full vitality and responsibility of the Offices.

(2) The Office of International Information and Cultural Affairs should consist of divisions based primarily on media. These would include non-competitive news, features, and related press materials; visual media; international broadcasting contacts (the operating

responsibilities resting outside, however, both as to programming and engineering); and cultural relations (involving broadly coordinative relations to voluntary organizations and to other government departments, and some operating responsibilities, especially as to the movement of persons, books and publications). For purpose of country planning (as distinguished from media planning and so far as country planning is not left to the field units under the heads of missions) a number of aides, each assigned to a particular area, might serve under the Office director as foci and secretaries of country committees which would draw together members from the several media divisions and from the geographical offices concerned. In addition, a unit in the Office of International Information and Cultural Affairs would exist to see that the field establishments were serviced in an expeditious manner. The pattern of organization throughout should seek to secure the necessary degree of concert without depriving the producing units of their responsibility and sense of participation in matters of policy and planning.

(3) The recommendation that the home organization be placed squarely in the State Department assumes: (a) that continued administrative progress in the State Department will be reflected in its ability to provide each of its parts with the personnel and equipment suited to its distinctive tasks; (b) that information will be organized and handled in the Department of State on a functional, world-wide basis, subject to close collaboration with the geographical and economic divisions; and (c) that international public-affairs work will be recognized as of equal importance to all other aspects of the formulation of foreign policies and the conduct of foreign relations.

## Recommended Field Organization

(1) **Field structure.** A full connection with the diplomatic missions is desirable. Not only does this pattern respect the unity that is a proper ideal in overseas representation and simplify administrative relations but it also respects the inherent relation of information to foreign policy. Typically, the field organization in larger posts might consist of a counselor assigned to public affairs, assisted by officers for cultural exchange, press, radio, and other matters. A crucial phase of the work involves the interpretation of policies and instant events and must be performed in close contact with the head of the mission and with access to the flow of confidential communications. The physical separation from the mission of part of the work (such as the libraries) possibly under a distinctive name, is a minor question depending, in the judgment of the head of the mission, upon the local situation and the nature of the particular activities to be performed.



(2) **Field personnel.** Unity under the diplomatic establishments implies that the Foreign Service will provide the necessary degree of internal specialization. The task of information officers, it is true, entails a sense of public affairs (an apter phrase than "public relations") more than of sheerly professional techniques. But the work also requires a considerable admixture of attitudes and skills that rest upon early interests sharpened by experience. The present legal set-up of the Foreign Service offers serious obstacle to recruiting able individuals from the war agencies or from private life. Seasoned persons can now be recruited at levels commensurate with their age and experience only through the Foreign Service Auxiliary. This device, with the tenure of all who are in it, lapses six months after the close of the emergency. In the long-run, informational activities in the missions will doubtless be helped by the recruitment of young men with some preexisting interest and contact with such matters, by attention to their development through the strengthened system of special in-service training, and generally by the system of training all Foreign Service officers to be more conscious of public affairs. The long-run effects of such measures will not be realized if a reasonable degree of informational specialization becomes a blind alley in a Foreign Service career.

Apart from the constructive but slow tendencies just mentioned, the revision of the Foreign Service Act is essential for both immediate and permanent needs. Immediately, with peace in sight, first-class seasoned men who can hardly start at the bottom are not likely to be attracted by a merely temporary appointment. At all times, moreover, it will remain desirable to recruit and to retain in the Service some mature persons for positions that require professional background and call for more continuity than will be provided through the proposed Foreign Service Reserve, useful as the Reserve will be. Here, at least, are pressing reasons for the early reconsiderations of the Foreign Service legislation and its administration.

## Government Policy Toward Private Informational Functions

Various suggestions for facilitative action by government emerge from a survey of the private institutions by which, in any case, the main flow of information must be accomplished.

(1) **Press communications.** Public policy properly emphasizes the need for cheaper, quicker, equal, more abundant, and universal communication facilities to serve the regular news agencies, correspondents, and related press interests. Radiotelegraph and especially the method of multiple address in the case of outgoing news service are of growing importance. (Multiple address, sometimes called Sched-

uled Transmission Service, is the sending of news in Morse code on a broad radio beam for simultaneous reception by a number of clients). Apart from doubts as to the wisdom of a general private merger of all United States international communication facilities, there seems a convincing case for treating press communication facilities on a separate, specialized basis.

(2) **International broadcasting.** International broadcasting takes several forms; broadcasting by short wave direct to the foreign listener; transmitting programs by point-to-point short wave for rebroadcast over foreign stations by medium wave; and the export of recordings and scripts for use on foreign stations. Direct international broadcasting by short wave is unique among informational media in its ability to reach persons in other countries despite the opposition of their governments. This fact in itself is ground for considerate treatment. The continuation of direct short-wave broadcasting seems justified despite the skepticism of some engineers who would prefer to have the frequencies used for other purposes, relying for international broadcasting upon point-to-point transmission of programs for rebroadcasting by medium wave in other countries.

An early decision must be made about future policy toward ownership of short-wave broadcasting transmitters. During the war, short-wave stations owned by seven private licensees have been pooled with a number of Government-constructed transmitters and operated for the Office of War Information and the Office of Inter-American Affairs. The post-war alternatives include the creation of an inclusive private entity; an inclusive public entity; a split system, under which the Government would retain and operate its own transmitters; and finally, the return of the leased private stations to their competitive owners and disposal of the Government transmitters among them or otherwise.

In choosing among these alternatives, or variations thereof, the criteria include the need to economize frequencies; the delicate international considerations involved potentially in short-wave broadcasting; the fact that such broadcasting has not been profitable in the past; and the risk that (although a dignified type of sponsored "institutional" advertising would not be objectionable) the type and scale of remunerative advertising, if forthcoming, might not be helpful to this country's foreign relations.

It seems clear that one entity, whether governmental or private, should be licensed to conduct all direct international broadcasting from the United States, subject to stringent general standards. These standards would require a high proportion of sustaining programs and would limit commercial advertising, if any, to the "institutional" sort. The emphasis would be upon the fullest possible utilization

of the best domestic programs, duly adapted to the various languages, together with news and news commentary in those languages. In addition, and to the degree consistent with broadcasting needs, the entity would seek to use the frequencies to the fullest possible extent by providing incidental news transmission to the press. It would not seek to rival the main press carrier.

It is recommended that the Department take the initiative in setting up a working group under the chairmanship of the Federal Communications Commission and including representatives from the OWI, the OIAA, the Bureau of the Budget, and the Department of State to submit recommendations to the President for the attention of Congress concerning post-war ownership and operation of a short-wave broadcasting entity.

(3) **Motion pictures.** The industry's vital stake in the preservation of its foreign market may lead to various forms of voluntary collaboration. The possibility of enlarging the type of contact illustrated during the war in the Motion Picture Society for the Americas warrants support. The hope of getting rid of slights to other peoples in films produced in the United States is brighter than the avoidance in commercial films, intended for both the domestic and foreign markets, of elements which create erroneous impressions about the United States among peoples who lack a background of understanding of what is normal in the United States. This fact increases the importance of governmental activity in relation to documentary films and related types, both production and foreign distribution, although their net effect must remain a minor factor in comparison with the impact abroad of the flow of commercial films.

(4) **Books and magazines.** The increased interest of American publishers in the export market has been shown in tentative steps already taken (notably in the formation of the United States International Book Association, Inc.) to surmount the difficulties faced in this market. The significant desire of the publishers for governmental cooperation should be met half way. The relationship generally is suggestive of a pattern of flexible cooperative action.

### Supplementary Tasks of Government

The review of the flow of information which private or semi-governmental enterprises may reasonably support in peacetime reveals certain gaps which the Government, in the conduct of its foreign relations, cannot afford to neglect.

These gaps of information can be filled by a number of media. The choice of media may vary from country to country. The following are mentioned as residual opportunities for supplementing the flow

of information—methods which are non-competitive and which may well be continued by the Government:

(1) Missions should be supplied with the texts of important Government speeches and pronouncements for simultaneous release at home and abroad. In this connection the Department's radio news bulletin to the missions should be enlarged, perhaps double the size of the present 3,500-word daily edition, and the time of delivery should be adjusted to meet the needs of information officers who provide interpretations of current news.

(2) Supplementing this radio bulletin, the Department should send by airmail batches of clippings and other background information on the United States, suitable for rewriting by an information officer in the field in answer to requests from foreign newspapers for information on particular subjects.

(3) Assistance to foreign correspondents in the United States is another effective means of insuring fuller, fairer coverage in the foreign press. Several officers of the Department should be assigned to aid visiting journalists. The Department should continue to aid foreign editors and radio commentators to make visits to the United States.

(4) A morgue of stock pictures on scientific and social developments in the United States would be needed at the larger American missions.

(5) Exhibits of photographic enlargements may be prepared either by the home information organization and shipped in finished form, or produced in the field from the collection of photonegatives.

(6) Non-fiction motion pictures on the United States, if they are to retain a world-wide audience, will require continued Government assistance in both production and distribution. The same applies to film strips, which have proved especially welcome in foreign school systems.

(7) Radio recordings and script materials may be sent to the missions for loan to local radio stations.

(8) As a minor phase of the programming for American short-wave broadcasting, the Department of State may produce a few official programs each year.

(9) Some Government-supported magazines, such as the OWI publications in the Soviet Union (of which Ambassador Harriman wrote that "they reach the policy-making and opinion-forming section of the Russian public and I am told that every copy is read by at least 20 persons") should be continued. It is taken for granted that general Government publications such as *En Guardia*, *Victory*, *Photo Review*, and *U.S.A.*, if continued at all after the war, should be disposed of to private ownership and management.

(10) Assistance to foreign publishers in obtaining good translations of America's best books should be continued. This now falls under the cultural-cooperation program.

(11) As a field-servicing unit for most of the foregoing activities, but requiring special attention of its own, an information library will be needed at most of the larger missions to contain, aside from late American books, pamphlets, and magazines, the clippings, photographs, motion-picture films, film strips, and radio recordings mentioned above.

## Part I INTRODUCTORY ANALYSIS

THE ISSUES DISCUSSED in this memorandum culminate in two main problems of general organization.

First, as to organization at home for the conduct of foreign informational activity: it must be decided in what ways and to what extent the field will need to be serviced from the center. This question conditions choices among various forms of organization: whether the work will be integral with the Department of State, or conducted by a separate organization, or given some intermediate status; and how far the operations can be developed upon autonomous bodies of a semi-public or private nature.

Second, as to future foreign informational activity in the field: it must be decided whether such informational activity should be incorporated in the missions proper, or detached physically, or even conducted under a semi-independent organization. A related question is the degree to which and the rate at which the regular United States diplomatic establishments will be staffed with more or less specialized information officers.

In addition are immediate questions as to the location within the Department of State as now constituted of responsibility for the initiation of policy as to these matters. Many of them blend commercial, technical, and informational, as well as so-called political elements.<sup>1</sup> In the State Department's dealings with problems of international communications facilities, for example, attention must be given to those considerations which arise from the Government's profound concern in the flow of information from country to country. This would not be less true if the Government's direct operational role were slight, even negligible. The location of initiative in matters of policy within the Department of State must take account of the major functional development which, within a year, has led to the creation of the Office of Public Affairs and the appointment of an

<sup>1</sup> It goes without saying that decisions must be taken in the context of the total foreign policy of the United States. From this standpoint the geographical offices are crucially involved. The question of the relation of the geographical offices to the informational activity as a department-wide function is discussed in part VIII of this memorandum.

Assistant Secretary expressly and peculiarly assigned to problems of informational policy.

The organizational problems are not questions only of direction and of destination; they involve timing. Specifically they involve the choices that will attend the transition from the wartime activities of the Office of War Information and the information work of the Office of Inter-American Affairs. This transition includes the need to service occupational administration in the conquered enemy countries over a considerable period.

*The answers to the problems of organization rest largely upon the view that is taken about the proper nature and necessary amount of future United States informational activity abroad.* The task will condition the choice of tools. The task itself must be defined by considering national objectives and needs and the extent to which these will be filled without governmental action. Only a detailed review of needs and of expectations for their fulfilment by non-governmental means can indicate the areas of appropriate governmental responsibility. These, in turn, determine the organization and methods that will be suitable.

## Need for Information Program

*The United States Government and specifically the State Department cannot be indifferent to the ways in which our society is portrayed in other countries.* The reasons for this concern need only be mentioned. From the standpoint of security, there are the advantages of peace-disposing friendship. At the very least, knowledge about us strengthens the potentialities of alliance. Trade with the United States is helped by an acquaintance with its technology and with its ways of life generally. Granted that we eschew what some have called cultural imperialism and properly seek to avoid undue dislocation of the mores of other societies, we would be a decadent people if we did not wish others to know about American standards and techniques—in health, for example—that demonstrably have contributed to human happiness. An outstanding lesson of the last decade is that liberty must believe in itself and that tolerance does not mean indifference.

The concern of the Government is even more pointed. Foreign affairs are relations between peoples, not simply governments.<sup>2</sup> Gov-

<sup>2</sup> Mr. Don Francisco, formerly Assistant Coordinator for Inter-American Affairs and now vice president and director of J. Walter Thompson, said in a talk quoted in an editorial in *Printers' Ink*, Mar. 16, 1945, p. 114:

"To keep our relations on a narrow basis of government to government, without any real effort to inform the people of foreign countries, is like merely selling to the wholesalers and making no appeal to the consuming public."

ernmental spokesmen do not address foreign officials only but also the populaces behind them. The overtures of international policies are often items in the press, for example, not diplomatic notes. National spokesmen sometimes speak to other peoples merely by allowing themselves to be overheard when they speak to their own citizens. Sometimes the appeal is more direct and openly avowed.

*A collaborative foreign policy, especially, must be open, proclaimed, and popular at home and abroad.* The foreign policy of the United States is essentially collaborative. Information about such a policy can be extraterritorial without infringing the rights of other peoples. These facts are the basis of an information policy in both its domestic and overseas phases. Especially in a world of almost instantaneous communicability, foreign policies are formulated and must be viewed in the light of national mores and character. If the policies are to be correctly understood and acted upon in other countries, the peoples of the latter must be aware of the national characteristics that are indispensable to the interpretation of the policies in question.

The United States as a society gains by being truthful about itself in its foreign information. Especially is there need to make other peoples aware of what is broadly characteristic, not exceptional and extreme. The country will be helped by a portrayal of itself which is candid and complete enough to show that, far from being a land of universal wealth and material ease, the United States has problems of poverty and maladjustment. In the past, the picture too often has excited an envy that has been offset only by the extent to which elements in the seeming representation have afforded foreign populations an excuse for despising us as a people.

A candid and reasonably complete national self-portrayal implies certain standards. First, the information must be truthful; it must be balanced, not distorted. Secondly, there must be enough of it, sufficiently widely distributed, to convey understanding among the opinion-forming groups in other countries and to an increasing degree among the masses.<sup>3</sup> Third, the information must be conveyed tactfully, for this conditions its effectiveness in securing a reception and its success in promoting attitudes favorable to harmonious international relations.

<sup>3</sup> Regarding the relative size of the opinion-forming part of the population in certain countries, a despatch from Cairo on Sept. 22, 1944 (no. 248) remarked:

"Egypt's population is around 17,000,000 souls; 3,000,000 of these, who can write their names, are classified as literates, but according to the OWI researches, the real controllers of opinion are a mere 200,000, less than 1.2 per cent of the total, and even this small fraction includes a disproportionate number of the better educated minority groups."

## The Government's Role

*The peacetime role of the United States Government in striving to attain the foregoing standards of international informational activity should be cautious and limited but positive.* It should be cautious and limited for a variety of reasons. The United States does not wish to stimulate competition in foreign governmental publicity. This is true partly because of the relative strength of the private facilities of information based in the United States. In one sense, indeed, the United States would be the gainer if all governments would retire from direct informational activities. But the reasons for avoiding any invitation to intergovernmental competition are deeper, resting upon the ideal of a spontaneous flow of truthful information throughout the world not trammelled or distorted by any self-protective government or group. Until agreements are reached that establish basic standards of fair conduct by governments when they engage in informational activity, increased intergovernmental competition will sharpen nationalistic feeling and, lacking settled standards against which to judge it, will be attended by a progressive worsening of international conduct in this field. The United States would almost certainly be a loser in such intergovernmental competition, being handicapped in this respect by traditions of free enterprise, legislative responsibility, and related factors. We are aware, too, of the value of interested reception that results from a knowledge of the diverse ownership of the media in the United States.

*But the role of the United States Government must be positive while it remains cautious and limited.* A self-denying attitude on the part of the United States Government will not stop the activities of other governments in the post-war world. The answer to competition is not unilateral disarmament. Nor can the desired international flow of knowledge be secured negatively, merely by agreements about what governments promise not to do. The complications in the way of an all-inclusive international agreement about "freedom of the press" and the like will be examined in the second part of this memorandum. Even if sweeping guarantees can be established, it will not follow automatically that the various private facilities, such as the news agencies, will secure a satisfactorily wide-spread coverage. Such coverage requires cheap and universal communication facilities, suited to news needs, and the incentive to use them. Besides, commercial information services may not supply the background which lends perspective and conduces to a fair understanding of day-to-day episodes.

*Broadly stated, the role of the United States Government, being at once limited and positive, must be supplementary and facilitative.*

The scope of such a role and its organizational implications are found by considering, as to the several media and related institutions, how satisfactory are the conditions for adequate national self-portrayal among all peoples. The analysis includes the institutions (both commercial and non-profit) which are based on the printing press (the publishing industries, the news agencies, and foreign reporting as a profession); wire communications as an adjunct; radio and the methods of recording and reproducing sound; and the camera and the screen (including motion pictures, film strips, and still pictures for the press and for exhibit). As to the coverage in each case, it is necessary to distinguish (1) the adequacy with which knowledge of other peoples is brought to the United States and (2) the adequacy of the knowledge about the United States that goes abroad, considered both as to its fullness and fairness and as to the completeness of its distribution throughout the world.

*This memorandum stresses the outward flow of information from this country.* There are reasons for such emphasis. Relatively speaking, the United States imports through the various media more information than is the case with most countries. In addition, other governments are free to establish official information services in the United States and many will continue to avail themselves of such access after the war. The desirability of reciprocity and a two-way flow of international understanding is of course assumed. The reception abroad of information about the United States is helped by a sense in other countries that our people are aware of their life and achievements.

## "Information" and "Cultural Relations"

In the following analysis the concept of "international information" is taken broadly, without attempting to draw a sharp line between cultural relations and information in the narrower sense. The distinction between them is shaded but has important administrative consequences. Ambassador Hayes alluded suggestively to certain aspects of difference when he wrote on October 6, 1944 (no. 3191), speaking particularly of cultural activities: "They should have to do, not with the contemporary day-to-day developments and passing currents of public opinion, but rather with that more abiding complex of science, art, and education which distinguishes the historic culture of one nation from another's and which conditions the long-range attitudes of every country in its foreign as well as its domestic policies." The emphasis in these pages is upon international informational activity in the narrower sense that involves especially the mass media of printing press, radio, and camera and screen. The responsibility of the Department of State for cultural relations is already recognized.

It has been signalized since 1938 by the existence of a divisional unit to which Congress subsequently approved the shifting of various OIAA activities identified as cultural. The pending issues of policy and organization concern especially the future of international information in the more special sense just indicated.

Much of the discussion points also to cultural relations, however, and it is necessary to take account of the interdependence of informational and cultural programs in considering the future conduct of international informational activities at home and in the field.

## Part II

# THE POSSIBILITY OF INTERNATIONAL AGREEMENTS ON FREEDOM OF INFORMATION

**B**EFORE PASSING to the positive factors that affect the adequacy of the international flow of information, especially press services, it is timely to examine the possibility of international agreements on access to and dissemination of information. The view that is taken of this possibility influences the measurement of the need for other types of action.

In extreme form, as they bear especially on the press, the gist of various proposals would be a promise by all governments not to interfere with or to participate in any way in either the gathering or the publication of news. National governments might maintain the physical facilities of communication and in any case would guarantee equal treatment of all users; but, from the standpoint of the implications of the extreme types of proposal, a neutral international communications network would be desirable.<sup>1</sup>

Some views, indeed, have seemed to go even further, requiring that there be national constitutional guarantees of freedom of expression

<sup>1</sup>Kent Cooper, executive director of the Associated Press, in an address in New York on Jan. 21, 1945 (as reported in the *New York Times* of Jan. 22) alluded in very general terms to an "international communications system". He said in part:

"An international communications system would cost a great deal of money, but it would not cost more than a fraction of a percent of the cost of world armament. In the nature of things such a communication system should be regulated by international agreement, but that is the extent to which governmental power should inflict itself. There ought to be a forbidding hand in time of peace for any government to exercise control of the manner or text in which the public information is exchanged on such a system. News dissemination should be left to those equipped by experience to deal with it. An international committee of government experts should establish a code applicable to those who use the facilities of such an international communications system. The normal channels of news publication, newspapers and radio, should be made the recipients of the news exchanged by news agencies which would adhere to high principles that should serve as a basis of the entire structure of news exchange."

as a condition of membership in the general world organization. Thus Mr. Sumner Welles, in an article on "Pillars of Human Rights" in *Free World* for September 1944, wrote:

"... There is every reason why such a charter should contain the specific stipulation that no nation may become a member of the new international organization unless it is able to demonstrate that by its constitution, or by its basic legislation, the citizens of such nation are granted as inalienable rights freedom of worship, of expression, and of information."

### Soviet View

Such far-reaching proposals are embarrassed, among other reasons, by the existing involvements of various Allied nations in the conduct of organs of information, apart from wartime conditions. Thus a Russian writer, in an article of comment on the question of international guarantees of "freedom of the press", published in *War and the Working Class* (excerpts from which were translated in a news item in the *New York Times* of January 7, 1945), illustrated the variant concepts of "freedom". He wrote:

"In the Soviet Union, where all power is in the hands of the toilers of the cities and villages represented by Soviet deputies, a judicial right to issue their own magazines and newspapers is guaranteed by supplying toilers and their organizations with paper, printing offices, buildings, communications, and other commodities. Everything is guaranteed by the Soviet Constitution. Upon this foundation the exceedingly strong growth of the press became possible."

The phrasing of the foregoing quotation illustrates the possibility of a flexible allusion by international agreement to a constitutional right of freedom of press. But clearly this right could not be meant in the sense in which it is understood in the United States. In the face of the supreme necessity for world organization for security purposes, accommodation of any proposed agreement to Russian institutions must condition its scope. This is a limit more absolute than those that arise from Britain's involvement in informational organs, not to mention her existing stake in communication facilities. To say this does not preclude a full exploration of the amount of agreement possible in the international affirmation of principles.

### Views of Congress and Political Parties

In exploring the limits, distinctions and qualifications are clearly necessary. The statements thus far made in the major party platforms and by congressional resolution have not attempted such demar-

cations; their language permits a wide range of application. The Democratic platform plank of 1944 was brief and general:

"We believe in the world right of all men to write, send, and publish the news at uniform communication rates and without interference by governmental or private monopoly and that right should be protected by treaty."

The Republican platform statement of 1944 was at once longer and more limited. Perhaps because it was the vehicle of implied criticism of the home Government, it stressed freedom and equality of access at the source of news and the availability of news to the people of the United States. The plank declared:

"In times like these when peoples have found themselves shackled by governments which denied truth, or worse, dealt in half-truths or withheld the facts from the public, it is imperative that the press and radio be free and that full and complete information be available to Americans. There must be no censorship except to the extent required by war necessity. . . . All channels of news must be kept open with equality of access to information at the source. If agreement can be achieved with foreign nations to establish the same principles, it will be a valuable contribution to future peace."

The congressional concurrent resolution (S. Con. Res. 53, 78th Cong., 2d sess.), unanimously adopted by the two houses on September 21, 1944, stated:

"That the Congress of the United States expresses its belief in the world-wide right of interchange of news by news gathering and distributing agencies, whether individual or associate, by any means, without discrimination as to sources, distribution, rates, or charges; and that this right should be protected by international compact."<sup>2</sup>

<sup>2</sup>A number of other forms of declaration had been introduced in Congress. S. Con. Res. 50 (Taft) stressed news-gathering and reciprocity, asking that "each nation shall give to all responsible press and radio representatives of the other nations the same access to information at the source, the same right to transmit without censorship such news out of the country for publication, the same access to all facilities for communication, and the same rates of charge for communication over national and international facilities as is given to any press or radio representative of the nation making the agreement or of any other nation." It will be observed that this cautious proposal dealt with equality of treatment, not freedom as an absolute even in the gathering of news. Similarly, S. Con. Res. 52 (Connally). On the other hand, H. Con. Res. 97 (Fulbright) struck broadly at "interference", although it highlighted "uniform communication rates". It declared: "That the Congress of the United States, believing that the unhindered interchange of independent news would promote a better understanding among nations and thus help prevent future war, expresses itself as favoring international agreements which shall guarantee world-wide the right of all accredited press and radio representatives to (1) write, transmit, and publish the news without private or governmental interference and (2) at uniform communications rates."

## Views of United States Editors

The American Society of Newspaper Editors attempted to be more particular in a statement adopted at its meeting on November 28, 1944:

"Specifically we urge that both the administrative and the legislative branches of our government, and that other organizations in this country and abroad join us in a program to further freedom of information. This program should embrace the following goals:

"1. Recognition that complete friendship with any other power is dependent, among other considerations, on the freedom, the abundance and the exchange of information between peoples.

"2. Recognition that any printed matter, film, broadcast or other media of public information paid in whole or in part, directly or indirectly, by a government, organization or person, shall carry conspicuous labels as to source.

"3. Recognition that any government or private monopoly of the media of information is inimical to the public interest and incompatible with freedom of expression and competition of ideas on which a well-informed public opinion is based.

"4. Refusal to recognize the right of any government, organization or person:

- (a) to discriminate against any media of information;
- (b) to infringe upon freedom of information or expression;
- (c) to place any barriers, technical, political, legal or economic, against the free exchange of information between the peoples of the world;
- (d) to censor information in time of peace, except for obscenity or fraud."

## Mexico City Resolution

The recommendation on "Free Access to Information" adopted in plenary session by the Inter-American Conference on Problems of War and Peace at Mexico City on March 7, 1945, illustrated the cautiously general phrasing likely to attend a statement of principles at this time, intended for acceptance by many nations with variant social conditions.

"WHEREAS:

"The American Republics have repeatedly expressed their firm desire to assure a peace that will defend and protect the fundamental rights of man everywhere and permit all peoples to live free from the evils of tyranny, oppression, and slavery;

"The progress of mankind depends on the supremacy of truth among men;

"Truth is the enemy of tyranny, which cannot exist where truth prevails, so that those who would erect tyrannies are constrained to attempt its suppression or to raise barriers against it;

"Freedom of expression of thought, oral and written, is an essential condition to the development of an active and vigilant public

opinion throughout the world to guard against any attempt at aggression;

"One of the most pernicious acts against humanity is the method employed by totalitarian governments in isolating their people from the influence of foreign information, depriving them of access to the truth about international affairs, as well as creating obstacles abroad to an exact knowledge of internal conditions in their countries;

"It is one of the fundamental lessons of the present world war that there can be no freedom, peace, or security where men are not assured of free access to the truth through the various media of public information,

"The Inter-American Conference on Problems of War and Peace  
"RECOMMENDS:

"1. That the American Republics recognize their essential obligation to guarantee to their people, free and impartial access to sources of information.

"2. That, having this guarantee in view, they undertake, upon the conclusion of the war, the earliest possible abandonment of those measures of censorship, and of control over the services of press, motion picture and radio, which have been necessary in wartime to combat the subversive political tactics and espionage activities of the Axis states.

"3. That the Governments of the American Republics take measures, individually and in cooperation with one another, to promote a free exchange of information among their peoples.

"4. That the American Republics, having accepted the principle of free access to information for all, make every effort to the end that when a juridical order in the world is assured, there may be established the principle of free transmission and reception of information, oral or written, published in books or by the press, broadcast by radio or disseminated by any other means, under proper responsibility and without need of previous censorship, as is the case with private correspondence by letter, telegram, or any other means in time of peace."

## Effect of San Francisco Charter

The line of future development implied by action in the United Nations Conference on International Organization at San Francisco was indicated in the telegram sent by the Secretary of State on June 16, 1945 to the chairman of the Special Free Press Committee of the American Society of Newspaper Editors in acknowledging receipt of a copy of their report to the Society on their tour through many countries:

"The support which this Government has given to the principle of freedom of information and to its promotion throughout the world is a matter of record.

"Here at the San Francisco Conference on International Organization the United States Delegation has taken the leadership in ensuring that the new world organization shall promote fundamen-



tal freedoms. The charter specifically provides that the organization shall promote 'universal respect for, and observance of human rights and fundamental freedoms for all without distinction as to race, language, religion, or sex.'

"I and my colleagues on the United States Delegation regard freedom of speech as one of the fundamental freedoms referred to in this charter. It is our further understanding that freedom of speech includes freedom of the press, freedom of communication and freedom of exchange of information.

"Not only will the charter give strong and express recognition to these basic principles, it will also contain specific provision for action in these fields.

"The Economic and Social Council is empowered 'to make recommendations, on its own initiative, for promoting respect for, and observance of human rights and fundamental freedoms', and the Council is specifically directed to set up a commission for the promotion of human rights.

"We may be sure, I think, that when such a commission is established, the United States Government will urge that it should promptly study the means of promoting freedom of the press, freedom of communication, and fuller flow of knowledge and of information between all peoples. In the meantime we shall press forward our active efforts to further these objectives in every practicable way."

## Agreements on the Collection and Transmission of Information

It is likely to be easier to secure international guarantees of the right to collect and export information than the right of unrestricted publication including the right to import and disseminate information. Admittedly, this falls short of the ideal.<sup>3</sup> Governments which may not wish to concede unrestricted rights of publication at home may be willing to go fairly far in allowing news representatives to

<sup>3</sup> Kent Cooper, in an address on Jan. 21, 1945, declared that, "when we plan to enshrine freedom in any field, the first requisite is the right to know". He stressed the role of the government-controlled type of press in causing war. He is thinking of the control of information within a country, not merely knowledge about it outside. "The contribution toward war that false news has generated is as amazing in its extent as it is little understood. Malevolently minded governments have long recognized the power of news. Tainting and distorting it, they have used it to serve their selfish purposes." The point is well taken. The other side of the picture, perhaps, is that a privately owned press is said by some to have contributed to the Spanish-American War. But Mr. Cooper is sound in assuming that an unimpeded international flow of the fruits of truthful, trained observation from country to country will serve the long-run cause of peace. "Availability of the truth, the most important force in the world, through a free press, served by news writers with adequate facilities for getting at the truth and a world-wide system of communications established for the purpose, should be the aim. Therein is a promising method of establishing world-wide community of interest."

enter, to gather information, and to transmit their material as well as to enjoy equality of transmission facilities. Governments, however, are more likely to agree to the principle of equality of treatment in contacts with news sources, like government bureaus, than to promise absolute freedom of contact. No clear-cut line exists, of course, between transmission of news abroad and its publication at home; for a certain amount of information, once published in other countries, will flow back, if only by short wave. There are likely to be limits, therefore, even on the willingness of all governments whose assent is important to agree to the right of unrestricted access to information and transmission of news abroad, profoundly desirable though this is as a working ideal. The assured reciprocal right of equality of access, on the other hand, in the "most-favored-nation" sense is almost certainly attainable; in the "national treatment" sense it is less likely to be granted except in such contacts as formal releases and press conferences.

The rapidity with which non-professional as well as professional observers will be able to move from country to country in the post-war world will help to render futile censorship over the international flow of news, especially outward. There would remain, to be sure, the possibility of retaliatory action against correspondents who, having written frankly about conditions in a country after leaving it, sought to return and enjoy freedom of movement and contacts with the sources of information. This problem would perhaps become the most important angle of guarantees of equality of treatment.

From the standpoint of the collection and transmission of news, a code of international guarantees might deal with the following matters, among others. News-gathering would be helped by assuring all news representatives, regardless of the medium, right of equal access to governmental sources of information in the country they were visiting. News-gathering would be helped by not barring, molesting, or intimidating correspondents. To this end it has been suggested that accredited correspondents might be given a new type of international immunity. None of the proposals recently heard would go so far as to assure the continuance of correspondents who had become *persona non grata*.<sup>4</sup> To be useful, of course, the immunity

<sup>4</sup> By way of illustration, Kent Cooper in his address on Jan. 21, 1945, reported in the *New York Times*, Jan. 22, 1945, said:

"There should be an international understanding through peace treaty or other compact that an individual granted a passport as a news correspondent in any country signatory to the contract shall have the right to pursue his duties in such other country without hindrance or annoyance, and shall also be afforded diplomatic immunities—independently, however, of any diplomatic missions. These immunities would mean, in effect, the right to report news without hindrance and protection against being expelled—should a correspondent become *persona*

should not be contingent on the existence of diplomatic relations. It might be precisely at the time when diplomatic relations between two countries had been severed that contacts through the press should be maintained. Immunity for newsmen is possibly subject to the risk that its enforcement might lead unintentionally to a degree of dependence on diplomatic missions and foreign offices. For the purposes of enforcement, however, international machinery may be developed under the Economic and Social Council of the United Nations Organization. A further possibility—by no means inconsistent with the foregoing—would be an essentially voluntary organization of newsmen of all countries in an association which might investigate and report on alleged inequality of treatment, expulsion, and abuses against accredited correspondents. On the side of transmission, news-gathering would be helped by assuring that there would be no censorship of outgoing news material. News-gathering would be helped by assuring that there would be no discrimination as to rates, priorities, and other aspects of communication service. (The positive aid that may lie in cheaper and more ample communication facilities will be dealt with in part III of this memorandum.<sup>5</sup>)

Guarantees for the collection and transmission of information would apply to both private and governmental agencies, such as the British Broadcasting Corporation's reporting some event from abroad or Tass' collecting news in other countries.

### The Problem of Standards of Behavior for Governmental Information Agencies Seeking To Disseminate Information in Other Countries

So far as international guarantees deal with the right to enter other countries and to disseminate information therein, however, a distinction must probably be drawn between the standard of conduct to be required of private and governmental agencies. Otherwise a broadly drawn guarantee, assuming it were obtainable, might confer on governments novel and unwise extraterritorial privileges. On the other hand, a guarantee drawn so as to exclude foreign governmental agencies engaged in disseminating information would presumably be strongly resented by such countries as the U. S. S. R. and might con-

*non grata*—except by the officials of his own country. In this case he would not be, as he should not be, detained, arrested, or otherwise have indignities imposed upon him."

<sup>5</sup>In a different category are the agreements that might improve the facilities of communication. Note, for example, the mention in part III of this memorandum of the request of Press Wireless, Inc., for State Department action in securing reciprocal privilege of receiving facilities in other countries.

tribute to splitting the Allied world. This is the "external" as distinguished from the "internal" aspect of the difficulty in fitting freedom of international information to the Soviet concept. Nothing that has been said implies that governmental activities of the United States as well as other countries may not contribute to the international flow of types of information not carried through normal commercial channels.

The problem of formulating a code of governmental conduct is admittedly difficult. But it should be possible to agree on certain minimum standards of behavior for public agencies in foreign countries. For this purpose, public status should be defined broadly to include any organization in which a government participates or any activity to which the government contributes financial support. It is suggested that the minimum standards should deal with the following, among others: (1) reasonable requirements for registration of foreign information agencies; (2) identification of the auspices of material issued by them; and (3) abstention from political propaganda.

The enforcement of these standards, in the end, would lie with the governments of the countries wherein the activities were being conducted. The code might or might not impose an obligation on the sending governments. It would in any case reserve to the governments of the receiving countries the right to exclude or prohibit foreign governmental agencies or activities which it deemed to be in violation of the standards of behavior agreed upon. It might well be more practicable *not* to draw such a code in terms of imposing obligations on the sending government, but rather in terms of the *conditions* under which the "free entry" would be permitted. At any time that a sending government failed to comply with such agreed-upon conditions the receiving government would have complete freedom of action to exclude or restrict the information materials of the offending government.

### Self-Imposed Private Standards

While advocating international guarantees, the Associated Press has announced that it will erect its own standards and will refrain from doing business where the standards are not met. The AP does indicate its hope to create a world-wide network of receiving clients. For Europe alone its spokesmen are understood to estimate that it will have 600 subscribing newspapers after the war. It is indicated that its overseas service will be on a commercial basis, not its ordinary cooperative structure; and for overseas selling purposes it may therefore act through subsidiaries. But the AP is understood to attach

two conditions to its proposed expansion. First, that it will not sell news in any country which censors its own newspapers. Second, that the AP reserves the right to refuse service to any client if its reputation is objectionable for political reasons or otherwise. AP stated that this reservation has enabled it to protect its own reputation by not selling, for example, to outstanding Nazi papers in Latin America. However, under increasing competition among American news agencies abroad, it is inevitable that self-imposed standards will be weighed against commercial advantage.

### Conclusions

(1) In a situation where collaboration with the Allied governments is supremely important, there are limits to the pressure which the United States can afford to apply in seeking drastic agreements for literally unrestricted as well as equal access to information and the right of publication, let alone outlawing governmental participation in organs of information.

(2) Access to information in every country and its transmission from that country should be guaranteed in substantially the same terms for both private and governmental agencies.

(3) In connection with the right to send information into a country and to disseminate it there, governmental agencies should be subject to a special code of standards of behavior, enforceable by the receiving country.

(4) It would be unrealistic for the United States to allow its interest in international agreements on these matters to bar it from necessary activities and attention to the numerous positive factors that influence the volume and accuracy of international information, including adequate knowledge of this country throughout the world. Especial emphasis must fall upon the practical opportunities for advance through economical, swift, and universal news communication facilities.

## Part III PRESS COMMUNICATIONS

THE CONTINUED IMPORTANCE of the printed word need not be argued. Newspapers as a form of the printed word are indispensable as clues and pointers to events. News agencies are the necessary basis of wide coverage. Only a few papers can employ individual correspondents and these only at a few places. Besides, in the context of the present discussion, many of the problems of the individual correspondent are those common to the news agencies.

### The News Agencies and Their Competitive Position

Ideally, perhaps, all news agencies would be international in personnel, gathering and distributing news all over the world for no motive but a professional zest for accurate observation and the spread of information. Such complete detachment from national environments cannot be assumed within the predictable future.

The people of the United States are interested in more than the sources of their information about events throughout the world. They are concerned in having news about the United States sent to all parts of the world by their own news agencies.<sup>1</sup>

Even after the dropping of the cartel-like agreements that had once portioned the world among the leading agencies—agreements first dislodged by the competition of the United Press—there has been a double inadequacy in the news about the United States sent to various parts of the world.

First, the large number and the prosperity of the newspapers in this country have caused the American news agencies to concentrate on the importation of news and to regard the exportation of news

<sup>1</sup> Senator Russell (D., Ga.), reporting to the Senate on a tour of observation, remarked:

"One source of irritation to our men who are serving in that large portion of the world which is under the aegis of that great news agency, Reuters, is the paucity of news as to the American war effort." (S. Doc. 109, 78th Cong., 1st sess., Oct. 28, 1943, p. 12.)

as a minor by-product of news-gathering. Related to this tendency has been the fact that agencies based in Europe have been nearer to the historic sources of news of international interest. Besides, they have had the encouragement of their respective governments, often with government funds, to disseminate news abroad. In consequence, newspapers outside the United States, especially in the less developed or more distant countries, have tended not to be clients of the American news agencies even for news originating in the United States.

Second, there remains the inadequacy of news selection even where foreign newspapers subscribe to the American services. This has involved, on the one side, the selection and relative wordage of the files sent abroad by the American news agencies, and, on the other side, the selection made by the foreign editors after they receive the American news files. The two selective processes may merge when the American news agencies, striving to supply news which will be published, anticipate at the outset the taste which will guide foreign editors. Their taste in turn may reflect stereotypes about the United States. On this tendency the Special Committee on Freedom of the Press of the American Society of Newspaper Editors, reporting in June 1945 on its tour of observation and conferences in many countries during the preceding five months, remarked (after speaking of the selection of news by Tass):

"In fact, one of the chief complaints we found from our diplomatic and information staffs was that our own news services, AP, UP, and INS, were doing the same thing—sending out items which they thought would be used and displayed, in an effort to build up their services, without regard to whether the people of foreign countries were getting a picture of America and its news. Too often it is race riots, murders, Hollywood loves, divorces and so on which contribute to a distorted picture of America."<sup>2</sup>

In considering the export of news, it may be asked wherein, if at all, the American agencies are now at a competitive disadvantage in view of the abandonment of the old exclusive agreements, the change in the ownership and direction of Reuters, and the destruction in war of some of the European official and semi-official agencies, together with the shift in the position of the United States as a source of news of international interest.

<sup>2</sup> Reporting on India, the Committee said:

"Here, too, we found the OWI had made a serious study of AP, UP, INS, Reuters, and other agency material. They were disturbed because American agencies sent a file heavily filled with race-disturbance news, because Indian papers like to print those troubles; with American crime and other news of that type. The competition between AP, UP, and Reuters to get into print was having, in their opinion, a bad effect."

## Reuters

As to Reuters, it is denied that this agency receives any governmental subsidy.<sup>3</sup> Some advantage may still lie in the tradition of international news service, traceable in turn to Britain's position and overseas involvements. Locally and without prompting, British businessmen in foreign cities could influence an individual newspaper to subscribe to Reuters' service.

As for attitudes on the part of Britain's home press and of Reuters' management, one looks to the text of the articles of association which provide that the chairman of the Reuters trust shall be appointed by the Lord Chief Justice of England and that equal numbers of trustees shall be named by the Press Association and the Newspaper Proprietors' Association. The agreement (October 28, 1941) states:

"The Press Association and Newspaper Proprietors' Association hereby record their mutual agreement that they will regard their respective holdings in Reuters as in the nature of a trust rather than as an investment and hereby undertake to use their best endeavors to ensure:

- (a) that Reuters shall at no time pass into the hands of any one interest group or faction;
- (b) that its integrity, independence and freedom from bias shall at all times be fully preserved;

<sup>3</sup> Intimations about Reuters' service, however, continue to come from the field. Guy Ray, second secretary of the American Embassy at Mexico City, wrote on Sept. 26, 1944 (no. 22134): "The editor of *El Universal*, the oldest and one of the leading newspapers in Mexico City, remarked a few months ago to the press officer of this embassy that he had just signed a contract with Reuters for its news service. He added that he did not really need the service as he used almost exclusively UP news, but that the price was so cheap that he could not decline the offer. When asked about the price, he replied, 'Well, it was damn near nothing.' Mr. Ray said further: "So far as Mexico is concerned, at least, any argument that Reuters and the BBC are not British Government agencies is completely untenable . . ." It should be added that the sharpness of Mr. Ray's survey, entitled "Steady Increase of British Propaganda Efforts in Mexico", was offset by the remark: "There would seem to be no doubt that the American activities on the whole are greater in volume and more effective than those of the British."

Conditions in Paraguay were discussed in a letter from Asunción on Nov. 30, 1944 (despatch no. 304, enclosure no. 1), which remarked: "The British, although they have few interests in Paraguay, are stepping up their propaganda here. There is reason to believe that the Reuters News Service, which is allegedly 'sold' to one local newspaper, is, in fact, being given to that newspaper free of charge."

On the other side of the question of press-agency advantage, note the comment from Ambassador Bowers in Chile on Mar. 13, 1945 (A-119) on the treatment of an incident in an adjacent country: "Neither of our two great press services has seen fit to assign an American to Lima. Given that policy, we can only expect in the future the indifferent publicity we have had in the past."

(c) that its business shall be so administered that it shall supply an unbiased and reliable news service to British, Dominion, Colonial, Foreign and other overseas newspapers and agencies with which it has or may hereafter have contracts;

(d) that it shall pay due regard to the many interests which it serves in addition to those of the press; and

(e) that no effort shall be spared to expand, develop and adapt the business of Reuters in order to maintain in every event its position as the leading world news agency."

The note sounded in the last clause is emphasized by the preamble of the agreement, avowing the recognition "that the present national emergency and the uncertainties of the future render necessary special precautions to ensure in the national interest that Reuters shall be so established and consolidated that in every event it shall preserve its position as the leading world news agency."

The sense of responsibility implied in the quoted passages is an imponderable. Its active influence is not necessarily inconsistent with the declarations of the present Reuters executives (for example, Mr. Walton A. Cole, news manager, in a conversation with members of the State Department, November 15, 1944) that Reuters is now acting on the general principle that news must be paid for at the receiving end, not at the sending end.<sup>4</sup>

From the field come complaints about the indirect transmission of American news through London. Nelson T. Johnson, American Minister to Australia, wrote from Canberra on October 13, 1944 (despatch no. 917): "We have no news service comparable to Reuters, nor one that enjoys the world-wide communication facilities that Reuters possesses. The result is that to a very large extent news from the United States as collected by American news services tends to go

<sup>4</sup>An OWI report from its representative at Beirut, Aug. 10, 1944, said: "From some of the figures quoted to me at which Reuters has tentatively offered its service, it is obvious that they, too, are willing to take a loss if they can get British news presented in the press here. . . . Unless we Americans get busy, we shall find ourselves pretty much out in the cold if and when the end of the war brings drastic reductions in U. S. governmental propaganda activity in the Middle East. . . . I think there is an excellent opportunity here for some of the American commercial news agencies to move in and break the foreign propaganda news monopoly which characterized the news services of these countries before the war." He added: "However, the press here is not well enough developed, or strong enough financially, to make such a venture profitable on a purely commercial basis." Later comment from another source indicated that American news agencies did not see immediate opportunities in Syria and Lebanon, but Reuters began delivering a service to Beirut on Jan. 1, 1945.

The report of the Special Committee on Freedom of the Press of the American Society of Newspaper Editors noted that a leading executive of Reuters, in conversation in London early in 1945, "admitted the agency, in competition, would sell its services at a cost-price or less, in some cases, notably France and Belgium where the newly liberated papers could not, for the time being, pay costs."

first to London, where the most important consumer lives, and is thence transmitted throughout the Empire conditioned by such processes of selection and manipulation as the British news agencies such as Reuters give it."

## Press Communications Rates

Communications facilities and rates may be crucial, especially in the expansion of service into thin territory. In this connection, however, the supposed advantages that might come to Reuters from the Empire press rate of Cables and Wireless, Ltd. (established in 1928), have been greatly exaggerated. The flat press rate helps to offset the high general level of rates needed to conserve the cables in an age of wireless communications. The Empire press rate of a British penny a word on deferred press matter is available to all comers for service between points within the British Empire. Thus, news can be sent from anywhere in the Empire to Montreal, Canada, for 2 cents American money a word and thence to New York by Western Union at an additional cost of 1½ cents a word—a total of 3½ cents a word. The following table (supplied by a member of the Office of War Information staff in November 1944) shows the advantage of Cables and Wireless, Ltd., press service, in combination with certain American facilities, over direct service by American companies.

From	To	American companies	From	To	Cables and Wireless, Ltd.
N.Y.	Istanbul	14¢	Istanbul	N.Y.	7¢ (C-W* to London; P-W† from London to N.Y.)
N.Y.	Bombay	22½¢	Bombay	N.Y.	3½¢ (C-W to Montreal; W-U‡ to N.Y.)
N.Y.	Cairo	18¢	Cairo	N.Y.	5¢ (C-W to London; P-W London to N.Y.)
N.Y.	Sydney or Brisbane.	9¢	Sydney or Brisbane.	N.Y.	3½¢ (C-W to Montreal; W-U to N.Y.)
S.F.	Sydney or Brisbane.	5¢			
N.Y.	Beirut	20¢	Beirut	N.Y.	12¢ (C-W to London; P-W London to N.Y.)

\*C-W Cables and Wireless, Ltd.

†P-W Press Wireless, Inc.

‡W-U Western Union.

In certain places, an advantage for Reuters may have rested in the arrangements for internal distribution. Thus, in India a news agency that has had an exclusive agreement with Reuters has possessed the

only teletype news service in the country.<sup>5</sup> An American news agency was told that additional facilities were not available.<sup>6</sup>

A major development that helps Reuters is its use of a powerful group of short-wave transmitters at Rugby, England, owned and operated by the British Post Office. At the close of 1944, Reuters was using eight round-the-clock transmitters to broadcast news in Morse code in all directions from Great Britain. The multiple-address method was proving extremely economical. Ostensibly, the same facilities are open to American news agencies. But the facilities are limited and apparently not available in volume. (The Post Office has rented a few hours of use to OWI, to AP, and to UP, squeezing the broken periods of service, it is said, from tight schedules.) "Through these modern facilities," wrote an OWI observer in January 1945, "Reuters now literally sprays the world with news files and every new customer it can induce to pay for the privilege of using its products is, to some extent, simply adding to Reuters' clear profit."

What has just been said about the advantage to news agencies of cheap communications facilities leads immediately to a consideration of this matter, which ramifies into the question of American policy about the future development of short-wave transmission of news by multiple address and blends in the question of the future of international broadcasting.

## Press Communications Facilities Needed

The press needs communications facilities which will be economical, quick (not subordinating news to other material at higher rates), abundant (for otherwise legally promised equality is hard to maintain in practice), and universal in geographical distribution. Newsmen, whether agencies or individual correspondents, need to get their news into the United States from all over the world and they need to get it

<sup>5</sup> Ralph Block of the OWI wrote from New Delhi on Feb. 12, 1945:

"Reuters' copy in India is distributed over Reuters' own leased wire teletype system to Indian newspapers, commercial firms, certain Government bureaus and bureaus of the various Indian radio stations, and so forth. . . . Reuters and API are one and the same thing. API is simply the Indian domestic service of Reuters. Years ago, API was an independent agency, but it was bought by Reuters."

<sup>6</sup> An OWI report (via Army courier, Dec. 10, 1944) from the Bombay outpost covering the period September to November 1944 said:

"One of the gratifying signs of the times is the increasing coverage of American news by Reuters. Hitherto Reuters, which had had a virtual monopoly of foreign news in India, has limited itself only to American news of major importance with a British angle to it. News showing opinion divergent from British opinion was often untouched. In the past few months OWI pressure has caused far more complete coverage by Reuters of American news of a type unseen previously."

out. News agencies of this country, furthermore, wish to get news around; that is, the Associated Press, for example, wishes to be able to take news for sale from one foreign country to another.

A crucial question is whether cheapness, quickness, abundance, and universality require that the press shall have distinct, separate facilities, apart from any general communications and international broadcasting entities that may exist. This question must be considered in the light, first, of the proposed merger of international communications of the United States, and, second, of the possible use of direct international broadcasting facilities to send news by Morse code and by facsimile.

The factors that link the two sides of the problem—commercial telecommunications and broadcasting—are: first, the extent to which news is communicated by radio and outgoing news sent by the method akin to broadcasting which is called "multiple address"; and, second, the possibility that, by means of so-called "carrier shift" or "frequency modulation keying", the same standard frequency band can be used to transmit voice or music or facsimile on one side of the band and at the same time to carry news by Morse code on the other side of the band.

## Alternatives of Communications Merger

Before taking up the details, it is useful to list the alternatives in handling this complex of problems. They may be stated as a series of combinations. Within each, variations are possible which will not be stated in this preliminary survey. The order in which the main alternatives are given does not indicate preference nor does their listing here imply a judgment as to their practicability or desirability.

*Alternative I:* A telecommunications merger and a broadcasting merger, with the main press facilities (Press Wireless, Inc., presumably) attached as a press division to the telecommunications merger.

*Alternative II:* A partial telecommunications merger, separate press facilities (presumably Press Wireless, Inc., continued as an entity, with perhaps broader ownership, etc. to strengthen its press-serving character), and a broadcasting merger (the latter organization possibly providing incidental supplementary Morse news and picture transmission by multiple address).

*Alternative III:* Regardless of any telecommunications merger, and assuming the existence of separate press facilities (in the form of Press Wireless, Inc., or otherwise), a private short-wave broadcasting merger might be created (possibly providing incidental supplementary news transmission by multiple address).

*Alternative IV:* Regardless of any general telecommunications merger and assuming the existence of separate press facilities (in the form of Press Wireless, Inc., or otherwise), a public merger

might be created for the international use of the high radio frequencies. This might be operated as an entity or it might be conducted in two parts, as follows:

(1) A common carrier organization might operate the physical facilities, providing (a) direct international broadcasting, but only as an engineering service and without responsibility for programming, and (b) news transmission by multiple address by Morse and facsimile, utilizing the frequencies especially in providing news transmission to out-of-the-way places. This engineering organization would presumably be in the form of a government-owned corporation.

(2) A programming organization, providing balanced international broadcasting, especially by arrangements for the short-wave broadcasting (with due adaptation to various languages) of programs originating with the domestic broadcasting organizations in the United States, and with attention also to relayed medium-wave rebroadcasting and to recordings of domestic programs for use by foreign stations. An important point of variation would turn on the question whether the programming organization would be (a) a fully public body, or (b) a quasi-public agency (perhaps an outstanding individual) working as a virtual public trust in providing a central point of short-wave program planning and booking. A further important point of variation would be on the question of whether adequate financing would be forthcoming from private sources for international broadcasting of suitable amount or quality.

*Alternative V:* The foregoing alternative might be varied by permitting a split system, under which the privately owned short-wave stations would be returned to the licensees while the governmentally owned stations (and such private stations as the licensees might not wish to take back) would be administered by the double system just described or by a single public corporation.

*Alternative VI:* Regardless of any general telecommunications merger, the idea of any integration of short-wave broadcasting might be dropped, and the public stations built during the war might be disposed of among the licensees or otherwise, subject to the options in the contracts and leases under which the wartime pool of short-wave transmitters has been conducted.

In connection with all of these choices, the question of timing is important. Thus, the Government might operate, or for a time largely or even entirely support, an organization intended in the long run to be private and self-sufficient. Whatever the future form, it will be necessary to decide at what date in the war or post-war period the present arrangement for pooled use of the private and public short-wave stations is to stop. It is understood that the privately owned transmitters cannot be returned to their owners one at a time, since a clause in the contract requires equal treatment of all. This fact may hasten an ultimate decision especially if an economical Congress presses for the closing of some of the transmitters.

## State Department's Position on Merger

This memorandum is not concerned with a telecommunications merger as a problem of economic public policy. The views of the State Department were presented on April 3, 1945 to a subcommittee of the Senate Committee on Interstate and Foreign Commerce (appointed May 4, 1944 pursuant to S. Res. 187, 78th Cong., 2d sess.). Assistant Secretary Clayton stated that "in the view of the State Department, a complete merger into one company of our international telecommunications facilities, on the basis of our experience to date and the evidence at hand, is inadvisable."<sup>7</sup> Just enough will be said here to offer some historical background for the particular aspect that bears on the point here at issue: the need for distinctive provision of press facilities.

Proposals for a merger of the United States international telecommunications facilities have been heard since 1929 not only from elements within the industry but also from governmental sources. The Federal Communications Commission stated in 1935 that the advantage of unity in dealing with foreign communications monopolies warranted the enactment of a permissive law for the consolidation of companies "solely or principally engaged in the transmission of written messages by means of telegraph lines, cables, or radio" (H. Doc. 83, January 21, 1935, 74th Cong., 1st sess.).

<sup>7</sup> It is unnecessary to recapitulate the prior steps looking toward approval of merger which had taken place in the Special Committee on Communications (see minutes of the meeting on Oct. 8, 1943, of three meetings in December 1943 when industry spokesmen presented their views, and of the meeting on July 24, 1944, when the revised draft of Document 6 was considered) or in the State Department Committee on Post-War Programs (see minutes of the meeting on Oct. 20, 1944, when Document 6 was considered and certain general principles were endorsed).

The Special Committee on Communications, established on June 21, 1943, grew out of an interdepartmental meeting, Dec. 10, 1942, held mainly to explore the choices of policy that must be decided in preparation for the proposed inter-American radio conference scheduled for Rio de Janeiro in September 1945. The President had written to Chairman James L. Fly of the Federal Communications Commission on June 1, 1943, in reply to Mr. Fly's letter of Mar. 29, 1943. The institution of a committee under State Department chairmanship was approved.

The terms of reference of the Special Committee on Communications were: "to consider future international traffic by cables and radio; the possible merger of international carriers in telecommunications; possible adherence to the International Telegraph Regulations; the revision of existing telecommunications conventions and radio regulations and the preparation of peace and armistice terms as related to communications." The committee proceeded through a number of subcommittees: (1) peace terms; (2) global; (3) regional communications; (4) technical matters; (5) short-wave broadcasting; (6) aeronautical communications; (7) equatorial belt.

Early in 1940 the Commission reported that in its judgment: "The greatest guarantee of an efficient, broad and secure American communications system lies in the combination of a strong, thoroughly sound, and financially successful concern operating under strict governmental regulation in the light of national needs" (Appendix to Hearings before the Senate Committee on S. Res. 95, 77th Cong., 1st sess., pp. 450-481). The congressional act of March 3, 1943, in authorizing the merger of telegraph systems, excluded international communications; it required the Western Union to divest itself of ownership in the Atlantic cables. The Navy Department, which earlier through its communications chief, Admiral Stanford C. Hooper, expressed doubts about a merger from the standpoint of its effect upon radio development, has more recently become a strong advocate of merger, speaking especially through its new communications head, Rear Admiral Joseph R. Redman. At the meeting of the Special Committee on Communications on January 20, 1945 Rear Admiral Redman presented a plan, as follows:

"(a) That provision be made for the mandatory unification of all U.S. telecommunications facilities in the international field and the operation of such facilities by a single, newly established United States company.

"(b) That the single United States company thus established be privately owned but organized pursuant to Congressional charter and with such degree of continuing government control as to insure that its operation will be consistent with national policies and interests, particularly in the diplomatic and military fields."

### Arguments for Merger

In retrospect, the leading arguments for a general merger of United States international telecommunications may be summarized baldly under nine headings:

(1) The argument that the United States would be less at a disadvantage in dealing with foreign communications monopolies.

(2) The argument that economies would result from combined ownership and operations, with flexible use of facilities.

(3) The argument that frequencies, especially scarce in the ranges suited for long-distance business, could be conserved by using cables for much point-to-point traffic.

(4) The argument that the cables must be conserved for security reasons, if for no other.<sup>8</sup>

<sup>8</sup> In 1940 (according to an article entitled "United States and World Communications" in *Fortune* magazine for May 1944, p. 129), U.S. cables moved 106 million words, compared to 209 million sent by radiotelegraph. But in 1942, wartime considerations put cables ahead 267 to 167 million words. But technology is understood to be changing the factors of advantage, especially by the "scrambling" now possible.

(5) The argument that an additional reason for conserving the cables and operating them in close association with wireless is the fact that radio communication may have to be supplemented in bad weather.<sup>9</sup>

(6) The argument that unification would facilitate the development of the communications network with an eye to the national interest.<sup>10</sup>

(7) The argument that, as matters stand, none of the thirteen United States carriers now operating internationally is exclusively interested in *international* communications.

(8) The argument that unification would make it easier to dispose of the vast equipment developed by the Army Signal Corps during the war, which represents perhaps six times the value of the previously existing, privately owned equipment.

(9) The indirect argument that a merger might aid in the development of what is popularly referred to as an "equatorial belt" transmission facility or some other concerted plan.<sup>11</sup>

<sup>9</sup> On the other side of the question, spokesmen for Press Wireless, Inc., have appeared optimistic about their ability to handle their job by radio independently of cables. Interruptions are mainly in the spring and fall and Press Wireless maintains that means of control are being developed. Since curtains affect service in an east-west direction more than in a north-south direction, it is frequently possible to send a message north or south and then "bounce it back" to its original destination. Curtains last 18 to 24 hours, but Press Wireless indicates that it has encountered only about six complete curtains a year.

<sup>10</sup> The naval plan put before the Special Committee on Communications on Jan. 22, 1945, memorandum no. 71, stated ". . . since peacetime uses prescribe the pattern and impose limitations for wartime uses they have also affected our military communications problems in a very substantial degree."

<sup>11</sup> See the comment of Maj. Gen. Harry C. Ingles at the meeting of the Special Committee on Communications, July 24, 1944, when he spoke of the equatorial belt operated by the Army Signal Corps, the minutes noting that "the belt is stated to be the most efficient long-distance system available for the Army." The directive given to the "equatorial-belt subcommittee" of the Special Committee on Communications was to "plan a new method of transmission of fixed telecommunication by a trunk line theoretically around the equator or by a radio relay network among the centers of communications of the world for a saving of frequencies, speed and continuity of transmission and prevention of international competition."

Francis C. de Wolf, Chief of the Telecommunications Division, speaking to the Institute of Radio Engineers on Jan. 25, 1945, said (as reported in the State Department release): "We are considering means to assure radio services to certain points for twenty-four hours without interference from the magnetic pole . . . Our Government engineers are studying the possibilities of the so-called equatorial-belt system, and at the same moment they are busy with the consideration of a plan which, in their estimation, would be even better than routing radio waves along the equator."



## Reply to These Arguments

Against the foregoing arguments for merger, the State Department's present position as stated by Assistant Secretary Clayton on April 3, 1945 holds that the need for a monopolistic merger has not been proven.

"It is surely not too much to say that the burden of proof must be on those who would substitute monopoly for our traditional competitive system in any field, especially in a field where we have risen to preeminence under conditions of the keenest competition among our own enterprises. The fact that this competition carries with it certain evils is certainly not sufficient reason to abolish it; nor should the fact of competition from air mail suffice by itself to justify monopoly in our telecommunications. It is the competitive airlines that move the air mail and give the promise of its future development.

"Monopolies have the power to withhold improvements in service and the application of advances in the art. The Department believes that the best progress can be made by regulated competition, and that the regulation and the competition are both indispensable and complement each other.

"... The Department is not of the opinion that foreign competition is sufficient to prevent the evils of monopoly, because, except for a few cables, this competition does not touch the service to the American public. . . .

"Thus, if there was an American monopoly, the only competition with foreign interests would be a competition not in service, but in getting advantages in third countries, in most cases countries that are not in a position to build and operate their own facilities. It seems questionable whether the national interest is sufficiently involved here to justify creating a monopoly for the purpose of gaining an advantage in this kind of competition; nor is it by any means certain that it would confer an advantage. Some governments, sensitive of their sovereignty, might hesitate to grant concessions to a monopoly which had been formed as an instrument of national policy.

"The evil in the present situation that is perhaps alluded to the most is the way in which it is said to be possible for foreign interests to play competing United States interests against each other. Thus, R.C.A. has pointed to its 50-50 division with the Egyptian company of tolls on outbound traffic from Cairo, the benefit of which it lost when its competitor, Mackay, obtained entrance to Cairo only on condition it give the Egyptian company two-thirds of the outbound tolls. R.C.A. found itself forced to accept the same arrangement. I believe that by far the greater number of cases of this sort have involved competition between American companies rendering the same service, and therefore at the most would call for merging the competing companies rendering such service, so that the telephone, radio-telegraphy and wire services could continue to compete against each other."

Mr. Clayton in his testimony raised two questions in behalf of the State Department: "First, whether it is wise to undertake a drastic

reorganization, one that once accomplished will be very hard to alter, in perhaps the most rapidly developing of all industries, on the basis of an existing technological situation . . . The second is, granting the scarcity of frequencies, and the necessity of greater economy in their use, is merger necessary to achieve such economy?"

In answer to his own questions, Mr. Clayton said:

"Specifically, the Department suggests that in both these problems, that is, dealing with foreign interests and the technical problems involved in the efficient utilization of frequencies and coordination of radio and cable service, the remedy lies in unified control of policy at the Government level, rather than in unifying competitive operations. It is accordingly suggested that Congress consider the desirability of projecting into peacetime in some appropriate manner the functions now exercised by the Special Interdepartmental Committee on Communications, and the planning functions but not the wartime powers of the Board of War Communications.

"... The Department is of the opinion that no arrangements in international telecommunications should be undertaken which might have a tendency to hold back the development of radio, either for overseas or domestic uses. This means keeping wire services, both cables and land lines, separated from radio. Such a conclusion leaves open the question whether domestic and international services should be kept separate."

In conclusion, Mr. Clayton said:

"The Department of State is not able at this time to join in the recommendation for a complete or partial merger in our international telecommunications services. It is opposed to complete merger, and does not consider that an adequate case has been made for partial merger. If any merger is undertaken, it hopes that it will be so limited as to permit competition between the cables and radio-telegraph, and that such exceptions may be made, even to this rule, as to provide for special cases."

## Exclusion of Broadcasting From Merger

Regarding coverage of a telecommunications merger, it has been taken for granted that direct international broadcasting would be excluded.<sup>12</sup> This assumption was illustrated in David Sarnoff's letter to Assistant Secretary Long on December 27, 1943 (summarizing his suggestions about a merger in conversation on December 10): "Direct international broadcasting, which is a program operation wholly different from public utility communication service, should not be included in the new company."<sup>13</sup>

<sup>12</sup> Included among the services of the merger, as commonly viewed, however, would be point-to-point transmission or reception of international broadcast programs intended for local broadcasting either here or abroad.

<sup>13</sup> Communications memorandum no. 17, Sept. 20, 1943, of the Special Committee on Communications stated: "Broadcasting is not a public utility service

## Exclusion of Radiotelephony

As for international telephonic communication, it is sufficient to note—as background for the Department of State's position—the controversy that arose especially from the American Telephone and Telegraph view that it should be excluded. Thus, Walter S. Gifford, when speaking at the meeting of various industry spokesmen with the Special Committee on Communications on December 10, 1943, asked for the omission of international telephone, although he did not disapprove of the merging of the other facilities. On the side of inclusion, the Navy's proposals early in 1945 (as presented in the Special Committee on Communications, communications memorandum no. 71, January 22) have stressed the point that "the equipment and frequencies used for the rendition of record and non-record communications in the international field are to a large extent interchangeable."

Mr. Sarnoff, in the statement previously quoted that accompanied his letter of December 27, 1943, said: "Radio telephone, as compared with radio telegraph, makes relatively extravagant use of the spectrum . . . To maintain a twenty-four hour service over a given radio circuit, each communication company must have at its command a series of international frequencies." On the question of interchangeability, he wrote: ". . . Press Wireless, Inc., handles a large portion of its press communications service by means of voice communication; again with equipment, antennas, and personnel simultaneously furnishing world-wide radiotelegraph service. Tropical Radio Telegraph Company, serving Central America, also furnishes a combined international radiotelegraph and radiotelephone service." A further objection to the exclusion of telephone facilities was suggested by General Ingles of the War Department at the meeting of the Special Committee on Communications on June 27, 1944: "AT&T operates its international telephone service at a loss." He feared that the effect of throwing losing business on the proposed merger might be followed by the neglect of an unprofitable service.

But on the question of the inclusion of telephone service, Assistant Secretary Clayton testified on April 3, 1945:

"There is no separation at the present time between our domestic and our international telephone services. I see no reason why

under United States laws," adding: "So far as known, no private company anywhere in the world operates both communications and broadcasting." It is worth remarking in passing, however, that whereas a clear distinction has existed between public utility (common carrier) radio communications and broadcasting, the development of "carrier shift", with simultaneous use of the same equipment and frequency for simultaneous transmission of voice or music and Morse code news matter, may blur this distinction in certain respects, although it would not destroy the principle which underlies it.

there should be. Moreover, the Department would seriously question the effect on the telephone service of permitting it to be operated by a company that is also rendering other and competing types of service. When we have the best telephone service in the world it seems to me that it is a decidedly unattractive risk to put it into a common pot with the other services—and organizing them in separate divisions or even separate operating companies under one holding company, does not to my mind make the risk attractive."

The question of the exclusion of press facilities—specifically, Press Wireless, Inc.—from the merger has interlocked with the issue about telephones through the argument that the exception of the press would strengthen the movement for the omission of telephonic service, which in turn would destroy the logic of a general telecommunications merger and perhaps defeat the whole proposal.

## Separate Press Facilities and the Future of Press Wireless, Inc.

The Department of State favors separate treatment of press facilities. Assistant Secretary Clayton said on April 3, 1945:

"The Department also considers that the press services are a special situation because of the public interest in the receipt and dissemination of news. If all U.S. telecommunications facilities for the international transmission of news were in the hands of any one company, the freedom of the press might be jeopardized.

"There is in existence one company devoted exclusively to the press service, namely Press Wireless, Inc. Its record seems to indicate the advantage of a high degree of specialization in this field and to point to the desirability of leaving Press Wireless out of any merger that might be attempted."

But the matter remains sufficiently controversial to claim further discussion here. The proponents of a telecommunications merger disapprove the omission of press facilities while conceding the desirability of giving them a specialized and even a semi-autonomous position within the over-all international telecommunications organization. In an address on December 1, 1944, at the twenty-fifth anniversary of the founding of the Radio Corporation of America, Rear Admiral Joseph R. Redman, director of naval communications, said, in the course of his presentation on the desirability of a general merger:

"I am sure we can all agree that there is no more need for highly competitive services, such as the press, to establish and operate their own stations than there is for them to build and operate wire lines for telephone or telegraph. The communications companies should provide circuits and in order to do this efficiently there must be unification, thereby making the most effective use of the limited

radio frequency spectrum. We, here in the United States, must set the example and then induce the rest of the world to follow it. Our objectives must be to have the communications companies provide the circuits to the customers and then let them compete among themselves as to who scoops whom."<sup>14</sup>

On the same point, Mr. Sarnoff, in the statement attached to his letter of December 27, 1943 to Assistant Secretary Long, devoted Part III to the question: Should Press Wireless, Inc., be included in the merged company? In favor of including it, he remarked: "Even today radio telegraph carriers other than P. W. supply about one half of the press service to the newspapers and news agencies throughout the United States." But he also commented: "The handling of international press traffic is a highly specialized undertaking . . ." He took account of the fact that "single transmission to multiple destinations or addresses is a special development of Press Wireless, Inc." This led to his semi-autonomous prescription: "For these and other reasons, it would be desirable to maintain within the merged company a 'press division' for the specialized handling of press material, utilizing frequencies which would be made available from the increased pool of frequencies."

Ewell K. Jett of the Federal Communications Commission was apparently thinking along the same autonomous lines. At the meeting of the Special Committee on Communications on December 23, 1943 when spokesmen for various interests were present, Mr. Jett suggested that it would be possible to have a press section of the merged company comparable to Press Wireless.

The advocates of general merger are fearful about the omission of Press Wireless, Inc., not only because the loss would be serious in itself and might contribute to a contagion of separatism which would weaken or even defeat the merger itself but also from the standpoint of service to the press. They doubt whether the press would get as good long-run, over-all service from an entirely separate organization as it would get from a specialized department within a merger, which could draw upon the facilities of the combined system.

The vital question for the present discussion is the adequacy of future communications facilities for the press. What would be the effect of their inclusion in a general merger? What, specifically, are the objections of Press Wireless, Inc., to any form of association in a general merger? It is useful to approach these questions by a brief account of the rise of Press Wireless, Inc., as a peculiar press service. This will furnish a background for considering not only the opposi-

<sup>14</sup> It should be noted that advocates of entirely separate facilities for the press do not intend that individual newspapers or agencies should operate them but that a large part of the task should be performed by one specialized carrier for all who care to use it.

tion of Press Wireless, Inc., to a general merger but also its methods of multiple-address transmission of news in relation to future economy of high frequencies and the development of direct international broadcasting.

### Brief History of Press Wireless, Inc.

Press Wireless, Inc., was organized in 1929 and licensed by the Federal Radio Commission (now the Federal Communications Commission) to engage in broadcasting, manufacturing, and research. It was the outgrowth of the American Publishers Committee on Cable and Radio Communications. The latter had been launched in 1920 to study the communications problem of the press. A circuit financed by a number of newspaper publishers was opened at Halifax, Nova Scotia, early in 1922. Two years later it was organized as the Newspaper Traffic Board, Ltd., but the scope of its activities was soon blocked by other carriers.

In 1927 several newspapers filed separate applications with the Federal Radio Commission. At a hearing in 1928 the general problem was presented in behalf of the American Publishers Committee. The order of the Commission was construed to require the creation of a single corporation for news transmission as the basis for the assignment of frequencies. Press Wireless, Inc., was accordingly established on July 5, 1929, with five newspapers as its original stockholders. Its present stockholders are the *Chicago Tribune*, the *New York Times*, the *New York Herald Tribune*, the *Christian Science Monitor*, the *Chicago Daily News*, the *San Francisco Chronicle*, and the *Los Angeles Times*, with nominal stock participation by several news agencies—the Associated Press, the United Press, King Features Syndicate, and the North American Newspaper Alliance. Capitalized at \$1,000,000, the Press Wireless charter provides that "no one press interest" can hold more than 20 percent of the stock issued. At the present time, it is said, 85 percent of its revenue comes from non-stockholders. It transmits only messages addressed to newspapers, magazines, motion-picture organizations, or radio stations.<sup>15</sup> It has 700 to 800 accounts, not including its multiple-address subscribers, who number about 250.

Press Wireless, Inc., opened its first domestic and international circuits in 1930. It operated at a financial loss during its first five years, but began to get ahead in 1935. It is said to have paid dividends on only two occasions, when they were immediately reinvested. It has been active in the design and manufacture of special equipment.

<sup>15</sup> "Press", said A. Warren Norton, president of Press Wireless, Inc., before the FCC on Oct. 3, 1944 (docket no. 0651), "should embrace any communication intended for publication, whatever the medium (including broadcast stations, newsreels, and other media)."

Down to 1942 its earnings, however, came from its communications division. As evidence of its inventiveness, among other accomplishments, mention is made by its spokesmen of a speed of 800 words a minute attained on one of its news circuits. During the war, Press Wireless has dramatized its press service by its early establishment of transmitting facilities on the heels of the invading United Nations armies, as on Leyte and on the Normandy beachhead and subsequently in Holland and beyond.

Press Wireless, Inc., has pioneered since 1934 in multiple-address (multiple-destination) transmission of news, also called by the FCC "scheduled transmission service."<sup>16</sup> This principle applies to outgoing news, since news received in the United States comes almost entirely by point-to-point cable or radio. The president of Press Wireless, A. Warren Norton, remarked parenthetically before the FCC in a hearing on October 3, 1944 that "in one exceedingly important field of press communications, namely multiple destination, Press Wireless is the only United States carrier offering the service." Charges are made not by the word but by units of time—the minute. In December 1944 in a letter to a member of the State Department, E. J. Kerrigan, vice president of Press Wireless, wrote: "At the present time we are transmitting per year about 50 million words of multiple-address traffic. Such traffic is addressed on the average to as many as 15 points, which gives the effect of the amount of received traffic to be 15 times 50 million or 750,000,000 words of American news . . ."

### Volume of Press Traffic

The role of Press Wireless in news transmission is suggested in the following figures from a pamphlet distributed in its behalf early in 1945 under the title *The American Press and International Communications*.<sup>17</sup> In 1942 (the last year for which separated inbound and outbound data were available), Press Wireless handled 34 percent of the total outbound press wordage and 50.2 percent of the inbound press wordage of all of the American carriers. For these classes of service it received 24 percent and 38.1 percent, respectively, of all revenues for press traffic. This did not include multiple-address

<sup>16</sup>The risks of piracy in connection with multiple-address transmission of news for press agencies are belittled quite apart from legal provisions and methods of detection and enforcement, on the one hand, and of development of special equipment, on the other hand. A representative of International News Service told a member of the State Department staff on Dec. 14, 1944 that "four South American clients" had been obtained because they wrote to the INS saying that they had heard the newscast, believed it a valuable service, and wanted to know how much it was. He was not afraid of pirating.

<sup>17</sup>Prepared by L. G. Caldwell, counsel of Press Wireless, Inc.; distributed by the American Newspaper Publishers Association.

transmission. A further view of the volume of news transmission and of Press Wireless' relative role was given by Mr. Norton in his statement before the FCC hearing on October 3, 1944. "In 1943 press words constituted about 19 percent of all words sent out by all companies . . . Press-message revenues constituted about 8.9 percent of all message revenues." He went on to say: "The participation in this traffic by Press Wireless in 1943 amounted to 43.4 percent of all press words and 39.9 percent of all press messages received. If the radiotelegraph carriers alone be considered, Press Wireless in 1943 handled 67 percent of the press words and 74 percent of the press messages and received 54 percent of the revenues for such messages."

As for multiple-address traffic (not included in the foregoing totals), in 1943 Press Wireless transmitted a total of 39,004 hours and 55,693,333 words in the scheduled transmission service. "This volume is almost 50 percent," Mr. Norton said, "of the total point-to-point press words handled by all carriers, inbound and outbound, for the year 1943." In addition, Press Wireless conducted radio facsimile, radio photo and program transmission not capable of being expressed as a total of words. Of a total of 4,875 photos transmitted through radio and cable by all carriers in 1943, Press Wireless said it handled 67 percent. It claimed to its credit 417 hours of multiple-address photo transmission in 1943, being the only carrier that offered this service. In program transmission, Press Wireless, by its own estimate, carried 32 percent of the total, RCA 38 percent, and AT&T most of the remainder.

Press Wireless, Inc., asserts that it has helped to bring down the press rates. In some cases its influence is described as directly decisive. Mr. Norton said in the hearing before the FCC on October 3, 1944 (docket no. 6651):

"Until sometime after the First World War the press rate between New York and London was 10 cents a word. Due to the operations of Press Wireless and its Canadian affiliate, News Traffic, Ltd., the rate is now 3 cents a word via Press Wireless and 5 cents a word over the other carriers (with an exception in the case of Western Union for a customer having over 4 million words a year, in which case the rate is also 3 cents). The press rate to Chungking used to be 86 cents a word and to various points on the Chinese coast ranged from 40 to 70 cents a word. The Press Wireless rate to Chungking is now 8½ cents a word. Generally speaking, the Press Wireless rates have been only 60 percent of those of the other companies."

He noted the exception of one circuit on which the rates are higher in view of special reasons. The reaction of the multiple-address method of transmission has been especially strong. "Parenthetically," said Mr. Norton, "it was largely as a result of this service that the British merger established its extremely low press rate for deferred

press between all parts of the Empire, although the significance of this low rate has been greatly exaggerated in view of the delays and incompetent handling which accompany it."<sup>18</sup>

### Press Wireless' Statement of Its Needs

Press Wireless' needs as it sees them, on the affirmative side, fall especially under two heads. First, it would like to have more frequencies assigned to it. Second, it would like to have the United States Government secure by negotiation reciprocal privileges that would permit the "American press or its agents to own, operate or hire radio stations at reasonable cost for the reception of news only so that the American press can disseminate its news with freedom equal to that of the foreign press."

On the first point, Mr. Norton, in his statement before the FCC on October 3, 1944 (docket no. 6651) spoke of "the aim to make reasonable provision for expansion of our multiple-destination press service, now so badly cramped by a deplorable insufficiency of frequencies."<sup>19</sup> Press Wireless is understood to seek what will amount to 90 frequencies when used with the narrow spacing which it offers as one of its technical achievements. During the war, as the result of a slight reduction, it has been operating with 36 frequencies which may be compared with the 45 at more normal spacing for which Press Wireless is asking. The varying spread in kilocycles necessary under different types of use and equipment makes it difficult to compare available frequencies in numbers without qualification.

The request of Press Wireless for 45 frequencies seems entirely reasonable when compared to the 44 frequencies of the British Post Office which Reuters is reported to be using, in addition to the Reuters' traffic routed over the facilities of British Cables and Wireless, Ltd.

On the second point, the spokesmen for Press Wireless, Inc., on various occasions have stressed the fact that United States radio legislation does not require licenses for reception in the United States. A statement prepared by Press Wireless for a dinner meeting of news-

<sup>18</sup> At the meeting of the Special Committee on Communications on Dec. 23, 1943, it was pointed out that "the British Post Office, in its newscast traffic, does an excellent job probably on a paying basis". As to amount, the minutes say: "Its service is a little more extensive than that of Press Wireless, Inc."

<sup>19</sup> As matters stood late in 1944, Press Wireless, Inc., was apparently not able to satisfy all the demands that were being made on it. The vice president of the United Press told a State Department representative that the United Press could not serve afternoon papers in Sweden because Press Wireless had no facilities available at the appropriate time. Similarly, he intimated that facilities would not be at hand to fill the request of the Paris *Herald*, soon to resume publication.

paper representatives, held under its auspices on January 9, 1945, declared:

"Press Wireless, Inc., has been hampered in the expansion of its point-to-point circuit system<sup>20</sup> (1) by refusal of foreign carriers for the most part to engage in the operation of a press circuit and (2) by virtue of the fact that when said foreign carrier did agree to operation of such circuits his operational methods prevented installations on said circuits of the techniques and standards most suitable to press requirements . . . Press Wireless, Inc., would be better able to serve the press if there were established in the most important countries carriers owned and operated by the press or by Press Wireless, Inc., or its subsidiary."

The statement said that the State Department should be urged to inaugurate discussions with all non-reciprocating countries "to secure early privilege for the American press or its agents to own, operate or hire radio stations at reasonable cost for the reception of news only so that the American press can disseminate its news with freedom equal to that of the foreign press."<sup>21</sup> The State Department, it said, should be requested "on behalf of the American press to secure by treaty, negotiation or other means the right of the press of each

<sup>20</sup> On the value of radio news circuits, the U. S. Minister to Australia, writing on Oct. 13, 1944 (Canberra, despatch no. 917), said: "I feel it is essential to a wider and freer distribution of American news . . . that we endeavor now to enter into some agreement with the British Commonwealth of Nations for the opening of permanent radio circuits between the U. S. and the several autonomous parts of the British Commonwealth of Nations and a uniform press rate that would enable American news consumers in Australia to compete with news of the U. S. which now comes through London." He added: "We have no news service comparable to Reuters, nor one that enjoys the world-wide communication facilities that Reuters possesses." In this connection, note should be taken of certain temporary wartime radio circuits that have been opened, as with Australia.

<sup>21</sup> In the pamphlet, *The American Press and International Communications*, p. 37, the following statement was made about the matters discussed above, and related issues:

"About the most that can be hoped for by international agreement is an exclusive allocation of frequencies for press purposes. It may be that something can be accomplished through encouraging the publishers in other countries to persuade their governments to authorize organizations patterned on Press Wireless. The right of each government to control the use of radio receivers for the purpose of receiving news sent out by the multiple-address system is expressly recognized in both the International Telegraph Regulations and the Additional Radio Regulations, to which most countries are parties, although the United States is not. In the opinion of the writer, no harm, and possibly some good, can come from a proposal that the American press or its representatives should either (1) have the same rights of radio reception in other countries as the citizens of those countries enjoy in our country, or (2) the law should be amended in this country so that no alien will enjoy such privileges unless his country grants reciprocal privileges."

country (or of Press Wireless, Inc., or Press Wireless, Inc., subsidiary if the local press prefer) to own or lease radio-transmitting facilities to be operated as a common carrier to serve the press of the world in conjunction with other common carriers of press material throughout the world."

### Radio Superior to Cables

In opposing the inclusion of Press Wireless, Inc., in any general telecommunications merger, Mr. Norton has spoken strongly of the superiority of radio over cables transmission, especially from the standpoint of the press. "Cables," he argued before the FCC on October 3, 1944 (docket no. 6651), "connect with a few points only." He added, "Radio, by the device of forking or otherwise, can reach any point in the world, no matter how small is the traffic." It is also superior in that it can reach interior points and interior countries. Mr. Norton said: "It is not, I submit, within the public interest that communications to and from this country, press or private, should have to be relayed through a third foreign country. The United States is indebted to radio for its present relative independence from the dominance in international communications previously enjoyed by England.<sup>22</sup> Not only censorship but exasperating delays are involved." Inclusion in a general merger, Mr. Norton insisted, would mean return "to the evils which forced the creation of Press Wireless, the preferences which were given to private messages carried at a higher rate, the favoritism shown . . . the delays for as much as 24 and 36 hours in the transmission of news from important news centers, the unduly high rates, and the omission to afford the press a multi-destination or a multi-address service."

<sup>22</sup> In the pamphlet, *The American Press and International Communications*, p. 17, the following figures are offered to show that, by dint of radio and relatively untrammelled opportunities for development, the United States now stands first in international telecommunications: Cables before the present war—United States had direct connections with 28 foreign points, Great Britain with 46 points; radiotelegraph—United States had direct connections with 73 foreign points, Great Britain with 37; radiotelephone—United States had direct connections with 37 foreign points, Great Britain with 11.

The statement went on to say: "Radio communication (coupled with American domination of the transatlantic cables, a better than even position in its cable connections with South American, and a share in the Pacific cable—50 percent British, 25 percent U.S., and 25 percent Danish) has forced the British to take drastic steps, including the formation of a merger of most of its carriers in 1929 and, that failing to accomplish its purposes, a revision of the merger scheme in 1938 with the likelihood of a further drastic revision in 1945."

### Importance of Multiple Address

In extolling the superiority of radio to cables, Mr. Norton in the October 3, 1944 hearings stressed multiple address. He had previously referred at the outset of his testimony to Press Wireless' "unique character as a communications carrier devoted primarily to press because it handles so large a proportion of the total press in and out of the United States and because in one exceedingly important field of press communications, namely, multiple destination, Press Wireless is the only United States carrier offering the service." Continuing to draw contrasts with the cables, he said: "A second obvious fact is the advantage which radio offers over cable in the reaching of many destinations simultaneously with one act of transmission. This is the service variously referred to as multiple destination, multi-address, or, in the terms of our own tariff, Scheduled Transmission Service." He added: "This service is the principal means by which American news is sold and distributed to the newspapers, the radio stations, and other publication media in the rest of the world."

A further advantage of radio, Mr. Norton said, concerns the variety of transmission of which it is capable. "There is no existing cable adequate for the transmission of sound, voice, or music. There is only one cable . . . between New York and London capable of handling facsimile or radiophoto; to do this, it has to be devoted entirely to this single service to the exclusion of eight telegraphic channels of which it is otherwise capable."<sup>23</sup> Other advantages include ability to reach interior points directly, and mobility, illustrated in the following of advancing armies for reporting purposes.

### Fears of Government Regulation

A number of arguments are mingled in the case against inclusion of the press facility in any merger. In addition to sweeping assertions about the superiority of radio to cables, Press Wireless, Inc., appeals generally against the close government supervision which it believes a merger to imply; it fears the lack of inventiveness and of service that in its opinion attend all mergers and monopolies; it fears that press service would be penalized to carry the investment in cables. On these points, Mr. Norton said at the FCC hearing on October 3, 1944:

" . . . I believe that when Congress has been shown the radio communications needs of the press and the dangers inherent

<sup>23</sup> This cable, laid in 1926, was the most recently constructed trans-Atlantic cable. It is not denied that cables capable of the various services mentioned are technically feasible; the question is one of expense.

in government-controlled or a highly government-regulated monopoly, it will never approve one international merger, at least of the compulsory type. It is imperative that the press be free from censorship and close government supervision, and from the technical and economic control over press communications that would inevitably be lodged in a small group; from the inefficiency, the delays, the lack of public-service mindedness, the inertia and the failure to pioneer new services that have already been evident in the mergers with which we have had experience, and from the injustice of saddling the public with rates based on heavy plant investments in outmoded cables."

When Press Wireless objects to being absorbed in a general merger on the ground that the press would be subjected to governmental control, the contention seems strained. The proposal has been for a privately operated merger. Of course, it will be governmentally regulated. All communications facilities are already governmentally regulated, including Press Wireless; no one suggests that they should not be. As for securing advantages at the hands of private entrepreneurs and managers which governmental regulatory bodies will not give, Press Wireless has heaped up complaints against the managements of the cable companies and other privately owned telecommunications facilities for failure to recognize and to respond to the needs of the press for better communications. On the positive side, there is convincing evidence that governmental bodies in the United States are as deeply interested as the press itself in making possible the private gathering and dissemination of news throughout the world.<sup>24</sup>

Some of the news-agency spokesmen have opposed all merger. They like the present competitive situation, they say. Thus, at the hearing before the Special Committee on Communications on December 27, 1943, Mr. Goode of the International News Service stated that he now has "three American telecommunications companies to fall back on and might even get three despatches through on the same subject." But when Mr. Fly asked whether the news agencies, after 15 or 20 years, are satisfied with what they now have, the representative of the United Press stated that they are not satisfied with the outgoing service.

<sup>24</sup>The pamphlet, *The American Press and International Communications*, pp. 8-9, recalls that "Before 1921 . . . through the efforts of American publishers, Congress had authorized the Navy to handle press on the Pacific, and the Navy had instituted rates to and from San Francisco of 3 cents a word for Honolulu and 6 cents a word for Manila. This had a marked effect on trans-Pacific rates." This sort of incident is not the evidence referred to; it merely illustrates the spirit of collaboration in an objective that the Government has always recognized as one of the highest importance.

## Technical Superiority of Separate Press Entity

Press Wireless makes a strong case for the imagination and initiative in meeting press needs at press tempo secured through an organization concentrating on press problems, especially one based on press ownership. It makes a strong case against saddling the costs of press transmission by radio with the costs of carrying the cable systems. Especially it can be argued that multiple-address transmission—the dominant outgoing news conveyer already—should not be burdened; it should be allowed, under active and inventive management, to extend its service at the lowest possible rates, for both news and photo material. All this is cogent. The question is whether these advantages could be conserved by giving press service a special status in a merger. It is said that a press department could be created. It is said that the financial structure of the merger (presumably in the congressional charter itself) could guarantee that multiple-address transmission would not be involved in any responsibility for carrying charges due to the cables. A remaining question is whether it would be possible, under a merger, to continue cooperative press guidance and support, even if not press ownership. Would that be enough to keep the department on its toes as to press needs and opportunities for improvement? The prospects are doubtful, although it would be premature to declare that the door is closed.

## Radiophoto Service

Mention of radiophotos in the foregoing paragraph deserves further comment. The economy in multiple-address transmissions of radiophotos is striking. Thus in the fall of 1944 the Radiophoto Division of the OWI was using Bronze Network radio-transmission facilities under lease for blind transmissions from the United States. The Radiophoto Division was using these 4½ hours per day. Transmissions were made on beams to Northern Europe, Central Europe, North Africa, and South Africa and covered all receiving locations except those in China. A report at the time noted that "six pictures are transmitted in an hourly period and reception is reported as better than 75 percent effective, a total of approximately nine pictures being transmitted each day through a 24-hour period . . . If several stations copy the beamed signal, the transmission cost per picture may be fractionally divided by the number of stations copying it." But atmospheric conditions may at times make the rented time a total loss.

Certain other nations seem keenly interested in extending radiophoto service. Facts and impressions given by the OWI in the fall

of 1944 (memorandum from G. J. Hummel, chief of the Radiophoto Division) indicate considerable activity on the part of the British and the Russians. It was said that "Cables and Wireless, the British communications monopoly, is prepared to move into Europe and throughout the world with radiophoto equipment and highly trained engineers, sixteen of whom have been trained for the last four months on radiophoto installation and operation. It is not presumptuous to surmise that Cables and Wireless proposes to capitalize as quickly as possible on the experience OWI has given that company in our cooperative radiophoto operation with the British Ministry of Information . . . During our long and congenial and continuing radiophoto relationship with MOI, its directors have shown a marked inclination to try to outdo us in picture distribution." An example was given, as follows: "Expressive of MOI's desire to maintain British prestige abroad, MOI has transmitted from London to Buenos Aires more than one thousand pictures between D-Day and October 1, 1944 at a commercial cost of \$80,000, a sum three times as large as OWI's entire radiophoto budget for the same period."

With regard to the Russians, the memorandum states that "for more than a year Russia has transmitted over its government-controlled commercial radiophoto circuits \$8,000 worth of pictures per month to Stockholm, \$12,000 worth to New York, and a heavy daily service of unknown cost to London." Russia, the statement adds, has obtained a large amount of radiophoto equipment for installation in Europe. But the memorandum adds: "With all this extravagant expenditure neither Russia nor Great Britain begins to approach the degree of world coverage OWI has attained."

### Press Wireless as a Chosen Instrument

Assuming an independent news-communications facility, the door must be kept open for possibilities in the expansion of Press Wireless, Inc., or even a fuller corporate embodiment of the idea that it represents. One encounters the belief in some circles that Press Wireless is not fully and seriously supported by the American press, which, it is implied, developed it more as a threat to shake down rates than as a comprehensive and continuing service. From the same point of view, it is said that Press Wireless has skimmed the cream. This statement is attended by doubt whether Press Wireless could be relied upon to carry the servicing for news of the United States into the thinner territories of the world.

The foregoing viewpoints, based upon intimations and perhaps misunderstood, must at least be given due weight in planning for the future. They will affect the practicability of any solution which

seeks to build upon Press Wireless, Inc., either as a distinctive service confined exclusively to press needs, whether an autonomous department of a merger or outside, and wholly separate from international broadcasting or in combination with the physical facilities of the latter for the sharing of physical facilities and frequencies. Meanwhile they affect the degree of literal reliance which can be placed on Press Wireless' analysis of the problems.

But, on the other side, two things must be considered in addition to the fact that Press Wireless is a going organization which was set up by and is owned by the press elements themselves: (1) whatever the original motives, Press Wireless may well evolve with adequate support into a comprehensive service, not simply a lever on the communications companies; and (2) there has been a change of some of the leadership since Mr. Norton (who, as publisher of the *Christian Science Monitor*, had a background favorable to cooperative press action in promoting a truthful world-wide news service) became president early in 1944.

### Conclusions

The American news services have not reached papers in all parts of the world. Their ideal, as also their practice, forbids them to go where the service does not pay. It is assumed that they will extend their service by being able to cheapen it, and much of the cost lies in charges for carriage. Enterprising, responsible, cheapened service must spread news distribution even to thin territory. This will be the test.

From the standpoint of communication, the foregoing survey has emphasized three angles:

- (1) the importance of radio as a means of providing the press with a quick, cheap, abundant, and universal service;
- (2) the importance of multiple address in providing an outgoing service which will help the American news agencies in reaching papers throughout the world;
- (3) the value of a specialized press-communications service.

The hopes for a fuller spread of fast news service attendant on improved communications facilities may well be high. But, at the best, the commercial fast news files that will move through the world are not likely to supply the background, whole texts, and other materials necessary for an intelligent understanding and fair reaction in many foreign places.



## Part IV

# INTERNATIONAL BROADCASTING

**I**NTERNATIONAL BROADCASTING, broadly defined, comprises several types. (1) Direct international broadcasting normally requires use of the high frequencies (short wave), although in closely settled regions medium wave may reach adjacent countries.<sup>1</sup> (2) Programs produced in one country may be supplied by wire or wireless point-to-point transmission for rebroadcasting by medium-wave stations in other countries. Such stations may or may not be affiliated with the originating system. (3) A third main possibility is the export of recordings and script material for use by stations in another country. These programs may or may not have been performed publicly, in whole or in part, in the country of origin. In planning for international broadcasting as a factor of relationship among peoples, it is necessary to think of all of these methods in combination.

Direct international broadcasting presents the chief problems for early settlement. Direct international broadcasting has been attacked as wasteful of precious frequencies needed for other purposes. An additional technical difficulty stems from the geographical position of the United States in relation to the auroral zone when trying to reach a number of areas that are significant from the standpoint of broadcasting interests. This technical limitation, which also has political implications, will require the possession of relay stations outside the United States.<sup>2</sup> Commercially, direct international broadcasting had not been a paying proposition. But from the standpoint of international relations, short-wave broadcasting is a unique facility. By

<sup>1</sup> In the radio spectrum the frequencies between 4000 and 20,000 kilocycles are best adapted to long-distance transmission. By international agreement (last arranged at Cairo in 1938 but awaiting revision as soon as the war permits) 6 to 7 percent of the frequencies within the range indicated were designated for broadcasting.

<sup>2</sup> During the war, temporary facilities have been secured in North Africa. Although their principal service was to Germany, Italy, and France, they made possible relaying to Scandinavia, points in the Middle East, and other areas that otherwise would be difficult of access by short wave from the United States. The peacetime problem of a relay station in the Pacific is obviously simpler than for the region that has been indicated. OWI Algiers reached Moscow and Bombay. Press Wireless, Inc., has been relaying from Montevideo, Paris, and Manila.

it alone can the voice of one country be projected to a degree into another regardless of the latter's government. This fact in itself is ground for considerate treatment.

In December 1941 direct international broadcasting was less developed in the United States than in Great Britain and in the Axis countries.<sup>3</sup> Thirteen transmitters were owned and operated by six licensees: the National Broadcasting Company; the Columbia Broadcasting System; the General Electric Company; Crosley Corporation; Westinghouse Electric and Manufacturing Company; the World Wide Broadcasting Corporation. Associated Broadcasters came on the air in 1942. Construction during the war brought the total number of transmitters to about 40; the Government built 19 entirely and contributed the bulk of the outlay for three others. Roughly speaking, the private licensees from the beginning have spent \$2,500,000 for reasons of experimentation, public interest, desire to maintain private initiative in the field, and the possibility of eventual profits. The Government has spent about \$6,700,000 on construction and facilities in this country, while half as much again has been spent on equipment for use abroad. The Government's installations are newer and stronger. During the war the Office of War Information has arranged for the use of the private stations (retaining most of the private technical staffs) and has conducted all international broadcasting facilities in the country as a coordinated group, serving the OWI (129 daily program hours at the beginning of 1945), and the Office of Inter-American Affairs (39 program hours daily).<sup>4</sup> The Armed Forces Radio Service has used the same transmitters for broadcasting to American troops overseas. The number of the enemy's daily program hours has been much less than that of either OWI or OIAA.

At the beginning of 1945 the comparative volume of short-wave broadcasting was about as follows:

Country	Number of short-wave transmitters	Daily program hours	Number of languages
United States.....	39	168	41
Great Britain.....	35	105	40
U.S.S.R.....	20	73	28
Germany.....	16	80	37
Japan.....	8	48	22
France.....	4	14	16

<sup>3</sup> In the middle of 1942, Germany was reported to control 68 transmitters; Japan, 46.

<sup>4</sup> Of the stations, 18 were privately owned and located in private premises; 9 were Government-owned but located on private premises; 9 (not counting those in construction and a station at Honolulu) were Government-owned and located on Government property. In addition, some common carrier stations had been leased by the Government for use in broadcasting.

What is to be done about the ownership and conduct of short-wave stations in the future? Conflicting factors beset the choice including problems of governmental financial aid and degree of responsibility for programming. The choice is complicated by the question whether multiple-address transmission of news by Morse code can be related to short-wave broadcasting so as to take full advantage of the same frequencies. These elements of the problem have already been surveyed incidentally to a canvass of various major organizational alternatives in the fields of international telecommunications and broadcasting. The various possibilities may now be examined in more detail.

### The Case For and Against Retaining Direct International Broadcasting

The future concern of the United States Government about direct international broadcasting was signaled by the memorandum from President Roosevelt to Mr. James L. Fly, Chairman of the Federal Communications Commission, on November 16, 1943, calling attention to the post-war importance of direct international broadcasting in the following terms:

"If the principle of freedom to listen is to help in providing the basis for better understanding between the peoples of the world, it seems to me important that we lay the proper foundations now for an effective system of international broadcasting for the future years.

"I hope you as chairman of the Commission and as chairman of the Board of War Communications will endeavor to see that this matter is given thorough study by those agencies. The problem as to the scope of the physical set-up and of the type of control to be exercised will become important. In the meantime I will assume also that in your studies of the radio spectrum and in planning the allocation of radio frequencies you will need to make provision for this significant work."

The foregoing memorandum was not taken as a solution of the problem. Assistant Secretary of State Long wrote to Mr. Fly on January 14, 1944, acknowledging the latter's letter of January 12, saying that he was pleased to note the expression of Mr. Fly's belief "that the President desired only to make known his general determination that this country should have an effective system of international broadcasting for the future". The Assistant Secretary asked Mr. Fly to "accept the chairmanship of a subcommittee and through it direct the study of international broadcasting". He assumed that the study would not get into the field of the substance of such broadcasts, but, while exploring the "advantages which would result from it to the future security of the world in keeping with the peaceful aims of the

American Government," it would be advisable at this stage to give particular attention to problems of organization, equipment, costs, facilities, and the like, including future scientific developments, "these last particularly in collaboration with the technical subcommittees."

In the face of the demand for high frequencies for various growing uses, some engineers have belittled the future of direct international broadcasting. They have argued that as national broadcasting by medium wave develops, it will provide within each country better broadcasting than can be obtained by high-frequency broadcasting. So far as international cultural contacts are to be furthered by radio, moreover, those who would gladly abolish direct international broadcasting have assumed that the national programs can be transmitted by wire or point-to-point wireless or be sent as recordings to other countries, to be broadcast there by medium-wave stations.

### IRAC Report

Opposition to direct international broadcasting came to a head in 1944 in a report of the Interdepartment Radio Advisory Committee (IRAC).<sup>5</sup> The Committee said:

"With regard to international broadcasting, the Committee has recognized that the present international broadcast system is unsound from an engineering standpoint because of the number of stations which are crowded into the small bands now allocated and because of the consequent tremendous interference which exists between these stations. It is apparent to the Committee that an effective direct international broadcast service would require an inordinate amount of spectrum space. Because of the wide bands used for direct broadcasting and the inefficiency of the receivers in the hands of the general public as compared with those operated by common carriers or government operating agencies, it is estimated that, instead of the present 7 percent, more than 50 percent of the spectrum between 4 and 20 megacycles would have to be allocated to provide an adequate international broadcast service with a consequent dangerous restriction in the amount of space available for aviation, maritime, fixed and other international communications of the entire world."

The committee alluded to the need for four channels for each transmitter because of variation of propagation conditions in the high-frequency spectrum. It concluded:

"For the foregoing reasons, the Committee was unable to effect an allocation for the service of direct international broadcasting, and pending a decision as to the policy to be adopted, was required to assume that the relay method would be employed by stations operating in the spectrum space assigned to fixed services . . . .

<sup>5</sup>"Proposals of the IRAC for the Revision of Article 7 of the General Radio Regulations (Cairo Revision)," issued as exhibit no. 3, FCC docket no. 6651.

It seems doubtful that effective direct international broadcasting can be justified except at a dangerous expense to maritime, aviation, amateur and transoceanic communications services."

The drastic position of the IRAC technicians on direct international broadcasting in 1944 may have been due to an overestimate of the frequencies that would be required. James O. Weldon, Chief of the Communications Facilities Bureau of OWI, in a memorandum of July 14, 1944 to the Executive Director of the Overseas Branch of OWI, explained the assumptions behind IRAC's calculation, as follows:

"They based this (that is, the recommendation that no frequencies be assigned for direct international broadcasting) on the assumption that the United States would want to operate 36 transmitters, England as many, if not more, Russia the same number, and so forth throughout the other countries. They, then, arbitrarily multiplied the total number of transmitters by 4 frequencies and came to the conclusion that 40 percent of the spectrum between 4 and 20 megacycles would be required to accommodate international broadcasting. Mr. Jett pointed out that their analysis was very unrealistic, and I stated that the 36 transmitters of the OWI would be operated on approximately 65 frequencies and that therefore their figure of 4 frequencies for each transmitter was entirely out of line and could even, without further study, be cut in half and therefore the percentage of the spectrum required reduced to 20 percent."

### Reaction to IRAC Report

Against IRAC's drastic view, there was a general rally of support for direct international broadcasting. This was evident at a hearing before the Federal Communications Commission on October 5, 1944. From the governmental side, strong statements were made by the heads of the wartime informational agencies. Nelson Rockefeller, then Coordinator of Inter-American Affairs, spoke warmly of the fact that "short-wave radio broadcasting is an indispensable instrument in creating an understanding of the United States", and he went on to say that "direct international short-wave broadcasting is the only medium that is not subject to foreign censorship or control". The statement of Elmer Davis, OWI head, may usefully be quoted at length since its references to the press and other matters give perspective to the present discussion. Mr. Davis said:

"It is the conviction of the OWI that the national interest will require the continuance, after the war, of direct international short-wave broadcasting from the United States. This is said despite the fact that studies of this question by both private broadcasting companies and representatives of the Government have as yet come to no decision as to how such broadcasts should be organized and directed, nor indeed as to their volume and the nature of their content. There appears to be a strong preponderance of opinion, in

any case, that such broadcasting should be continued. For it will certainly be continued by other nations; and it would be a great mistake for the United States, at this time, to abandon the facilities that will be needed, merely because plans for their use have not yet been worked out.

"It cannot now be predicted to what extent voice broadcasts will continue to be the vehicle for news after the return of peace, nor how far short-wave transmission of cultural programs will be a factor in spreading a better understanding of the United States abroad; all that can be said is that both these types of broadcasting may be needed, nor can we afford to put ourselves in a position where we have no means to employ them when they are required. Also, there are likely to be occasions in the future, as there have been in the past, when the Government of the United States will find it to the national interest that our leaders should be able to address, directly, anyone in the world who is willing and able to listen.

"Certain factors put the United States at a disadvantage in direct international broadcasting—our distance from the more populous nations of the world, and magnetic conditions which make it difficult for us to reach some areas with an effective short-wave signal. It seems probable, however, that increased transmitter strength and the technical advances that may be expected will materially reduce these disadvantages. In this war, the Office of War Information has overcome them by maintaining relay transmitters in England and North Africa, from which programs originating in this country are rebroadcast by medium-wave to a far larger audience than could be reached direct. This is purely a wartime expedient; but it is not impossible that arrangements would be worked out for relays at certain points abroad in time of peace.

"I understand that a panel of the Radio Technical Planning Board is submitting to this hearing a recommendation that 56 frequencies be allotted to American international broadcasting. It is the judgment of OWI's technicians that this is the minimum required for adequate world coverage.

"We have come to that conclusion because we have learned to think of short-wave transmitters as vehicles not only for voice broadcasts, but for radiophoto and Morse code. The carrier shift makes it possible to use the same transmitter for both voice and Morse; and our estimate of the number of frequencies required is based not only on the probable needs of voice broadcasting but on those of Morse-code broadcasting, which promises to be the principal vehicle in the immediate future for the distribution of American news abroad.

"It is generally held, I believe, that our national interest will be served by a much wider dissemination of American news throughout the world than was known before the war. Our press associations, which will have the responsibility for this when the war is over, and indeed increasingly so in its later stages, are making preparations for a wide extension of their services abroad. OWI's wartime experience has shown conclusively that the most efficient and speedy method for transmission of news to a considerable number of overseas outlets simultaneously is round-the-clock Morse broadcasting—a conclusion evidently reached also by the British Reuters agency,

which has a powerful battery of transmitters used exclusively for distribution of news in Morse. They have found, as we have, that it is impossible to reach many areas with the requisite speed by any other means. It is possible that international agreements, at the end of the war, may arrange better conditions and financial terms for the transmission of American news over foreign-owned facilities; but these facilities would offer a far slower means of transmission than Morse broadcasts. Such an agreement, if it could be reached, would solve many of American communications problems; it would not by any means solve the problem faced by American news agencies, which must deliver their news on an up-to-the-minute basis if they are to compete successfully with foreign news services whose transmission facilities are already fully developed.

"I may seem, here, to have dealt with incalculables; I frankly do not know—nor does anyone else, yet—precisely what we shall want to do, or how much. But we are certainly going to want to do something; and it would be the height of folly to discard, now, the means of doing it—facilities which would always be reassigned if we should find that we had more than we needed, but might be impossible to get, or to expand, if we found in some future emergency that we needed them and didn't have them."

### Short Wave vs. Medium Wave

In the refutation of the argument that direct international broadcasting is unnecessary because United States programs can find outlets over the medium-wave stations of other countries, it may be answered that, even in a time of friendly relations, stations in other countries are not likely to make good listening hours available. Moreover, where reliance is on rebroadcasting locally of programs sent point-to-point, there is a strong risk of selection especially in the treatment of news or news commentary. One wartime example (reported in late 1944 by the Foreign Broadcasting Information Service) concerned the reception of British point-to-point news in Leopoldville, West Africa. The Leopoldville station took the first seven minutes of the BBC news but when seven minutes of Free French talks came for rebroadcasting, the local station substituted music.

Part of the potential emergency value of direct international broadcasting is posited on the assumption that it is the one method of communication with a people from outside which remains relatively open against the will of their government. Of course, governments can discourage, even forbid, the use, possession, or at least sale, of sets that are capable of short-wave reception. (The Soviet Union could substantially accomplish this by manufacturing policies.) But individuals determined to listen will contrive to secure or adapt sets—at least enough sets to provide foci of news. The technical question, then, is whether reception could be prevented altogether by jamming or

other deliberate disturbance.<sup>6</sup> In general, reports indicate that in the present war jamming has never been completely successful; the phenomenon called "skip-distance" helps to defeat it.

From the peacetime standpoint, short-wave broadcasting may be significant as the one method by which news can go to certain island and other remote areas—as in the Pacific—that have few or no newspapers, or to populations that cannot read.

### Size of Short-Wave Audience

In defending the need to provide in peacetime for direct international broadcasting, it is not necessary, nor would it be realistic, to exaggerate the number of listeners. Apart from disturbances in transmission, there remains the question of the number of sets capable of receiving short-wave programs that will exist in the post-war world. The factors at play are hard to weigh and compare. On the one hand, it is probable that both short-wave transmission and also receiving sets will be improved. On the other hand, technical advance and general progress will be attended by an improvement of local programs throughout the world.<sup>7</sup> The number of isolated areas dependent upon an external radio service will probably be reduced. No reliable estimate exists of the short-wave listening public of the world, existing or to come.

Wartime experience has possible long-run significance. During the period of German occupation in Europe, of course, there have been strong motives to secure and use sets capable of picking up distant programs, especially those of the BBC (so far as these could not be heard in medium wave). A confidential study for the BBC on "Wireless Receiving Sets in Europe" (BBC Special Series No. 6, dated December 13, 1943) leaves the strong impression that more sets of all

<sup>6</sup> Evidence of the possibility of at least partial interference was afforded in a report to the OWI by the United States Consulate General at Vladivostok when asked about the reception of OWI's new transmitter on Saipan, beamed on Japan. The reply stated that during the transmission a mechanical noise was heard which ceased when broadcasting from Saipan stopped.

A news item during the final western spring attack on Germany reported that "In a measure to counteract enemy jamming of American programs beamed to Germany, the Overseas Branch of the Office of War Information began yesterday to insert one and one-half minute German bulletins in its twenty-six broadcasts to foreign lands . . . carrying bulletins on so many wave lengths that the Nazis will be unable to cope with the situation." (*New York Herald Tribune*, Mar. 29, 1945.)

<sup>7</sup> Granted a motive, apparently, people will listen to distant short-wave stations even where there are many good domestic programs. J. S. Bruner and J. Sayre, "Short-Wave Listening in an Italian Community", *Public Opinion Quarterly*, winter 1941, vol. 5, no. 4, pp. 640-55, estimated that about a quarter of the population in this Boston community listened to the Rome station.

types, including medium-wave, existed on the Continent late in the war than had been assumed to be possible. For one thing, sets lasted longer than had been expected; for another, a surprising amount of ingenuity and determination developed in finding parts. As to short-wave reception, many comments in the report stressed the interest shown. Speaking generally, the report stated: "Peasants and poor working-class families have spent fantastic sums on buying first-rate short-wave receivers, on having sets converted to short-wave reception, and on replacing worn-out parts." The report summarized the situation country by country, with some specific references to short wave. "In Bulgaria, as in all Balkan countries," it was noted, "the short-wave habit is highly cultivated . . . . There is considerable evidence that Spaniards are now very short-wave conscious." By the end of 1941, it was believed that 75 percent of Swedish listeners had short-wave sets and were becoming "short-wave conscious."<sup>8</sup> In Germany itself, 5 million only of the estimated 15.8 million sets in existence were believed to be equipped for short-wave reception.

In countries farther from the war, lacking the acute motive of occupied countries to listen to outside news, short-wave reception has seemed less important and sets equipped for it are doubtless fewer. In Latin America (according to OIAA's "Confidential Report on Inter-American Communications") it was taken as "generally conceded" at the beginning of 1942 "that from 50 to 75 percent of the sets in the individual foreign countries are capable of receiving short-wave broadcasts and it is believed that approximately 10 percent of the radio listeners throughout Latin America regularly listen to short-wave." It was said that in some of the Caribbean countries "short-wave frequently is more commonly listened to than are broadcasts on the standard-broadcast band." Nevertheless, an OIAA Radio Division Manual dated June 1, 1943 stated: "It is realized that the listening audience of short-wave programs is limited." This comment led to the statement that the OIAA was encouraging the United States broadcasting systems to establish affiliated stations in the other American republics which would rebroadcast programs originating in the United States.

The quantitative aspect of short-wave reception is hardly the controlling consideration. In international exchange, to be sure, it is desirable that there should be mass contacts. Mention has been made of isolated or primitive areas where the populations may be almost solely dependent on radio for a knowledge of current events. But it

<sup>8</sup>In October 1944 (according to the OWI), the Swedish Gallup Institute polled Swedish radio listeners. It was found that 38 percent listened to foreign broadcasts. Three in ten Swedish radio listeners were accustomed to hear the Swedish "Voice of America" relayed by the BBC; two in ten listened to direct broadcasts from the United States.

is especially important that the opinion-creating and standard-setting groups throughout the world should be reached by programs that are properly and accurately interpretative of United States culture, current events, and viewpoints. Thus a relatively small number of habituated short-wave listeners in any country may be a significant link, justifying careful attention to the adequacy of the provision made for direct international broadcasting.

### Adequate Future Facilities for Short-Wave Broadcasting Recommended

On February 19, 1945, the Special Committee on Communications approved the following statement prepared by the Department of State:

- "1. Direct short-wave broadcasts originating in the United States should be continued after the war on a daily basis.
- "2. Facilities, both as to quantity and quality, should in general be as good as those of any other country."

The foregoing principle was recognized by the Interdepartment Radio Advisory Committee in submitting to the Secretary of State on May 21, 1945 a modified proposal for revision of that part of the allocation table, article 7 of the General Radio Regulations (Cairo revision), below 26 megacycles. The revision incorporated changes resulting from joint conferences of IRAC and the FCC. The letter of transmittal noted that "this revision includes bands for direct high frequency international broadcasting, a service which was not provided for in the original proposal of 15 June 1944." The letter, however, went on to repeat IRAC's doubts about international broadcasting based on its belief "that from an engineering standpoint adequate frequencies could not be allocated for direct high frequency international broadcasting without depriving other services of their needs." The letter concluded:

"However noting the principles adopted by the Special Committee on Communications of the Department of State that direct short-wave broadcasts originating in the United States should be continued after the war on a daily basis, and taking into account the feeling of the Commission that it is under obligation to indicate frequencies for direct international broadcasting, the Interdepartment Radio Advisory Committee in its table includes the bands for this service proposed by the Commission."<sup>9</sup>

<sup>9</sup>Under the joint FCC-IRAC proposal, international broadcasting would have six bands of frequencies, each 200 kc. wide. On June 20, 1945, the FCC held public hearings on its proposed frequency allocations from 25,000 kc. down. The international broadcasting channels were included in this group. No public opposition was voiced.

## Revised Frequency Requirements

It may be assumed that the rally of support for direct international broadcasting has assured it a future so far as the public policy of the United States is concerned. It is abundantly apparent that other great nations intend direct international broadcasting to continue so far as they are concerned. But the limitations must be reckoned with soberly. These limitations dictate economics that will be reflected in engineering decisions as well as in organization and finance. Note may be taken of some recent, still tentative, proposals for the allocation of frequencies. A discussion of this and related matters will serve as a passage to the questions of structure which have already been anticipated, and finally to suggestions about the content of international broadcasting.

An engineering subcommittee of the Special Committee on Communications on international short-wave broadcasting was appointed on October 23, 1944, with E. K. Jett of the FCC as chairman, and comprising in addition J. H. Dellinger of the Bureau of Standards, Commander Charles Horn of the Navy, and James Weldon of OWI. Its assignment was to "prepare an operating plan for post-war high frequency direct international radio broadcasting from the United States." The report built on the previous recommendations of a panel of the Radio Technical Planning Board.<sup>10</sup> The report of the engineering subcommittee stated in part:

"An engineering determination of the facilities required must be based on a program plan which will indicate the areas to be served and the time of service to such areas. Such a program plan for the United States was recently prepared by a group of the RTPB. Under this plan, most of the important areas of the world are provided service in their native language during the best listening period in each case. With this material it is possible to arrive at the technical facilities required to provide the program services. Competitive program service is not contemplated and, therefore, the technical facilities may be coordinated to make the most effective use of frequencies and geographical locations within the United States."

The subcommittee then referred to the RTPB panel's calculation that 26 transmitters, with a total operating time of 291 hours or ap-

<sup>10</sup> The Radio Technical Planning Board (RTPB) was established at a meeting on Sept. 15, 1943, sponsored by the Radio Manufacturers Association and the Institute of Radio Engineers. The Board comprises representatives of the following organizations: the American Institute of Electrical Engineers, the American Institute of Physics, the American Radio Relay League, the Frequency Modulation Broadcasters, Inc., the Institute of Radio Engineers, the Radio Manufacturers Association, the National Association of Broadcasters, the National Independent Broadcasters, and the International Association of Chiefs of Police. It acts through 13 panels.

proximately 11 per day for each transmitter, would require eight frequencies in each of the present high frequency broadcasting bands—a total of 56 frequencies (16 of them above 20,000 kilocycles and useful only for a limited time to certain areas). The report continued:

"Even with only 40 frequencies for the United States, it would appear that the proportionate requirements of the other countries of the world would demand widening of the present Cairo broadcasting bands. Since this would require taking frequencies from other services it is recommended that the high frequency direct international broadcasting service of the United States and the world be proportioned to permit its establishment within the presently allocated bands between 6 and 30 Mc."

## Sharing of Frequencies

The scarcity of short-wave frequencies and related factors have prompted suggestions for the international sharing of the frequencies. So far as sharing is based on the idea that international broadcasting of voice and music will be confined to a few hours' use by any country, it might conflict with the use of the same frequencies for news service, which must be more continuous. If news transmission (by both Morse and facsimile) is assumed to be important in the long-run dual use of the broadcasting frequencies, this consideration dictates caution in entering into arrangements for the international sharing of frequencies. It would probably not preclude such sharing altogether.<sup>11</sup>

Alternatively, some preliminary suggestions have been made for a "regional" plan of short-wave broadcasting, in case only very limited

<sup>11</sup> James Weldon, OWI engineer, offered a "plan for world-wide coverage by United States news and voice broadcasts", dated Jan. 17, 1945, which called for 44 frequencies (8 each in the 6, 9, 11, 15, and 17 megacycle bands and 4 in the 21 megacycle band.) It required 14 transmitters on the East Coast, 10 on the West Coast, 2 in North Africa, 2 at Manila, P.I., and one in Honolulu—in all, 29 transmitters. "In actual practice, the frequencies could efficiently be used in a single pool, from which to assign frequencies needed for the various transmitter groups, depending on the needs existing at that time." On the question of sharing with other countries, the statement read: "The 29 transmitters would operate 20 hours a day—a total of 580 hours. Time available each day on 44 frequencies is 1,056 hours. There would therefore be a theoretical balance of 476 hours of frequency use available for use by other countries. Actually only a portion of this time would be useful to any foreign country. Also, any time sharing of frequencies should be on a basis of U.S. priority, so that when a U.S. schedule change is made, any foreign station using one of the frequencies at a time conflicting with the new schedule would be required to move." Mr. Weldon contrasted his estimate that the 44 frequencies would be utilized approximately 55 percent of the time with the RTPB estimate of 20 to 22 percent use for 56 frequencies. The U.S. priority, he said, should extend to the five relay stations outside the continental United States.

frequencies are available.<sup>12</sup> Such "regional" plans would amount to a partial internationalization of short-wave broadcasting.<sup>13</sup> The memorandum submitted to the Special Committee on Communications did not show how the several centers would be organized, directed, and supported. There were vague arguments that the system "would provide a medium for world debate where all sides of a question could be aired," and that "such a system, if effective, would create a world system of broadcasting which will compete against national systems for listeners' attention." Each nation, it was said, would put its best foot forward to provide better programs, perhaps securing prestige through the rebroadcasting of its own domestic programs. These suggestions have far-reaching interest, at least as a line of development for some short-wave frequencies.<sup>14</sup> But without a plan for the financial support and international administration of the regional centers, the proposals remain unreal. Besides, the regional centers would hardly be free from control—at least in troubled times—of the country where they were located.

### Economy of Frequencies Through "Carrier Shift"

It is timely to pass to the possible economies that might result from the simultaneous use of frequencies for broadcasting and news transmission. An analysis of this point will further prepare the ground for a concluding discussion of organization and content.

<sup>12</sup> As set forth in the Special Committee on Communications memo 66, annex 4, Dec. 7, 1944, the nature of the proposal was sketched as follows:

"One such plan would provide short-wave broadcasting centers at suitable locations, geographically, technically, and politically. Each such center would be provided with the technical facilities (transmitters, directional antennas, frequencies, etc.) and would be connected by suitable wire lines, and in some cases maybe even by means of commercial radio circuits (which because distances would be relatively short would use the lower frequencies), to the neighboring countries. Such centers would be internationalized and the frequencies of such stations would not be credited or assigned to the country in which the Center is located."

<sup>13</sup> A recent but undated confidential memorandum by the National Broadcasting Company on the post-war future of international broadcasting alludes to the possibility of systematic exchanges of programs. It remarks:

"... such a systematic procedure requires in the first place an international organization, the efficiency of which entirely depends on the extent to which the national governments and broadcasting systems are impressed with the necessity of establishing this cooperation and on the willingness of the respective governments to create the necessary legislation."

<sup>14</sup> A limited but valuable phase for consideration in the development of the United Nations Organization is the possibility of a short-wave broadcasting service directly subject to it.

The action of the League of Nations may be recalled as a partial precedent. An investigation was begun in 1926, looking to the League having "at its dis-

Press Wireless, Inc., has experimented with carrier shift but the publishers and press associations who own Press Wireless are understood to be opposed in general to the idea of linking news transmission and direct international broadcasting. The reasons are in part a general defense of its own identity. Partly they seem to stem from the fear that international broadcasting, however conducted, will tend to utilize frequencies at the expense of press communications as well as telecommunications generally. In addition, the spokesmen of Press Wireless purport to see risks of government interference with the outgoing transmission of news in the combination of multiple address and international broadcasting. In this connection it can point to the frequent mention of the need for some form of governmental financial support for international broadcasting.<sup>15</sup>

Such arguments are natural. Needless to say, however, there has never been any thought of governmental interference through an arrangement which, if it were made at all, would be purely physical and intended primarily to broaden and cheapen communications facilities for the press. The crux of the issue that underlies the Press Wireless argument is essentially an engineering problem.

It is still doubtful whether carrier shift, with fast Morse over long distances, does not "degrade" the voice or music transmission so much

posal a radio-telegraphic station of its own, sufficiently powerful to enable it to communicate independently with the greatest possible number of States Members of the League." (See *Publications*, Transit. 1928, VIII, 3, 4, 5.) Construction was authorized by the Assembly in 1929. Because of the scruples of the Swiss Government, on grounds of respect for its sovereignty and its special neutral position, the station was built under agreement with the Swiss Government and Radio-Suisse, concluded in 1930. Radio-Suisse was to operate the station except in time of emergency, and even then conditions were attached. (See *Publications*, 1930, VIII, 2.) The emphasis was upon official communications rather than broadcasting.

<sup>15</sup> In the pamphlet, *The American Press and International Communications*, distributed early in 1945, the counsel of Press Wireless, Inc., wrote:

"Later developments, beginning with the Commission hearing last fall, have indicated that not only will international broadcasting not be abolished but, if certain Government agencies have their way, will be given so large a share of the high frequency band that the remainder, after filling the demands of the other contenders, will be far less than the minimum necessary for telecommunication including press, and grossly inadequate for even its present requirements, let alone its future expansion." (p. 33.) "... International broadcasting is not, and probably cannot be made, self-supporting and, on anything like the scale proposed, cannot be financed by private enterprise. The implications of Government operation or subsidy are serious since the undertaking may lead the Government into related activities such as the establishment of a news bureau or attempts to enter domestic broadcasting. The implications become even more serious when it appears that the proponents visualize international broadcasting as including the multiple-address press service hitherto carried on for the press associations by Press Wireless." (p. 35.)

that double use of the channel becomes impracticable.<sup>16</sup> In the opinion of some FCC engineers, no conclusive demonstrations of carrier shift have been made over long distances. There is urgent need for technical clarification. On the basis of existing knowledge, it is prudent to assume that, even if the double transmission is practicable over long distances without serious degradation, (a) the "spread" is considerable so that a fairly wide band must be used, and (b) the Morse code must be slowed down to 30 or 40 words a minute, in order to minimize the degradation of the accompanying words or music. On the other side, of course, it may be supposed in general terms that technical advance is likely to reduce, if not to remove, these difficulties.

A further doubt about carrier shift arises from the degree to which news will be transmitted in the future by facsimile. It is pretty certain that non-Roman material—and not merely languages like Chinese and Japanese—will be largely sent by facsimile; it is likely that the method will be applied widely to all copy. One hears of transmission at the rate of 400 words a minute by this method. Facsimile utilizes the voice-music side of the band. So far as facsimile becomes an outstanding news medium of the future, therefore, even this development may weaken carrier shift (assuming its complete technical success) as an argument for a physical combination of press communications and short-wave broadcasting.

But what about the full utilization of such frequencies as may be assigned to international broadcasting? If it should be found irremediably true that the transmission of voice or music is seriously harmed by carrier shift, even when Morse is sent at low speeds, the idea of a simultaneous double use of the frequencies should be abandoned. Otherwise, there may be a net social gain by the incidental use of Morse for news transmission. The broadcasting frequencies would thus be made a supplementary press facility.

Even without carrier shift, it is inevitable that some service might be rendered to the press. Frequencies allotted for American international broadcasting would be used only in peak listening hours, presumably not more than 6 or 8 hours per day to each language area. Various language areas would share the same frequencies, dovetailing available hours. Nevertheless there would be some unavoidable gaps in a broadcasting schedule which would occur at fixed intervals each day and might be used for multiple-address transmission of deferred

<sup>16</sup> A spokesman for Press Wireless sharpened its argument against combining news service with international broadcasting as follows:

"On the practical side . . . it seems not to have been appreciated that, in the present state of the art, the moduduplexing of international broadcasting and multiple-address press is not feasible unless reception of the press service is carried on by an experienced carrier with appropriate equipment." (*The American Press and International Communications*, p. 35.)

news files. The rates for this service should not be so low as to disrupt the attempts of the main press facility to service the newspapers at rates that cover cost and provide due leeway for technical experiment and reserves for expansion. The supplemental press service by the broadcasting organization should not be allowed to interfere with the main responsibility of providing a high-quality program for a limited period of time to each significant language area. But the word "limited", linked to the question of high quality of the broadcasting service, in itself indicates the extent of the correspondingly longer hours when the whole frequency may be available to provide a supplementary press service for those who wish to use it.

To summarize: carrier shift cannot be the organizing focus or central motive that should resolve the many problems involved in the possible interrelations of direct international broadcasting, on the one hand, and world-wide press service, on the other hand. In an agency that dealt primarily with press service, the channels would perhaps be used most efficiently by crowding through very high speed Morse, with the added possibility that some Morse could be sent when broad channels were used for facsimile. In connection with direct international broadcasting, carrier shift would have supplementary value. For if the frequencies can be used for Morse news transmission while broadcasting is in progress, so much the better; the result increases the services alternatively available to the press. In this minor sense, the possibility of carrier shift may be considered a criterion of future broadcasting organization.

## Requirements of Broadcasting Entity

The alternatives of future ownership and organization were listed in the preceding part of this memorandum as a number of possible combinations. The review of various factors which condition international broadcasting has prepared the way for a more detailed discussion of its structure in the United States.

Future organization must take care of two things. Physical facilities must be maintained, operated, and constantly improved. Programs must be provided. Both will cost money, especially the second, even with severely limited but high-standard objectives and the utmost attempt to draw suitable material from domestic broadcasts.

A return to the condition before the war is hardly desirable. The relatively large amount of new government-owned equipment is perhaps a minor factor in the decision. On the other hand, there is strong likelihood that the frequencies available for direct international broadcasting will be reduced, as indeed they should if adequate international broadcasting can be carried on with a net economy of frequencies.



## Views of American Licensees

It is useful at this point to review the attitudes of the seven licensees. Their viewpoints were expressed in replies during June 1944 to Mr. Fly's letter of inquiry of June 2, 1944 (sent in behalf of a subcommittee of the Special Committee on Communications), in which each licensee was asked:

"(1) Should U. S. international broadcasting be curtailed, expanded, or kept at the present level after the war?"

"(2) Who should own, control, operate, and program international broadcast stations after the war?"

"(3) How should international broadcast stations be supported after the war? Should sponsored commercial programs be permitted? Should they be encouraged?"

In reply to the question about the future volume of direct international broadcasting, none of the company spokesmen indicated that it should be reduced. The composite view was that it should be kept at the wartime volume, or even slightly expanded. Walter S. Lemmon of the World Wide Broadcasting Corporation wrote: "We believe that United States international broadcasting should be kept at about its present quantitative level immediately after the war and then expanded as the world needs may indicate the wisdom of such a course of action." The Crosley Corporation representative wrote that it "should be expanded", since it must be relied on "with all its severe limitations, as, perhaps, the only available means of disseminating American thinking and planning directly into the homes of the people of other nations." Associated Broadcasters, Inc., wrote: ". . . short-wave broadcasting should not be curtailed . . . the quantitative level should be frozen at the war-time maximum until later developments may justify further expansion." The vice president of the Westinghouse Radio Stations, Inc., wrote: "It is our present opinion that United States international broadcasting should be expanded after the war . . . during the immediate postwar period."

On the question of ownership, the expressions, on the surface at least, showed considerable difference of emphasis and to some extent of fundamental viewpoint. The National Broadcasting Company stood with David Sarnoff for some version of a single private government-subsidized broadcasting entity. The Columbia Broadcasting System, through Paul Keston, proposed a hybrid system: the Government would own, control, and operate enough international broadcasting transmitters "to express its views officially to listeners throughout the world"; the other stations would be returned to genuine private ownership and control, the ownership and operation being so divided "that it could be supported without great strain on any single licensee",

In such a hybrid system, Mr. Kesten said, "The Government stations must confine themselves to furnishing information, education, and government views, while the commercial stations furnish primarily entertainment and news." Other licensees, on the face of their comments, indicated a general desire for private ownership on the old basis. Walter S. Lemmon of the World Wide Broadcasting Corporation wrote: "We believe very definitely that the ownership and operation of international broadcast stations after the war should be in the hands of private companies as has been the custom up to date." The Crosley Corporation representative stated: "The fact that our present international broadcast transmitters carry identifications in the minds of listeners in other nations which associate them with private industry like General Electric, Westinghouse, Crosley, etc., is an important asset during the war, and should continue to be an asset after the war." This recommendation for private ownership was impliedly qualified, perhaps, in his comment: "If sufficient commercial application of international short-wave broadcasting is possible, it should be controlled by private industry." Associated Broadcasters, Inc., declared: "The present licensees should own, control, operate and program international stations after the war." Each, it said, had made a substantial contribution "not only in programming but also from engineering aspects". Westinghouse Radio Stations, Inc. (distinguishing long-run and normal needs from the immediate post-war period which will be marked by "complexity of the world picture and the need for a unified or well-organized approach to the problems facing us") proposed that "private industry should own and operate these stations" competitively, but "the control of the stations and their programs should continue for a while in some department of our Government."

## The Question of Financial Support

On the question of financial support, there was generally expressed belief in sponsored advertising and implied confidence in its growth with expanding trade relations, but considerable qualification as to hope of sufficient revenue from this source. The Crosley Corporation's letter declared that "sponsored commercial programs should be permitted, and not only permitted but encouraged"; but it added: "If the economics of private operation does not permit a full and proper exploitation of these facilities, we feel that they should be encouraged by some indirect subsidy, but only if private industry is not able to adequately finance a service that probably will never be profitable." Associated Broadcasters, Inc., approved sponsored commercial programs but also thought that "our Government should compensate international stations for such time as it may devote to programs for

selling good-will to the rest of the world." The Westinghouse Radio Stations, Inc., wrote that "during the immediate post-war period, international broadcast stations must necessarily be supported by the Government, which will be using approximately 100 percent of the radio time." Later and gradually, it was believed, support would come from advertising as trade developed. On this matter of financial support, the comment of the World Wide Broadcasting Corporation was suited to its own unique position as a recipient of foundation and other contributions. "In general," wrote Mr. Lemmon, "if international broadcast stations are to be privately owned and controlled, they should be supported by whatever particular method the individual licensee can work out providing the programs and methods of operation are in the public interest." Mr. Lemmon added: "The Government could broadcast certain programs of Government interest for which a reasonable time rate would be charged. This would in no way brand the station's programs as a whole as being government-controlled as long as the number of such government-sponsored programs did not exceed a small percentage of the total station time on the air."

Direct international broadcasting operations did not pay their way before the war, whatever may have been the long-run expectations of the licensees. Exact figures are lacking nor could sure conclusions for the future be drawn from them, since overseas advertising by radio had not been attempted for very long before the war. Suffice it to repeat that up to the outbreak of the war the owners of the short-wave transmitters were not profiting from these facilities. The president of one of the corporations is reported to have estimated that the then six licensees were spending about \$1,000,000 annually on their international short-wave operations and were taking in about \$200,000 from advertising. The viewpoint of one of the financial interests involved was reflected in the statement of the radio facilities engineer of the National Broadcasting Company at the hearing before the FCC on October 12, 1944. He expressed the belief that direct international broadcasting should be encouraged by the allocation of sufficient frequencies but he added this disclaimer: "I should like to stress that RCA (controlling NBC) has no very clear or direct financial interest in whether international broadcasting is maintained or not. We would not be backward in advancing our financial interest if we had any . . . it is also true that RCA (through NBC) owns some international broadcasting stations. However, their operation has never been commercially profitable in the past." In the same series of hearings the executive vice president of the Columbia Broadcasting System placed the claim of the licensees to resume international broadcasting after the war on an essentially non-commercial basis: "We are

asking for the opportunity to carry on international broadcasting at our own expense, and without the slightest hope of profit, to keep a vital democratic process alive after the war."

The prospects for profit may change. They are likely to improve greatly, however, only if there were international advertising of an amount, explicitness, and insistence that would have an undesirable impact upon listeners in many countries. Apart from public reactions abroad, such advertising would not be welcomed by the press in foreign countries. Where commercial advertising is legal and customary in the domestic broadcasting of any country, moreover, American advertising interests might well prefer to follow that outlet, either by purchasing time or by participation in the ownership of local stations. A further limitation upon advertising as a means of support for international broadcasting is the probability that the willingness of firms to invest in good-will advertising would fall off in slack times; yet it might be precisely in times of depression that international broadcasting would be most significant to the public policy of the United States. Apart from everything else, changes in taxation might greatly alter the present outlook for large outlays in good-will advertising.

In any case, the standards for direct international broadcasting from the United States must be stringent. No considered statement on this matter from any source has proposed to permit more than dignified types of "institutional advertising", presumably confined to the bare mention of the sponsor. The willingness of sponsors to refrain from control over the content of international programming is of course assumed; the assumption might be unjustified if the financial outlay were to be onerous.

Apart from the limited financial support for direct international broadcasting, scattered ownership and competitive service will be discouraged by other considerations. Even if there were the money to pay for competing programs beamed on each country or language area, there will hardly be the frequencies to reach all language areas at popular hours with duplicative programs. Even if there were money and frequencies, talent for the conduct of good programs in many languages will be too scarce to permit much duplication.

### Alternative Forms of Ownership and Operation

In view of the financial outlook, the shortage of frequencies and foreign-language talent, the consequent difficulty of duplicative programs, together with the delicate international considerations involved, ideally the future auspices for the conduct of direct international broadcasting from the United States should satisfy a combina-

tion of three requirements: (1) unity, (2) autonomy, and (3) regard for the unique international nature of the medium. These composite requirements furnish a background against which to consider the advantages and disadvantages of several alternative forms of ownership and organization.

**Alternative A.** One solution indicated by the foregoing considerations would be a private, limited dividend corporation in which the licensees would merge their present interests, which would be open to other investors, and to which the Government would lease the government-owned equipment for a nominal consideration. The proposed entity would conduct both engineering and programming. Its license would permit it to engage in sponsored institutional advertising, subject to stringent standards set in advance. It would be permitted also to render incidental news-transmission service so far as this would not interfere with broadcasting while economizing frequencies. Such press service would be supplementary to the main facilities available under other auspices for the press.

Governmental financial support of international broadcasting would probably be required. Two methods are available. One would be the purchase of time by the Government. This method has obvious advantages but it is subject to a double and very serious disadvantage: in order to meet the needs of the broadcasting entity, especially in immediate post-war years, the Government would need to buy so much time it would become heavily involved in programming and associated in listeners' minds with a program that it nevertheless did not control in its entirety.

The second method would be a lump-sum annual payment. It would be appropriated by Congress to the new company annually through an experimental period in recompense for the national service rendered by providing a specified high percentage of sustaining programs and by maintaining facilities and building an audience both for its long-run value to the United States and also for its availability in emergencies. It should be understood that the standards of expected performance would be high—to be outlined in the license and stated more fully in a code, perhaps developed by an advisory committee—but responsibility for the application of these standards would lie with the operating entity. The Government would not undertake to approve programs. In the case of emergencies the Government could make full use of the facilities. In ordinary times the program material provided directly by the Government departments would be of relatively slight extent and would be paid for at regular time rates from funds made available to the governmental agencies, such as funds that may be appropriated to the State Department in connection with normal informational and cultural activities.

## Government-Operated Broadcasting

**Alternative B.** Another method of providing concerted conduct of international broadcasting from the United States would be governmental ownership and operation. In addition to retaining the 22 transmitters it already owns, the Government might purchase or lease the other short-wave transmitters so far as the licensees did not prefer to convert them to uses other than direct international broadcasting.

For the purpose of conducting this system, the Government might either create a single government-owned corporation or, preferably, it might seek further managerial autonomy and enlarged opportunity for rendering incidental press service by creating a double organization.

(1) One unit (which presumably would be a government-owned corporation, although its over-all direction might be assigned to the Post Office Department) would operate the transmitters as a strictly engineering service. So far as the needs of international broadcasting allowed, this engineering unit would also make the frequencies available for outgoing news transmission at reasonable time rates.

(2) Programming would be conducted by a separate organization. This might take the form of a full-time director appointed by the President and Senate. He would be a person of outstanding reputation who would be beyond suspicion of bias. He would act in association with a broadly representative advisory board.

The programming organization would be supported mainly by congressional appropriations, although the use of sponsored advertising of the institutional type should be permitted.<sup>17</sup> The outlay by the Government would be kept to the minimum by drawing the programs largely from the various domestic broadcasting companies, with due acknowledgment. In addition, foundation and other semi-public support for various classes of international programs could be sought directly or through the various domestic companies. Occasional programs sponsored by Government departments, such as the Department of State, might be paid for from funds appropriated to such depart-

<sup>17</sup> Alternatively, it has been suggested that the central programming organization might be voluntarily created to act as a clearance point and umpire for all short-wave broadcasting. Such an office might be headed by an outstanding individual agreed upon by the various elements in the broadcasting industry which would form and finance a non-profit organization for this purpose. Under this arrangement there would be no governmental outlay for programs except in connection with occasional programs prepared by or for Government departments. The Government, through the operating entity already described, would provide the physical facilities. In support of the program, the central programming organization would seek to mobilize all appropriate elements of support, from foundations as well as the broadcasting companies, for the presentation of sustaining short-wave programs of suitable quality and balance.

ments. The programming organization would thus serve largely in the capacity of a cooperative booking office. It would be equipped to adapt domestic material to various language needs. Under these conditions, the domestic broadcasters would doubtless be glad to make their best and most suitable programs available; their broad obligation to do so would be assumed.

In addition to material for direct international broadcasting, the programming organization would provide recordings and script material for use by foreign medium-wave stations.

### Mixed Government-Private Operation

**Alternative C.** The third alternative would partly abandon the hope for concert in international broadcasting from the United States. It would create a split system, partly governmental, partly private. The privately owned stations would be returned to the licensees. The Government would retain and operate the stations it has constructed, together with any transmitters that the licensees or others cared to sell or lease to the Government, now or later.

Under such conditions, the separate licensees who cared to resume operations would unavoidably be limited in the frequencies that would be available. Sharing of frequencies among them would probably be necessary. But enough time could be given to each licensee to provide opportunity for experimentation, a little prestige, and the sense of contributing to the development of a medium and serving the public interest in international relations. The stations would be restricted to institutional advertising.

The public stations might be conducted either by a single public corporation or by the double organization described in connection with the foregoing alternative. An advantage of the double system might be that the existence of an engineering organization separate from programming might increase the incidental use of the frequencies for news service.

Such a split system presents obvious difficulties. With limited frequencies, wrangling might occur as to the assignment of the best hours, not to mention frequencies that would reach the best markets. Rotating assignments might be attended by so much discontinuity of service that it would discourage listening patronage.

The public programming organ in a split system would be at a serious disadvantage in securing the best domestic programs for adaptation. If the public organization were devoted to information rather than entertainment (a specialization of service mentioned by Mr. Kesten in his advocacy of a split system but not inherent in the plan), the public stations might be at a serious disadvantage in gaining audi-

ences. But the problem of utilization of domestic program material and talent, for adaptation and international use by the public system, is not insoluble. Apart from an obligation which might be imposed upon domestic stations in this regard, the public system might be allowed to engage in institutional advertising and thus to make arrangements with advertising agencies and others.

Governmental involvement in international broadcasting, seemingly unavoidable in some form and degree, elicits reactions abroad from which arguments can be drawn in two directions. In most countries short-wave radio is viewed as governmental. This is partly due to the operation of all radio by public agencies in so many countries; it is partly due to the deep impress of wartime propaganda.<sup>18</sup> There is much testimony to the effect that the short wave from the United States will be thought of as the voice of our Government and that we must build on that assumption. Some push the argument to the point of holding that, no matter how short wave is owned and operated in the United States, it will be regarded in most places through the world as governmental; and the Government, and not merely an individual concern or United States society at large, will be blamed for the faults, real or seeming. The other side of the argument is that it would be the private character of radio in the United States that would give it pulling power.<sup>19</sup> This assumes that the private character would be known. The argument adds that this pulling power would offset any

<sup>18</sup> Cyrus H. Nathan, field representative in Chile for the OIAA, in a letter of Jan. 15, 1944 in which he appraised wartime radio programs from the United States wrote: "The world's great powers, rightly or wrongly, have led all peoples (including ourselves) to believe that the voice of the short-wave radio is the voice of their national expression." Note, however, the story that the Canadian Broadcasting Corporation (a wholly public body) recently polled its listeners to find out whether they preferred "governmental" or private broadcasting; the returns were two to one in favor of "governmental". The CBC was disappointed that the margin in its favor was not higher. On checking with those who had voted against "governmental" broadcasting, some were found who said they didn't want the "Government" to broadcast; they wanted the CBC!

<sup>19</sup> Walter Lemmon, president of World Wide Broadcasting Corporation, replying on June 20, 1944 to the inquiry from Mr. Fly on behalf of the Special Committee on Communications, wrote:

"Regardless of the method of operation of international broadcast stations in other countries, one of the strongest points producing favorable listener reaction to U. S. stations is the common knowledge that they are not operated as part of the political system of the country but are truly representative of American thought irrespective of the political party in power at the particular moment . . . We feel rather strongly on this point because a short time after the Government took over the program operations of our stations in November 1942, reports reaching us through certain diplomatic channels indicated that the confidence of the tremendous audiences WRUL and our associated stations had built up in various parts of Europe quickly dwindled."

occasional slips that might be made from the standpoint either of good taste or national policy.

Probably the truth is that the appeal of short-wave radio among the opinion-influencing classes throughout the world will not be based on its ownership. It will be based upon the reliability of the radio news and news commentary. "Reliability" does not mean that either will be devoid of national orientation. Such orientation is expected and even desired by foreign listeners; the short wave will be listened to by thoughtful people in order to catch the American viewpoint. The radio will win and keep habituated listeners of this type as it earns a reputation for accuracy of reporting, which includes both factual correctness and also a valid reflection of contemporary American viewpoints on matters of interest elsewhere in the world.

### Split Private Ownership

**Alternative D.** Finally, mention should be made of the possibility of disposing of the government-owned equipment among the licensees in accordance with their options and of abandoning any effort to secure union in international broadcasting from the United States. Some degree of indirect concert might be promoted by a considered regulation of frequencies. But, in general, this alternative seems to slight the problems of financial support for broadcasting, economy in the use of frequencies, national interest, and the other factors that have been stressed in the foregoing analysis.

### Program Content

What would be the content of the direct international broadcasting programs?<sup>20</sup> Louis G. Cowan, chief of the New York office, Overseas Branch of the OWI, outlined a plan in a memorandum dated

<sup>20</sup> A recent INI outline for post-war short-wave programs mentioned the following headings (without going into the details here): (1) News (headlines in the U. S.; reactions in the U. S. to outside opinions and international events; editorial reviews); (2) public events and special features; (3) audience-building programs, including (a) those for entertainment only, (b) programs depicting the American way of life, showing democracy at work, (c) programs designed to suit tastes of various nationalities, (d) programs designed to exploit cultural differences from the point of view of their interest, value and usefulness as varying contributions to the life of all peoples, (e) programs designed to emphasize the things Americans have in common with other peoples, (f) programs designed to build self-confidence among peoples in lands where a passive and dependent attitude has been fostered by undemocratic governments, (g) programs emphasizing freedom of the individual, (h) programs containing educational material and informational matter designed to teach occupational methods, etc.

November 13, 1944. His suggestions were made at the request of a special assistant to the administrator who had been asked to canvass certain transitional and long-run problems. His suggestions are likely to prove too extensive for the means that will be at hand, but they are summarized here in the absence of the planning that must come when the main features of organization are known. Mr. Cowan's plan assumed 26 transmitters using 56 frequencies "with no other relays than American-controlled ones and with a government agency doing all the programming and producing." The further assumption as to objective was as follows: "The aim of this service as cut down to meet post-war conditions will therefore be to keep 'on the air', by means of voice broadcasts, an American news service to all those regions in which the Department of State shall judge that the United States has an interest." This objective, in turn, requires entertainment. "At any time of international strain, for which this service is primarily destined," stated the memorandum, "a spontaneous though small audience would exist for such broadcasts." If, however, it were decided by the Department of State that a permanent audience to such a series were necessary, it would be well to foresee framing the news broadcasts within a schedule of first-class entertainment programs, the only known way, under peacetime conditions, of ensuring a faithful radio audience.<sup>21</sup>

The plan proposed that broadcasting should be confined to the peak listening hours, which, with slight local variations (being a little earlier for the Scandinavian and later for Iberian audiences), would be from 7:30 a. m. to 9 a. m., from 12 noon to 2 p. m., and from 7 p. m. to 12 midnight—in all, eight and one-half hours.

The Department of State would indicate the languages to be covered. It was assumed that the following 13 languages at least would be necessary: English, French, German, Italian, Spanish, Portuguese, Russian, Dutch, Swedish, Norwegian, Danish, Finnish, and Czech and Slovak. The following were listed as doubtful: Hungarian, the Balkan tongues, the mid-Eastern tongues, and Afrikaans. The memorandum added that consideration must be given to the needs for Chinese, Japanese, Hindustani, and other Asiatic tongues and Spanish and Portuguese with Latin-American accent.

<sup>21</sup> On the question of future attention to entertainment, however, OWI statements in 1945 have tended to stress the need for a changed emphasis during the immediate post-fighting stage. Thus the budget justification of the OWI radio-program bureau stated:

"In the past a news-starved Europe was content to receive only news broadcasts . . . Now the presence of German occupation has been lifted and listeners in Europe will be able to tune in on their own radio systems. In order to keep an audience for official messages and for American views which the Voice of America presents, programming emphasis must change from views to features and entertainment."

As to subject-matter, apart from entertainment, it was recommended that "in order to give the world the American point of view three main subdivisions of program matter should be considered: (a) news, (b) news commentary, and (c) 'American background'". The news would consist of a crisp, accurate, complete file of all the happenings of the day, as speedy as possible but with speed, if necessary, sacrificed to accuracy. The ten-minute news commentary would be "the work of an outstanding commentator of the calibre, for example, of Raymond Gram Swing". It would be the same for all regions, with possible "freshening" as the area and time changed. This commentary would be read by an announcer who had perfect command of the language; he would give explicit credit to the writer, whom he would describe as "authoritative" but not "official". On this point the memorandum said: "The advantage of such an authoritative but unofficial speaker with by-lined commentaries is that he could, under guidance, go further than would an official spokesman, but official circles abroad would realize that he was expressing the point of view currently held but still unexpressed in Washington."

Fifteen minutes would be given to "American background", which, unlike the news and news commentary, would be regionally angled. "This part of the schedule," it was said, "would comprise American achievements in the realm of science, industry, the arts, social life, education, and other fields. It could include educational programs at the request of foreign schools and universities. Round table discussions would be a useful way of projecting our democratic practices."

On the entertainment side, the memorandum set down the elements suited to "reflect as an art form the spirit of America as well as its cultural attainments." These elements were: (1) symphony orchestras; (2) popular American music; (3) regional music ("expressive of the different musical forms typical of various sections of America"); (4) dramatic programs (but it was noted that "because of the atmospheric complications, these must take a new simplified radio form"); (5) entertainment request programs, which would be "super de luxe variety shows done at regular intervals and produced by the individual networks using their own stars"; (6) "letter from America" type of programs, including readings from classic American literature; and (7) comedy programs, in connection with which, in order to secure the idiom appropriate to the countries to be reached, "it would be necessary to import for specified periods of time nationals of other countries". The memorandum called attention to a vital point of possible difficulty: "Depending upon arrangements made with the unions and controllers of performing rights, these could be in many instances pre-recorded." The news and commentary would be woven into the entertainment shows, with the heaviest load of the latter at night.

As to the percentages of the various elements, the memorandum suggested that the informational section should comprise 60 percent and the entertainment section 40 percent of the programs. This breakdown would not be standard, however. The entertainment "would have to be of the very finest professional standards. It should be expertly conceived, written, and produced. More personnel, ampler facilities and consequently heavier expenses should be expected for the 40 percent entertainment than for the 60 percent information."

As has been said, Mr. Cowan's suggested plan is probably over-ambitious. The OWI and OIAA have been spending \$14,000,000 yearly on broadcasting in wartime. Mr. Sarnoff, thinking of early post-war needs, has implied the need for an even larger sum. But it would be more realistic to plan for an international short-wave broadcasting service costing four or five million dollars a year. Language adaptation (for introductions and for newscasts and commentaries) is costly; but many of the best features can be secured on a rebroadcasting basis. Furthermore, some of the more elaborate types of features are positively harmful because too far away from the idiom and tempo of the parts of the world to be covered.

In the face of the difficulties and costs of a really effective entertainment program conducted by short wave in many languages,<sup>22</sup> much can be said for confining short wave almost exclusively to news and news commentary.<sup>23</sup> To do so, of course, would tend to confine the appeal to the sophisticated but also influential classes, whose interest will cause them to listen. Some good music might also be provided, since this art form is nearly international. If this drastically economical policy was pursued, the "projection of the United States" as a culture might be sought, so far as radio is concerned, largely through the domestic medium-wave stations of the several countries, partly by rebroadcasting of programs transmitted to them point-to-point and partly by recordings prepared with due regard to the language, idiom, and complementary interests of the country in question.

It may be that as much as eight and one-half hours of broadcasting to each of the countries for periods in the morning, at noon, and in the

<sup>22</sup> During a period of 1942, the COI was providing only about 10 percent of the short-wave broadcast material. The remainder was privately provided. But the COI deemed it necessary to monitor (1) to make sure that its directives were complied with and (2) to make sure that foreign-language narrators were using the proper quality of diction. The mode of presentation in foreign-language scripts was so different that a special staff of foreign-language writers was needed. This proved expensive and beyond the capacity of the broadcasting companies themselves. (Based on Harold F. Gosnell's confidential history of the OWI, written for the Budget Bureau, sec. 10, p. 15.)

<sup>23</sup> But note the advice of Cyrus H. Nathan from Chile, in the letter already cited. "Very few of our radio programs are fun to listen to," he wrote, and he complained that we were "neglecting the lighter side."

evening is excessive. Perhaps there should not be more than one period a day for any country. The evening might be used for the more important countries (from the standpoint of the ramifications of United States policy and interests), with brief periods at good listening hours in the morning and at noon devoted to countries of lesser concern. The economical use of the transmitters and frequencies should be an influential factor. If the transmitters and frequencies could be used to advantage throughout the day for other purposes (for Morse transmission of news along with facsimile or photograph or possibly voice-music programs for rebroadcast by arrangement with radio stations abroad), there would be another reason in addition to production costs for confining international broadcasting to any area to a single period of news and news commentary with perhaps one brief but high-quality musical (or possibly "reading") feature interspersed.

In the last analysis, the case for direct international broadcasting in the present stage of the art and of affairs is a political case. The desiderata are those of national interest, international collaboration, and the rise of a world community.

### Recommendations

Other agencies than the Department of State are involved by law in the initiation and execution of policy regarding broadcasting. Short-wave broadcasting, however, touches foreign affairs in vital respects.

Earlier paragraphs have outlined several alternative plans of future ownership and organization of short-wave broadcasting. Advantages and disadvantages have been indicated; criteria have been suggested; the discussion as a whole has provided a basis for a tentative recommendation.

It is recommended that the Department take the initiative in setting up a working group under the chairmanship of the FCC and including representatives from the OWI, OIAA, Bureau of the Budget, and Department of State to resolve this problem during the summer of 1945 and to submit recommendations to the President for the attention of Congress.

In view of the relatively large expenditures for international broadcasting during 1941-1945, the present shrinking of these emergency needs, and the interdependent character of the transmitter contracts that makes piecemeal return of the leased properties difficult, an early decision is imperative on the post-war ownership and operation of transmitters for international broadcasting.

## Part V

### MOTION PICTURES

THE MASSIVE influence of motion pictures in building background impressions about the United States throughout the world involves the following elements: (1) commercial fictional motion pictures; (2) commercial films of a factual nature, including newsreels, shorts, and some films of documentary nature; (3) non-theatrical films comprising documentary, educational, instructional, and scientific films; and (4) in a minor degree (though outside the ordinary categories of motion pictures) film strips, which are a series of still pictures with an accompanying explanation prepared in advance and read in translation by a lecturer, although sometimes provided as a sound recording. The analysis of the role of all of these elements must distinguish production and distribution; the latter comprises commercial ("theatrical") and "non-theatrical" forms of distribution, each embracing many minor varieties of showing.<sup>1</sup>

From the standpoint of governmental policy for overseas information, the following aspects, especially, must be considered:

(1) The stake of the commercial motion-picture industry in export sales, its capacity for self-guidance in taking account of international considerations, and the governmental relations that may be involved in such developments.

(2) Supplementary, non-profit production or rescoring of documentary films, including the possibility of new types of organization and financing and the question of direct or indirect governmental assistance. An allied question, although in virtually a different medium, is the production of film strips.

(3) Distribution abroad, including the role of information officers attached to or associated with the diplomatic missions, and the supply of projectors and prints to them for certain types of showing.

<sup>1</sup> The *Public Opinion Quarterly*, summer 1944, in an article by Arthur L. Mayer that traces wartime uses of motion pictures, summarizes the situation in these words:

"In brief, we are witnessing the long-awaited recognition of the motion picture as a primary source of public information and education. A tremendous power for good or evil has attained maturity. A new industry, a new medium for mass appeal, a new technique of child and adult instruction is being perfected. Its influence on our present problems of war and the subsequent transition from a war to a peace economy will be profound. Its effect on the future is incalculable."

(4) Incidentally, as a minor but not negligible possibility, attention must be given to the contribution that might be made by international machinery for the exchange of films.

### Export Stake of the Motion-Picture Industry

The concern of the United States motion-picture industry in continued export is great. Its sales abroad (estimated by the industry at about \$90,000,000 annually) are said to amount to an equivalent of 30 to 40 percent of the gross revenue. Such sales are regarded as part of the anticipated revenue upon which production expenditures are estimated.<sup>2</sup> Spokesmen of the industry naturally stress the viewpoint that foreign sales are not clear profit, as seems to be assumed under the public policies of certain foreign countries. From this and other standpoints the question of dollar exchange has become crucial; and on this question the needs of motion pictures, as a commodity, interact as an economic problem with the needs of other commodities. The motion-picture spokesmen, however, are conscious of especial claims because they are selling a "way of life" (as it is sometimes put), which in turn promotes the sale of American goods generally.<sup>3</sup>

The effects of the unique role of motion pictures in presenting a "way of life" are not confined to the sale of goods nor can the American people be indifferent to the other aspects (notably the general picture given of the American people, which inevitably affects the prestige of this country abroad).

<sup>2</sup> The statement of the Motion Picture Producers and Distributors of America, Inc., entitled "Memorandum relative to the economic and political importance of the distribution of American motion pictures abroad and the restrictions now imposed on such trade by foreign governments" (transmitted to the Department of State by Mr. Will Hays on Oct. 13, 1944 along with a "Memorandum relative to the foreign exchange problems of the American motion picture industry") brought out a number of salient points about the industry's present view of the export trade, especially stressing the acuteness of the problem of "dollar exchange." This statement underscored the view that the margin of quality in American films is dependent upon the market spread made possible by foreign sales.

<sup>3</sup> This viewpoint was illustrated in a recent editorial comment in a trade publication (*Film Daily*, May 7, 1945):

"In order to combat restrictions, the American film industry will have to work very closely with the United States Government, according to foreign department executives. Without support of our Government, the film industry is likely to find itself heavily curtailed legislatively in its foreign markets. Managers of foreign, or international, departments believe they have a right to expect the aid of the Government on the sale of American pictures in foreign countries. The American picture, they point out, sells not only entertainment but a way of life. It has been called the greatest salesman of American goods. For these reasons, the Government has a direct stake in maintaining our foreign markets."

### Obstacles Imposed by Other Governments

There are three motives that are leading other countries to impose various restrictions and burdens on American films: (1) political and cultural reasons; (2) the encouragement of a domestic film industry; and (3) revenue. The American export trade is threatened by remittance taxes and other burdens and by restrictions and quotas of various kinds which compel the American companies to produce films locally, or at least to "dub" them locally, or force the showing of a certain proportion of domestically produced films. In the past the supremacy of the United States has been fortified by attracting here the budding stars, directors, and other persons of artistic promise who might have contributed to the motion-picture industry in their native countries. The result in itself, perhaps, has been a kind of internationalism. But in the future much of this talent will stay at home in lands where strong domestic production gets started.

United States films still have upwards of two thirds of the world's market; in some foreign markets the proportion is as high as 90 percent, but increased competition is encountered.<sup>4</sup> In the face of restrictions and competition abroad, there is active risk that parts of the industry may move self-defensively into fragmentary, exclusive agreements with foreign interests and governments.

### Content of Exported Commercial Films

The same big pictures are made for both domestic and foreign showings. One result of the overlap is that, even if by increased awareness and self-criticism the stereotypes or allusions that particularly offend other peoples can be eliminated (and the prospects for such elimination are bright), the pictures might still present to other societies what would seem to them a tawdry picture of the United States. In other words, it may be easier to get rid of insults to other countries than damage to the reputation of the United States.<sup>5</sup>

<sup>4</sup> In connection with the rise of foreign competition, note the following comments from among the replies of our diplomatic missions to departmental circular instruction of Feb. 22, 1944 that raised questions about "American motion pictures in the post-war world": From Paraguay (despatch no. 74, Oct. 3, 1944), "American films have been accepted heretofore because they had little or no competition, but this does not mean that they have been satisfactory to their audiences. The success of the Mexican films has not only been artistic, but also propagandistic." And with the advice from Sweden (despatch no. 4183, Sept. 28, 1944) to avoid gangster films, came the warning that "the Swedish film industry is growing and improving."

<sup>5</sup> The Motion Picture Production Code has clauses specially condemning slights to other peoples and governments. What is said in the text about the progress that is being made in getting rid of stereotypes offensive to other countries is



Illustrations of foreign reactions may be drawn from the replies from the missions to a departmental inquiry to the field on February 22, 1944, asking certain questions about "American motion pictures in the post-war world."<sup>6</sup>

From Australia it was reported (despatch no. 836, June 7, 1944): "A country boy or girl could not be blamed for thinking that the majority of Americans are engaged in crime or frivolity."

The Chargé d'Affaires ad interim wrote from Morocco on November 6, 1944 (no. 2445):

"Probably the most powerful media of information are the motion picture and the radio. To any American who lived abroad before the present war it will be only too obvious that American pictures were of such a character as to convince foreigners that we were largely a nation of morons and gangsters."

Of the Iranian market it was said in a 1945 information intelligence report:

"Unless some control is exercised over export of American commercial films, official efforts to maintain a cultural relations program are futile. The representation of America through educational pictures is contradicted by the large volume of gangster and horror film poured into the Iranian market by commercial companies."

From New Zealand (despatch no. 151, June 15, 1944):

"New Zealanders usually ask why they can't have films showing everyday life, not the so-called 'Hollywood version' of the war propaganda type."

An important corrective possibility was suggested in the comment from Honduras (despatch no. 935, April 4, 1944) that—

"Probably the most effective type of picture in fostering an interest in and admiration for the United States in the historical drama portraying the early development of the country."

not intended to minimize the difficulties of eliminating the subtler forms of offense which result from a merely superficial understanding.

<sup>6</sup>The replies were compiled in the International Information Division. It should be pointed out however, that the departmental circular of Feb. 22, 1944 (file no. 800.4061—Motion Pictures 409.A) was not projected by the divisions of the Office of Public Affairs. It was addressed essentially in terms of the progress of the industry abroad. It contained the following comment:

"The Department feels, however, that it is particularly important at this time that you should fully understand the value of the American motion picture to the national welfare and the importance that the government attaches to the unrestricted distribution of American motion pictures abroad. Especially in the post-war period, the Department desires to cooperate fully in the protection of American motion pictures abroad. It expects in return that the industry will cooperate wholeheartedly with the government with a view to insuring that the pictures distributed abroad will reflect credit on the good name and reputation of this country and its institutions."

The pictures that bring an undesirable reaction abroad may not lack popular appeal.<sup>7</sup> Indeed, their harm to the United States may be increased by their interest. From Syria came the comment (enclosed with despatch no. 393, June 1, 1944): "To a Damascus audience . . . a film furnishes entertainment of the cowboy-gangster-chorus beauty type, or it has little interest." The writer added that such films are what the people are used to and fall in with what they assume about the United States. Some governments have begun to bar this type of film by censorship controls.

### Proposed Motion-Picture Export Association

The export interest of the industry is obvious.<sup>8</sup> Note should be taken, therefore, of various ways in which the industry might organize in view of the problems that are faced abroad. The question is asked here, of course, from the standpoint of long-run reactions upon the balanced portrayal of American society as a whole.

The industry has incorporated an export association, pursuant to the Webb-Pomerene Export Act, which permits the Federal Trade Commission to license such entities. The movement for a motion-picture export association was directed by a committee headed by Mr. N. Peter Rathvon, president of RKO. "The new organization," it was said in a trade-journal item in May 1945, "will be established in a manner to permit all American motion picture producers to participate. It will

<sup>7</sup>Criticism from the field is not confined to films about luxury. Thus a statement from the mission in the Dominican Republic (despatch no. 1692, Apr. 19, 1944) remarked:

"While a film such as *The Grapes of Wrath* may be generally hailed, and justifiably so, in the United States as an important social document, the effect of its showing abroad to audiences who have no understanding of the background or reasons for its production may well be a matter for serious consideration. Other films of the type of *Tobacco Road* which offer a portrayal of the seamy side of American life leave definitely bad impressions."

The problem of foreign showings, of course, is in large degree the absence of a general frame of reference by which to judge the normality of the type of situation presented on the screen.

<sup>8</sup>On May 23, 1944, Mr. Carl E. Milliken, manager of the International Department of MPPDA, wrote to the head of the Telecommunications Division referring to "the rising tide of restrictive legislation abroad", transmitting a memorandum "listing in specific detail the types of legislation that now impede the foreign distribution of American motion pictures and the countries in which such restrictions are in force." It was said that—

"This memorandum is intended primarily to provide a background of information for the Department as a whole and a basis for discussion of specific steps that may be taken by the Division of Commercial Policy with respect to treaties, trade agreements, etc., and by other Divisions in so far as relief cannot be obtained through treaties and trade agreements."

be headed by a full-time executive to be chosen later."<sup>9</sup> The objective of the association was stated by Mr. Rathvon as follows: "Formation of the export association is considered as a protective measure in order that the industry might be ready to function in any territory where legislation has been or may be enacted which makes it impossible or too difficult to do business on a competitive basis."<sup>10</sup> The context of the quoted remarks made it evident that the Italian market had presented an immediate situation of the sort aimed at in the planning for the association. The news item noted that "apparently satisfied with the State Department action in Italy to knock out the Fascist-imposed film monopoly and other restrictions on American films, the industry has dropped its plan to set up the first unit of the Export Trade Association in that country." The item added, however, that "major companies are proceeding with the formation of a master organization to act as parent corporation for any or all countries where needed."<sup>11</sup>

It will be observed that the role forecast for the export association is aimed at penetrating legally restricted markets.

Conceivably, an export association of some kind could be developed into a device whereby the industry cooperatively could select films for export. It could concentrate upon a balanced fare of the best films. They would be selected with an eye to intrinsic excellence. Some attention might be given to the elimination of those which might be misunderstood by audiences which lacked the background of acquaintance with the United States which enables a home audience to discount much of what it sees. An export association might equalize the consequences of such a selection.

But suggestions for the foregoing type of industry-wide selective export collaboration are hardly realistic. Moreover, like the suggestion of an export association itself, they encounter criticism from those who feel that the industry should be even more flexible and competitive than at present.

<sup>9</sup> *Motion Picture Herald*, May 26, 1945.

<sup>10</sup> *Film Daily*, May 18, 1945. The item stated: "Presidents of the major companies met yesterday with foreign managers to consider draft agreements covering formation of the export association under the Webb Act." *Variety*, June 6, 1945, stated: "Although there has been considerable talk off and on about a united front for operations in foreign lands, this is the first time the American film industry actually has set up the machinery for a united front."

<sup>11</sup> A news item in *Film Daily*, May 1, 1945, which forecast that Italy would be "the first country in which the industry's export trade association now being organized and incorporated will handle distribution or at least some phase of it for all major and independent companies," asserted that the OWI "has recommended that the operation be turned over to a single unit at least for an interim period."

The structure and practices of the industry are being tested again in suits brought by the Department of Justice.<sup>12</sup> The issues are expected to go to trial in October 1945. While these actions are pending, and in view of the policy of the Department of Justice, comment here would be inappropriate. In any case, the bearing of the pending anti-trust action upon the international flow of films is indirect. The ideal behind the Government's suit is a flexible situation in which exhibitors who are close to their audiences will be free to select from among the whole range of producers at home and abroad films that they think will please their audiences. On the international side, the assumption is a double one. First, on the export side, it is implied that a more fully competitive and flexible condition in our domestic industry would result in freedom on the part of foreign exhibitors, which in turn would discourage the forcing of inferior films upon theaters abroad.<sup>13</sup> Second, on the import side, it is assumed that, with less domestic ownership of theaters by the major companies, there would be greater scope for diversity and selectivity which in turn might be reflected in greater use of foreign productions. The foregoing, it should be said, are ideals and long-run expectations. The effect upon the representation of American society through the outward flow of motion pictures would at best be indirect and slow.

## Government-Industry Cooperation

It is appropriate here to take account of the implications and possible long-run uses of a type of wartime machinery intended to further an appreciation of the needs of the export market from the standpoint both of the industry and of international relations.<sup>14</sup> The

<sup>12</sup> The consent decree of Nov. 20, 1940 (which ended the Government's action at that time against the five major companies, civil action no. 87-273 in the District Court of the U.S. for the Southern District of New York, *U.S. v. Paramount Pictures, Inc., et al.*) stipulated:

"Nothing contained in this decree shall apply to operations or activities of any consenting defendant outside of the continental United States or to operations and activities of any consenting defendant within the continental United States in so far as they relate to the distribution or exhibition of motion pictures outside of the continental United States."

<sup>13</sup> The argument here is based in part upon the tendency of major companies to acquire ownership of theaters abroad. It may be remarked in passing that the interruption of this tendency might have the immediate effect of curtailing the volume of foreign exports, whatever might be its effect upon the quality and interest of the films exported.

<sup>14</sup> It is unnecessary to speak here of the work of the OWI in Hollywood or of the War Activities Committee of the industry. By means of the latter committee the industry has been mobilized to produce many "shorts", needed by the Government in aid of the war effort, and to enlist artists in connection with various cam-

Office of Inter-American Affairs during the war has put a great deal of its effort into making Hollywood aware of Latin American conditions. The chief organ has been the Motion Picture Society for the Americas, which was created by the industry in 1940 at the suggestion of the Coordinator of Inter-American Affairs. Through 1944 upwards of \$100,000 had been put into the Society by government. The Society in 1944 had a regular staff of six persons and in addition two writers were employed intermittently at \$1,000 a week. The Society brought together producers, artists, labor. It was neutral ground. It is worth noting that its head was the executive of the Production Code. For the future, it has been suggested by officers of OIAA that a staff of 10, facilitated by annual government grants-in-aid to the Society for perhaps five years, would make it possible to extend the work of the Society—suitably renamed—to the world market.

Thereafter, presumably, the Society would go on supported wholly by the industry, while still providing a point of contact between industry and government for discussion of problems concerning the relation of the United States to other societies.

It will be helpful to continue the type of organized impulse embodied in the Motion Picture Society for the Americas. To be useful it must have the support of the industry; it must be regarded as an instrument of the industry as a whole, particularly as a producing organization. To be fully useful, it must also be regarded as a voluntary means of assisting not any particular public policy but rather the generalized concern of the Nation about the way it appears through the world and impinges on the awareness of other peoples. Assuming widespread support in the industry, it would further the sense of collaboration to make diminishing grants-in-aid to a reoriented Society for a limited transitional period. This question should soon be resolved since the public funds for the Motion Picture Society for the Americas run out in January 1946.<sup>15</sup>

paings. But the concern of this committee has been almost wholly domestic. The interlocking between it and the Motion Picture Bureau of the Domestic Branch of the OWI was indicated in the remark of Francis S. Harmon, executive vice chairman of the committee, before its Senate Subcommittee on Appropriations, June 14, 1945:

"Without a coordinator of the government requests and a government clearing agency in Washington, our efforts would be far less effective and our cooperation made much more difficult."

<sup>15</sup> The OIAA budget justification for the fiscal year 1946 asked \$25,000 to enable it to extend its contract with the Society through the second half of the fiscal year—from January to June 1946. Noting that the annual expenses of the Society were \$50,000, the justification stated:

"The Society maintains liaison with the industry in Hollywood in order that an increasing number of films concerning the American republics, or of particular significance to the other Americas, will be produced. The organization provides

In summary: it is possible to be reasonably optimistic about the progress that will be made in the motion-picture industry in avoiding the more positive types of offense abroad. The industry may go further and provide large admixtures of the sort of awareness of other peoples which will compliment them and contribute to friendly relations. These will be substantial gains. But the problem of a balanced impression of the United States is deeper. It is true, of course, that the cumulative effect of our films has been to give not only an acquaintance with our mechanical products but also, quite genuinely, a sense of the energy and fluidity of American life. But deplorable and unfair impressions have also been created. The leverage of the industry's own vital interest in its foreign market will not necessarily correct the distortion of these impressions where the harm is to the United States and not to sensibilities of foreign audiences about their own countries. At a time when the stress of United States public policy in regard to the motion-picture industry as an economic affair is upon the need for competition, flexibility and individuality, there are limits to the extent to which the Government could afford to stimulate concert of action in relation to the foreign market. Compared with the main flow of commercial motion pictures, non-theatrical films cannot be more than a relatively minor influence in the total situation. But, precisely because of the difficulties which have been noted in the preceding paragraphs, the complementary, corrective influence of documentary production and distribution holds a prominent place in a constructive program of international information.<sup>16</sup>

### Role of Non-Fiction Films

Enormous advances have been made during the war. The armed forces have used films to extraordinary extent. New vistas have been opened for techniques of visual-aural presentation.<sup>17</sup> It would be extraordinary if this experience did not profoundly affect the future

information for producers, counseling and advising on inter-American problems. A voluntary review service has been instituted by the Society. Largely through the work of this organization an increasing number of commercial feature films with themes, background, sequence, dialogue, music, and/or talent relating to the other American republics have been produced."

<sup>16</sup> Among replies from the diplomatic missions to the Department circular of information of Feb. 22, 1944, on "American motion pictures in the post-war world", the reply from Ecuador said: "They should correct the current overemphasis upon bigness, power, and mechanized energy and the underemphasis upon good material products." The comment alluded to "educational and cultural 16 mm. films, one of the important functions of which is serving as continuous antidotes to many of our commercial motion pictures."

<sup>17</sup> The 23d Annual Report of the Motion Picture Producers and Distributors of America, Inc., Mar. 25, 1945, pp. 10-11, spoke enthusiastically: "When peace comes we shall be in a position to mobilize and use the new techniques which

of non-theatrical film production. But positive steps must be taken to conserve and broaden the impulse. Its forms will of course be diverse, mostly small scale, multiplying with interested groups of artists and their financial backers. The United States production of true documentary films may fairly be said to lag behind that in several other countries. This regrettable situation is not likely to be overcome, and indeed may worsen to the disadvantage of this country's information program, unless decentralized efforts are quickened and steadied by some centers of influence. The Government should play its part in stimulating this development.

### Mr. Riskin's Proposal

A proposal to mobilize the motion-picture industry for the production of documentary films on a non-profit basis has been advanced by Robert Riskin, a producer who recently was in charge of the overseas film activities of the Office of War Information. He has suggested that the companies should unite in the creation of a non-profit undertaking. They would contribute directors, writers, and other resources, work under a leading documentary producer, and would aim at producing, say, 24 films a year at an aggregate cost during the first year of \$500,000. The proposal contemplates pictures costing in general between \$25,000 and \$50,000 to produce. It has been said of the plan that both 16 mm. and 35 mm. films would be produced; the outlets would be mainly, although not exclusively, non-theatrical. Production in 27 languages has been suggested. The contributions for the support of the undertaking would be secured from the participating companies, it has been hoped, on some proportionate standard of levy—in proportion, for example, to their over-all production outlays. In addition, mention has been made of possible payments from Government agencies wishing to have documentary films produced. In the preliminary discussion, it has been suggested by the proponents of this scheme that a representative of the Government, preferably from the State Department, might consent to sit with the directors of this non-profit company.<sup>18</sup> Among other arguments in favor of such

the films have developed in wartime. Even during the war the use of the screen in education has been definitely widened, and will continue to expand." It refers to "extraordinary experience gained during the war in the production of training films . . . specialized film production will have a task to perform in economic reconstruction after the war."

<sup>18</sup> On this feature—by no means essential to the proposal in the form suggested—it would be necessary to consider carefully the risks of participating directly and as a matter of routine in discussions leading to detailed decisions without being able to control or wishing to control such decisions, while still incurring a measure of responsibility. It is evident, of course, that there must be machinery for the interpretation of public policy.

a collaborative undertaking in the documentary field, Mr. Riskin has said that it might provide an outlet for the employment of young technicians and others when released from the armed forces.

### Hemisphere Films, Inc.—a Proposal

Another proposal should be mentioned although support for it has slackened. In view of the non-remunerative nature of documentary production in general, the OIAA has considered the possibilities of a non-profit intermediary organization which would enlarge the flow by finding and guaranteeing outlets abroad for the showing of industrial and other non-fiction films.<sup>19</sup> Proposals for Hemisphere Films, Inc., have been broached largely on this basis, with the thought of extending its activities to the world.

The plan for Hemisphere Films, Inc., commanded respect, especially in view of the association of its sponsors with the OIAA and privately with the Museum of Modern Art in New York. Such a proposal involved risks or limitations, of course. The animating idea was in part to draw financial support for overseas distribution of documentary films from the impulse of great businesses to engage in institutional advertising through films about themselves, which they would pay to have produced and would pay Hemisphere Films, Inc., to distribute. This impulse, thus channeled, might contribute usefully to the picture of American technology. The risk would be that corporate self-glorification might not present the total picture or phases of the picture of the United States most usefully told abroad. There were limitations, too. Although some have thought it possible to develop theaters throughout the world that would exhibit 16 mm. films for a very low admission price, the suggestion seems of doubtful practicability. Without a government guarantee surer than an initial grant-in-aid, an organization like Hemisphere Films, Inc., might not be in a position to make the assurances about distribution on the basis of which to derive income.<sup>20</sup>

### Possible Government Film Center

Looking within the Government, supplementary productive assistance might be contributed by some kind of agency which would act as a library of films, including footage available for adaptation purposes,

<sup>19</sup> Contracting to provide distribution as well as production is already practiced by certain concerns in the documentary field.

<sup>20</sup> In the spring of 1945, OIAA's interest in the use of Hemisphere Films, Inc., as a vehicle seemed to fall away. This may have been due in part to the continuation of OIAA, to movements in Congress that might impede the grant of OIAA funds to corporations, and to the lack of outside response.

and, incidentally, serve as a recording service<sup>21</sup> and a clearinghouse of contractual relations with outside producers. Such a unit might be used extensively in supplying certain types of films, with suitable recording, for showing in other countries. But much of its service would be for domestic use, educational and otherwise; its uses would not be exclusively international. Therefore, the center may properly be developed on a neutral basis. One possibility which should be seriously considered would be to locate the center under the Library of Congress, but with a suitably distinct technical staff. Logically this would be justified by the nuclear concept of the service as a depository and clearinghouse. The existence of such a center would not preclude separate production or producing arrangements by various governmental departments.<sup>22</sup> It seems desirable to allow this flexibility at the risk of weakening the central service.<sup>23</sup> This does not deny the usefulness of a common facility.<sup>24</sup>

<sup>21</sup>The U. S. Film Service developed out of the work started in the Resettlement Administration in 1935 (Pare Lorentz' *The Plow That Broke The Plains*; *The River*; *Fight For Life*). The Film Service was abolished by Congress in 1940.

<sup>22</sup>A full-bodied governmental film service—far wider in scope than the proposal in the text—is the National Film Board of Canada, established in 1939 under the leadership of John Grierson. In 1928 Grierson had organized a documentary film service for the Empire Marketing Board in London; subsequently he did brilliant work for the British Post Office when it became alive to public relations. Still later, after a period as head of a privately constituted cooperative producing film center, Grierson went to Canada to create and direct the Dominion's film program. The National Film Board has exclusive authority to produce films for the Canadian Government. Working with a staff of about 500 and a budget of \$1,700,000, it has produced both theatrical and documentary pictures, has extensive distribution in rural areas, through factories and the schools. Its graphic department prepares pamphlets, posters, and wall newspapers; it is reported to be planning to enter the film-strip field.

<sup>23</sup>A bill in the 79th Congress (H. R. 2857), introduced by Representative Hoch of Pennsylvania, proposed a motion-picture film library under a head appointed by the President and Senate and paid \$10,000 a year. The proposed center would collect films valuable for scientific, historical, or other reasons. The centralization contemplated (or perhaps unintentionally implied) seemed extreme, for the bill asked for the transfer of "all functions, powers, duties, and properties of any department, agency, or other independent establishment of the government of the United States relating to the production and distribution of motion picture films." Other proposed legislation in the 79th Congress has dealt with a building for the custody of films. Thus a bill introduced by Representative Lanham has authorized the appropriation of a considerable sum of money for the construction of a building that would serve as a film library. The bill does not deal with the question of the management of the collection. The National Archives is also interested and tends to collect Government-produced films, whereas the Library of Congress (with some private financing) has been collecting prints of outstanding commercial films.

<sup>24</sup>Arthur L. Mayer, in the article in the *Public Opinion Quarterly*, summer 1944, p. 211, already cited, stated:

"... at the last counting, 49 different Government agencies were still producing pictures. Inevitably, without unified control or supervision, there is

## International Exchange of Films

In the documentary-film field, especially, service will be enriched by international exchange of films. The receptivity of other countries to the possibility of exchange was indicated in the following comment: "... there is a growing feeling in Britain that the need for an international clearinghouse of documentary and informational films must be met, and met soon. Already the beginnings of such an interchange have been established by the United Nations. Especially notable is the close liaison between the film work in the U. S. Office of War Information and the British Ministry of Information, as well as the growing exchange of films with the U.S.S.R."<sup>25</sup> International machinery to facilitate such interchange should be created.<sup>26</sup> It has already been discussed in connection with proposals for an educational and cultural organization. The establishment of an international film institute is probable. Such a body will tend to work with and through the film institutes that already exist in a number of countries and to stimulate their creation elsewhere.

## American Distribution Methods

In any American plan for distribution of non-fiction films abroad, heavy reliance must be put upon institutionalized outlets through the educational systems of various countries. This will not preclude the necessity for the maintenance in each country of a United States informational officer or officers suitably specialized in film matters.<sup>27</sup>

confusion, duplication in effort, and unnecessary expense. For instance, seven different pictures, I am told, were produced by seven different departments to make seven different versions of how to swim. Obviously there is urgent need for a central body authorized at least to coordinate all Government film production and furnish information to potential users as to available pictures and the channels through which they can be obtained."

An example of activity during the war (though not in direct production) has been the 500-reel program of industrial training films arranged for by the U. S. Office of Education, with aid from the American Council on Education. Its \$2,000,000 program (contracted out at first to 10 and then among 20 to 30 documentary producers) ends June 30, 1945.

<sup>25</sup>Basil C. Wright on "New Vistas for the Film in Britain," *Public Opinion Quarterly*, winter 1944-45, p. 550.

<sup>26</sup>Inconclusive beginnings were made under the League of Nations. An international Motion Picture Institute existed, first in Rome and then in Paris. Plans for international exchange of films were discussed. Several international contests were arranged with awards for certain types of documentary productions. An information service with a magazine was maintained which carried reprinted articles about non-theatrical film work in various countries.

<sup>27</sup>It will hardly be possible to maintain the scale of OIAA local film work conducted in connection with the Coordination Committees. The OIAA has approximately 370 16 mm. projectors in the other American republics and in addition

Such an officer should be equipped with a library of documentary films for loan. He should have a preview room. He should be able to make showings before selected audiences and in some countries to arrange for popular non-theatrical showings. The possibilities of this sort of work have been demonstrated at many posts. With cheapened, more widely distributed equipment, the opportunity for group showings will multiply and the need for the intermediary service just mentioned will increase.<sup>28</sup> Experience indicates that effective presentation requires selected, relatively homogeneous audiences; future emphasis will be upon showings before specialized groups, especially through bodies that can build up their own exhibiting circuits and help in creating a background for intelligent and interested reception. This development is helped by the existence and familiar use of visual aids in any country. The United States should welcome, and so far as possible encourage, movements for the installation of audio-visual aids in school systems and in other types of institutions in other countries, and should regard the development of a 16 mm. film industry in any country as an asset to the information program of the United States. Where possible, training opportunities should be offered in the United States for foreign film technicians.

## Newsreels

Newsreels are on the borderline of news. The selectivity that is incidental to their compression invites a jealous or even aggressive attitude on the part of some other governments. In certain countries the showing of a locally prepared newsreel is required by law. Reels are produced in the United States by five companies—Fox Movietone, Hearst Metrotone (News of the Day), Paramount, Pathé, and Universal. Such duplication is possible in the United States where the various motion-picture houses within a city wish different reels—that is, within the scope left by theater ownership and other factors. Such duplication is possible in larger places abroad. But it is not possible in thinner territory. Meanwhile the competition of the foreign reels must be faced. Restrictions are being imposed; thus every theater may be required to show one reel produced within the country and may not be able to afford another.

uses about 75 mobile units owned by private companies. The total annual cost of this film service, including transportation, ran to about \$500,000 a year. The OWI has approximately 250 projectors in the field and has on order 300 more.

<sup>28</sup>An influential factor in the situation in the immediate post-war years will be a method of disposal of the Army and Navy equipment throughout the world. It is said that the armed services have 50,000 machines for 16 mm. film. Our public policy in their disposal should stress the permanent retention of suitable numbers for purposes akin to those indicated in the text. Many of the Army and Navy projectors, of course, will be worn out by the end of the war.

During the war, collaboration of the five newsreel producers in preparing a composite reel for showing abroad in many languages was accomplished through the United Newsreel Corporation, set up voluntarily as a non-profit corporation. Any receipts in excess of expenditures were to be given to the Government.<sup>29</sup>

Looking to the future, the question has been raised whether some analogous voluntary scheme could provide a composite newsreel for showing abroad, at least in the places where competition is hardly possible.<sup>30</sup> Such a composite reel might combine the best material from the five domestic reels, selected with a view to foreign interest.<sup>31</sup> In some countries, under the law, the utmost that is allowed is the injection of a certain percentage of footage from American newsreels. Thus Mexico has permitted 40 percent of such footage and in recompense the United States newsreel companies have used footage of Mexican origin in newsreels shown elsewhere in Latin America.

## Film Strips

The device of film strips (slide films) has proved an economical and effective medium. The film strip is a series of still pictures prepared in a sequence, generally projected on a screen and accompanied by titles and a lecture script. Physically, the strip is a piece of 35 mm. film 3, 4, or 5 feet in length. A voice accompaniment may be prepared as a recording but, on the whole, the use of a script with local lecturer is more flexible. The range of this medium is indicated by the fact

<sup>29</sup>In its estimate for 1946, the OWI asked \$207,290 to service its contract with the United Newsreel Corporation. The OIAA has worked out another formula of Government assistance. It has entered into agreements with the newsreel companies to photograph events which are of special interest in Latin America but which are not of general interest in the United States. A negative of these special-event films is given by OIAA to each of the five American newsreel companies, which use the material whenever possible in their newsreels exported to Latin America. The OIAA has also subsidized the photographing of newsreels in Latin America for release commercially in the United States. This Government assistance is estimated to cost about \$60,000 in the 1946 budget of OIAA.

<sup>30</sup>For the purposes of occupational government in Germany, steps have been taken to arrange for a three-nation newsreel.

<sup>31</sup>A member of the staff of MPPDA was recently quoted (*Film Daily*, May 17, 1945) as saying that, whereas in 1940 international events comprised 22.7 percent of the subjects covered by the U. S. newsreels, and the percentage had risen to 23.8 in 1941, in 1944 it ranged between 57 and 85 percent for the various newsreels. Much of this, of course, was direct war news. It should be added that events need not be international in themselves to be internationally interesting. On the side of quality, illustrating how elements that are bizarre and atypical get into our newsreels, it may be mentioned that one of the most effective German propaganda films aimed against the United States consisted entirely of excerpts from our newsreels.

that film strips have been popular both in England and in China. The simplicity of the system, however, is especially suited to countries like the latter. In Chungking, for example, the OWI, the British Ministry of Information, and the Chinese Department of Education joined in serving 192 centers, reaching one million persons a month. As evidence of the versatility of the method, it may be added that the Soviet asked for negatives of 70 OWI film strips from which to prepare 500 prints of each, intended for the schools and covering such themes as American history, regional economy, and the like.

During 1943 and 1944, OWI prepared approximately 200 film strips, each containing 50 to 150 pictures. Where some research was involved, the cost ran to \$800 per strip, excluding the salaries of Government employees. The process of preparation includes selection of pictures, writing scripts, and titling for eight languages. Where not much research is involved, a set of slide films can be prepared for \$300 or less. In 1944 the OWI had 15 persons in New York engaged on film-strip production. It was spending annually on this work \$40,000 for personnel and \$80,000 for other costs of production. In addition to English, productions were made in Chinese, Arabic, French, Italian, Persian, Dutch, and Danish and for both school and adult discussion groups. The OIAA secured its film strips by contract with the American Council on Education, stressing regional studies of the United States.

In the past film strips have been edited for commercial domestic sale in the United States by many educational, religious, and advertising firms. But the international use of the film strip was novel in this war. Few of the pre-war film strips were suitable for export. Many other governments, it has been found, already have an extensive circulation of film strips in their public schools. There is a demand for American film strips. In the future, provision should be made for well-conceived programs of production for film strips adapted to use abroad. Much of this can best be done under contract. Some of the production might be handled within the film-library organization described in a previous paragraph.

Abroad, distribution by loan and otherwise must be handled in large part by the informational officers attached to or associated with the missions.

## Part VI

# BOOKS AND MAGAZINES

THE INTERNATIONAL ramification of book and even of magazine publishing, though informational in the broad sense, fall largely within the field of cultural relations and are beyond the range of the emphasis of this memorandum. But some attention to certain phases of publishing is essential to its logic, since the question of the Government's role is approached by considering the nature of the flow accomplished through all voluntary institutions associated with the media of information.

### The Export of Books — Limiting Factors

Hardly 3 percent of the output of American book publishers has been exported. In contrast, about 30 percent of British book production was being exported before the war.<sup>1</sup> It is true that three quarters of the outward flow were within the dominions and the various areas of the Empire, with Australia and New Zealand taking 29 percent between them and Canada 7 percent. The United States took 12½ percent; France, 3 percent; and the remaining northern and western European countries absorbed 3 percent. Sales beyond the language area are additionally significant. In this respect the pre-war distribution of German books, especially in scientific and technical fields, was portentous. It had profound consequences in both prestige and trade.

The difficulties abroad that must be overcome by American publishers were illustrated in the findings of a group of publishers who in 1943 made a six weeks' study of the Latin American market at the request

<sup>1</sup> Don C. Bliss, in a communication (no. 18259) that submitted an embassy report on the British book-publishing industry, noted that "export turnover, under the stimulus of an export drive, rose to an estimated 35 percent of total turnover during 1940 and exceeded £3,500,000". Of the stimulus and aid of the British Council (as in agreements to take left-over copies and assistance through the Export Credits Guarantee Department), it was reported: "The tremendous increase in the British Council's promotion activities should probably be reckoned as the industry's most important gain. Unlike many governmental activities, including the publishing ventures of H. M. Stationery Office, there is no reason to believe that they will be curtailed after the armistice, and, given the importance which the Council attaches to the book trade, they may well be expanded even if other Council activities are reduced or suspended."

of the Department of State.<sup>2</sup> Summarizing the situation, the publishers stated:

"We have found that this problem now consists of difficulties in shipping, credit, high prices at origin and uncontrolled prices at destination, fluctuating currencies, inadequate personal selling, confusion of tax and customs regulations in various countries, and a general tendency on the part of many U.S. publishers to overlook or to underestimate the value and importance of their export business."

Some of the constructive suggestions of the group are reflected in the following quotations from the report. "One of the earliest steps to be taken," they wrote, "is the consideration of a recalculation of special export prices." These should reflect greater sales expectations. A "standard export royalty" should be instituted and "with any reduced price policy should come some control over the dealer's retail price". Perhaps this could be accomplished by stamping the retail price on the book itself. Noting that "immensely complicated and frequently costly regulations governing the import of books into the American Republics is a continuous source of trouble", the report mentioned the possibility of agreements, as instanced in one between Brazil and Argentina. In order to develop foreign markets, each publisher needs an export department. But the group stressed collaboration among publishers. "A consolidating warehouse in New York," they declared, "must be included in any plan for the improvement of procedures". Besides, means must be developed for getting information about books to the booksellers in other countries. On the last point, among other suggestions, the committee said:

"... there is no attempt made anywhere to see that books presenting our life and culture sympathetically are placed at the disposal of the publisher, and the occasional book showing us in a far from favorable light has sometimes been eagerly seized on. We do not suggest any form of censorship, but we do feel that some better showcase for our goods is immediately necessary."

The problem of price in the sale of American books abroad was put forcefully by William Sloane of Henry Holt and Company in remarks before the Book Publishers' Bureau on March 28, 1944 after his return from a visit to China under the joint auspices of the OWI and the Rockefeller Foundation:

"The price at which United States books must be sold is low. Often a book in China at United States rates costs a month's salary. United States publishers must revise their cost accounting system in exporting books to China, in order to reduce prices, or the British will take the business away from us. The making of concessions is essential."

<sup>2</sup> The countries visited were Mexico, Panama, Colombia, Peru, Chile, Argentina, Uruguay, and Brazil. The field party consisted of Brett, of Macmillan; Chase, of Silver Burdett; De Graff, of Pocket Books, Inc.; Johnson, of Doubleday, Doran

## British Export Methods

The aggravation of export problems by the nature of the competition from certain other countries was described in a confidential memorandum submitted by the Book Publishers' Bureau (a trade association of which most United States publishers are members) to a joint meeting of publishers and Government representatives on October 3, 1944. The subject warrants a lengthy quotation:

"In the sale of books of United States origin manufactured in the United States in English primarily it is the publisher's desire to sell as many as possible abroad at a reasonable profit level and on reasonable credit risks. He knows that in this he will be in competition with government subsidized cartels in Europe, particularly those operating out of France for books of the French language and out of Spain for books in the Spanish language both of Spanish and German origin or inspiration, and out of Great Britain for books in the English language.

"The nature of British competition will naturally be different from that offered by Continental publishers, and it involves more delicate questions. Our interests converge in our desire to make English the second language of the world, and there we have a common cause. Our English colleagues seem inclined to believe that while this is true, they should dominate foreign markets or be protected by cartel agreements regarding export prices. Since the relationship between publishers in the two countries is close and generally cordial, and since foreign sales in the past have meant little revenue, there is some tendency to give way before the British demands.

"This competition with respect to books in French and Spanish will be acute in Latin America, and in French in large parts of Asia; and with respect to books in English in all parts of the world. It is the general belief also that Germany, working either through Switzerland or Sweden, or both, will endeavour to regain the international trade in books in the German language, particularly those books of scientific or informational material in whose supply Germany was once dominant, although the attempt will probably be worked out through dummies of various nationalities.

"English publishers are using every means to secure closed markets and to engage their government in the furtherance of their interests. For every practical reason their government appears to be enthusiastically backing their efforts, through the British Council and in many other ways. They have special paper quotas for export, and Great Britain has shown in other instances a realization of the importance of books in determining the general English position outside the British Isles."<sup>3</sup>

and Company; and Thompson, of McGraw-Hill. The report was published by the Book Publishers' Bureau, Inc., and the American Textbook Publishers' Institute.

<sup>3</sup> Edward M. Crane, chairman of the Joint Committee on Foreign Trade, speaking before the annual dinner of the Book Publishers' Bureau on Nov. 21, 1944, said of British bookselling abroad: "The mobilization of their industry is based



It is a strategic time to take account of the vacuum and consequent opportunity that attends the destruction of the closely knit Boersenverein, based in Leipzig, production and distribution center of the German book industry. Through its fabric of institutes, libraries, specialty houses, etc., the Boersenverein facilitated unity of action at home and abroad.

### United States Wartime Cooperation in Book Supply

Wartime collaboration on the part of American publishers was notably accomplished through the Council on Books in Wartime. This organization was started in the summer of 1942 to work on the idea of furnishing books to the enlisted personnel overseas and for use in hospitals in this country. After months of preparation the realization of the plan for Armed Services Editions began in May 1943, with a plan for 50,000 copies of each of 30 titles, or a total of 1,500,000 books. By January 1945 over 5,000,000 books a month were being delivered to the Army and Navy, at a cost per copy (including a royalty of one cent split between author and publisher) which had declined with volume and experience from ten to six cents a copy. Throughout, Armed Services Editions was a non-profit organization although the mass operations that it facilitated were not unprofitable to the publishers.

At the instance of the Office of War Information, the Council on Books in Wartime set up another corporation, Overseas Editions, Inc., launched in the summer of 1944 with the same directors and general manager as Armed Services Editions. The purpose of the new corporation was to publish inexpensive books in translation or in English for use in liberated areas by the Overseas Branch of the OWI. Pocket Books, Inc., gave Overseas Editions, Inc., the use of its credit and its production facilities without profit. Selected from a list of 40 American books 70 editions were made in runs of 50,000 each: 21 in German, 22 in French, 5 in Italian, and 22 in English.

on two main propositions—the willingness of the British Council to support the industry with substantial sums of money, and the organization by the publishers themselves of the British Book Publishing Export Group. . . . The British Book Export Group . . . has a membership of more than 400 publishers and booksellers and is designed solely to promote increased sales of British books abroad. It engages in all kinds of cooperative advertising, selling, and informational activities, and it may even receive the right to levy on the industry to finance its activities."

### United States International Book Association, Inc.

A scheme of permanent export collaboration which had immediate wartime uses was begun in 1945 with the incorporation in January of the United States International Book Association, Inc. (USIBA). Its origins went back to the appointment in 1943 of a Joint Foreign Trade Committee by the directors of the Book Publishers' Bureau and the American Textbook Publishers' Institute. This committee early considered the desirability of forming an export entity under the Webb-Pomerene Act. It was intended that it should supplement rather than supersede the work of export agents. Under the charter granted by the State of New York, membership is open to all recognized book publishers, regardless of membership in any trade association. The nominal membership fee of \$100 was set in the hope of securing participation by every concern, regardless of size, regularly engaged in the publication of books as its principal business. Each member is entitled to one vote. The directorate of 15, elected for 5-year overlapping terms, employs a managing director who conducts the Association's affairs subject to the board and its executive committee.

By the end of the spring of 1945, the USIBA had about 60 members. Major Eugene Reynal, on leave as chairman of the board of Reynal and Hitchcock, had been engaged as managing director and had secured his release from the Armed Forces. In addition to the dues and a governmental grant-in-aid of \$25,000 through the Office of Inter-American Affairs (the significance of which will be commented on later), USIBA had secured contributions from certain of the publishing houses. The early activities of the new export association seemed likely to lie primarily in its role of agents for the OWI in mass supply.

The prospectus of the USIBA summarized its proposed operations under several categories.

(1) It is intended to provide central machinery, hitherto lacking, to handle large orders of books for export originating with the OWI, the OIAA, the American Library Association, governments-in-exile, and the like. The new association supplies the machinery and derives income from the difference in discount rates received and charged.

(2) In seeking to supplement sales efforts, and to find means of covering hitherto undeveloped areas, it is intended that USIBA will assist in "setting up long-needed regional display points and in promotion activities of great variety".

(3) The organization is available to conduct additional services for government on a fee basis. Thus "it is hoped that USIBA can be of assistance in translation programs and in many situations where the use of our books abroad is concerned."

(4) A further proposed function is the collection of export statistics and information in cooperation with the Departments of State and Commerce.

(5) Generally, the organization is available to render services to its members on a fee basis, as in the handling of regional promotion campaigns in foreign countries. Service may also be rendered to non-book industries which may wish to promote the distribution of United States books abroad as an indirect aid to their own businesses.

Collaboration among the book publishers does not exclude the Government. Perhaps because competition and individuality are inherent in the publishing of books, the members of the industry have not developed a strained sense of dichotomy between public and private initiative, nor have they felt that governmental contacts and participation compromised their independence. Certainly there has been an awareness of broad national interest and of responsibility in regional and world relations. This spirit was reflected in the following comment of the group of publishers who visited Latin America under the circumstances already mentioned:

"In general, we have a responsibility to make our culture and our literature as freely available to and in Latin America as are the culture and literature of other countries. We see no reason for heavy subsidies or for attempts unduly to load dealers with consigned United States books. We must at all costs avoid giving the impression of trying to foist our culture on South America. But we should make it available even though it shows little financial return for some time to come."

The idea of having an instrument that would be the publishing industry's own but would be available cooperatively to the Government was prominent in the early plans for the United States International Book Association. Thus a memorandum developed in June and July 1944, by the Foreign Trade Committee of the Book Publishers' Bureau recommended that the export entity "be organized as a non-profit but incorporated syndicate to enable it to cooperate with the State Department, the OWI, the Department of Commerce, and other Government bureaus which cannot by law do business with commercial organizations organized for profit."

A grant-in-aid of \$25,000 from the Government during the first year of the USIBA was sought and gained not merely or primarily as a matter of financial assistance but as an evidence of governmental interest from the standpoint of international public policy.

The possibilities of long-run collaboration in the furtherance of such public policy were hinted at in the closing paragraphs of the USIBA prospectus of February 15, 1945:

"One area of the Association's work cannot be clearly defined. It concerns cultural relations in general and the improvement of our

relations with various countries through the medium of books. This presupposes the closest possible contact with the government in all matters concerning book export problems, so that USIBA becomes the official agency of the industry for such cooperation. It involves also supplying information to publishers abroad and though USIBA cannot be chartered to handle import operations, helping publishers abroad with their selling arrangements in the United States and with the display and promotion of their books here as well as with problems which may arise with them on rights. USIBA will in no way compete with literary agents, but will act simply as a clearing house where necessary, or as a transmitter of information.

"USIBA will, finally, have the responsibility of cooperating with the similar organization of the British book trade, Book Export Service, Ltd., in promoting the use of English as the second language in non-English speaking areas of the world.

"It is the hope of the directors that USIBA will for the first time in our history put our export operations on a widely expanding basis, and will supply the increasingly urgent need for one focal point, one common meeting ground, through which the interests and ambitions of this publishing industry, of our government, and of book sellers and publishers abroad can meet."

Competition, obviously, is not lacking among cultures. But in the realm of books the idea of a rigidly limited market is especially inappropriate. The habit of book-reading and book-buying is cumulative; each competitor reinforces his fellow. Especially is this true as to long-run relations with British publishers. But it is also true from language to language.

## Translations

An important aspect of the export of American books concerns translations. The group of publishers who reported so suggestively on their survey of conditions in Latin America remarked that "the translation rights to books of United States origin are at a premium now and every publisher is anxious to secure them." But the committee went on to say: "The present practice of offering translations is haphazard. The Latin American publisher has few ways of finding out about current United States books." In the opinion of the group, there are too many bad translations and in the choice of titles foreign publishers, lacking means of knowing about the real nature of the publications in the United States, are too often misled by "tag names".<sup>4</sup>

<sup>4</sup> "USIBA has suggested that its activities can be furthered by the distribution of government-made, non-partisan lists of U.S. books and by the channeling through it of Government book purchases for foreign distribution. A continuous flow of book reviews and literary intelligence is contemplated. The Department of State would render such service." (Quoted from "A justification statement for enabling legislation for program of technical and cultural cooperation".)

In addition to possible improvements in the respects just mentioned (involving catalogue service, exhibits, and cooperating and discriminating international salesmanship), the publishers stressed the need for a deliberate, subsidized program for the translation of certain types of learned books. On this point their report remarked: "The books might well be of such a nature that some Government help in publishing as well as translation would be required for each of them."

Participation in the translation of learned books is already a feature of the work of the Division of Cultural Cooperation.<sup>5</sup>

Especially important in this connection are the works of American medical science of which translations into Spanish are at present being arranged. Their significance lies not only in their value to public health throughout the other American republics but in their usefulness in causing medical authorities in Latin America to look toward the United States rather than toward Europe for the most modern and valuable developments in medical knowledge. The continuation and enlargement of the program of translations within such fields may be assumed, together with other related activities of the Division's unit responsible broadly for contacts involving books and other publications and with libraries abroad.

## Opposition to United States Exports in Translation

Problems arise when United States publishers issue books at low prices in the native languages of foreign countries. Several recent incidents suffice to indicate the possibilities of friction and the adjustments that are being attempted. After Robert de Graff, president, Pocket Books, Inc., returned to the United States in August 1943, he formulated plans for publishing in the Spanish and Portuguese languages books identical with his English editions for distribution through *Reader's Digest* outlets (or similar ones) in the other American republics. This venture was publicized and by July 1944 a storm of opposition developed in Argentina, Brazil, Chile, Uruguay, and Mexico. Antagonism was aroused because publishers looked upon the venture as an invasion of their proper markets, claiming that Pocket

<sup>5</sup> As for translations, "through grants-in-aid by the Government to a non-profit organization in the United States, translations are arranged from English into other languages. The non-profit organization secures the right of translation from the American publisher, hires the translators, and arranges for publication of the foreign edition through a foreign publisher. The State Department selects the books, limiting its choice to writings of great significance but not commercially profitable in translation; for example, medical textbooks. A clause in the contract provides for the return to the United States of royalties up to the amount of the grant." (Quoted from "A justification statement for enabling legislation for program of technical and cultural cooperation".)

Books had every advantage in such competition. There were threats of retaliatory measures, such as tariffs, etc. The United States Chamber of Commerce and the Book Publishers' Bureau received protests, and publishers' associations in the complaining countries wrote bitter denunciations of this American plan to upset an established industry. Hundreds of newspaper articles were published. In January and February 1945, Mr. de Graff visited the major publishing centers, explained the nature of his reprint business, promised to have local corporations established in São Paulo and in a Spanish-speaking country to do the printing and distributing. The result was a clarification of an unpleasant situation; in general there has been a feeling expressed that the new venture will not disturb but possibly improve publishing prospects. As yet Mr. de Graff has not issued any books, partly because he cannot find satisfactory machinery and enough cheap paper to maintain a low price.

Unlike Mr. de Graff, McGraw-Hill Book Company has been joining forces with Acme Agency in Buenos Aires and other publishers to issue superior American scientific books through Latin American publishers. The University Society of New York, for 30 years publishers in Spanish, have sold half interest to Doubleday, Doran and Company; the new firm, Editorial Interamericana, operates as a Mexican firm. These two examples illustrate a way in which American books have been published in Latin America without arousing antagonism.

## Magazines

The founding of foreign-language editions of various United States magazines has been a striking development. In wartime, moreover, it has had to contend with the shortage of paper and printing presses. The tax laws have perhaps encouraged publishers to adventure where early losses may be expected, but the tendency is deeper. A reporter who recently summarized the situation wrote:<sup>6</sup>

"Almost without exception leading publishing houses have plans for foreign editions or are actively exploring possibilities. Leading the parade now are the *Reader's Digest* with six foreign editions, Crowell-Collier, which publishes the multi-lingual *Victory* magazine for the OWI, and *Time* with sixteen foreign editions all in English. To this list should be added such internationally experienced publishers as Hearst, MacFadden, Condé Nast, and Norte. Nothing official has yet been heard from the Curtis Publishing Company but its competitors would not be too surprised to learn that plans are under consideration for a global *Saturday Evening Post*".

<sup>6</sup> Frank Bourgholtzer, "Global Magazines—American Publishers Plan to Print Editions on Four Continents" (*Wall Street Journal*, Sept. 21, 1944).

The writer who has been quoted reflected the view that the principal market will be in English-speaking countries, where the problems of translation are avoided. "Latin America", he wrote, "is tentatively tagged as the next best prospect, though favorable conditions might put the continental European countries in second place."

Such foreign publishing activities as those of *Nutrition Reviews* and *Education Digest* have attracted favorable comment. These are popular yet learned professional magazines. The first is sponsored by a foundation and its acceptance in Mexico was immediate. *Education Digest* was reprinted in Rio de Janeiro for four months, then ceased publication. The teachers' union of Mexico requested permission to issue a Spanish version. The editor's decision to make the full contents of his magazine available to a local company publishing its own magazine under its own title seems wise. All objections to cultural imperialism in the important field of education thus were removed.

Foreign-language editions are spreading. Thus *Reader's Digest* began with a British edition in November 1938 (1944 circulation 310,000). In 1940 it added a Spanish edition for Latin America (1944 circulation 734,000), followed shortly afterward by a Portuguese edition for Brazil (1944 circulation 349,000) and for Portugal itself (45,000 copies in 1944), a Swedish edition in 1943 (1944 circulation 270,000), and in the same year an Arabic edition for the Middle East (1944 circulation 200,000).<sup>7</sup> *Time*, on the other hand, had confined itself to English in the conduct of its 16 foreign editions, of which 10 were printed outside of the United States.

It is assumed that success in most cases will require publication in the country where distribution is intended.<sup>8</sup> Local advertising is sought; thus the foreign editions of the *Reader's Digest* all carry advertising. This fact may aggravate the sense of resentful rivalry on the part of local publications.

Certainly some friction has already been reported. A despatch from Rio de Janeiro (no. 13697, December 3, 1943) noted that a Brazilian publication, *Unidade*, had complained of *Seleções* (the Portuguese edition of *Reader's Digest*) that "sales are so large that on the days it

<sup>7</sup> *Business Week* for Oct. 9, 1943, noting that the *Reader's Digest* was selling close to 9,000,000 copies in the United States, commented on the fact that the recently inaugurated Arabic edition printed in Cairo had "sold out a 60,000-copy issue in two days."

<sup>8</sup> Note must be taken, however, of certain processes which interact with rapid transportation to facilitate handling many matters within the United States. The writer in the *Wall Street Journal* already quoted remarked:

"*Reader's Digest* and *Time*, for example, are published in several far corners from plastic plates made here and flown there by airmail. *Time* also uses 'cellophane proofs' taken in this country which can be used to etch plates for offset printing in Hawaii, for example."

comes out, the sales of most popular afternoon newspapers are prejudiced. It gives to readers in news-stands a relatively higher profit than offered by any other organ of our press." Mr. Ernest Trueblood from the embassy in Peru (despatch no. 2044, November 28, 1944) wrote about the grievance of a Mexican publisher who purported to reflect views elsewhere in Latin America. Mr. Trueblood reported that his informant "found deep and growing resentment (especially in Argentina and Brazil) against United States publishing enterprises such as *Selecciones* and the plan to issue Pocket Books in Spanish, which are considered in those countries as merely astute forms of 'cultural imperialism'".

The possible risks in the overseas expansion of American magazines are as evident as the contributions that are being made to a spread of knowledge or impressions about various phases of life and thought in the United States.<sup>9</sup>

The Government of the United States must remain keenly concerned at the effect of the expansion that has been indicated. It can hardly afford to become involved in answering detailed questions as to proposed articles. Both as to the economic competition with foreign publishers and impingement on questions of foreign policy, reliance must rest in the end on the restraint and judgment of American publishers and editors.

## Government-Published Magazines

It is assumed that the wartime Government-owned magazines will be discontinued, at least as governmental undertakings. The distribution as well as production policies have varied. Thus OIAA's *En Guardia* was not sold; neither were OWI's *Photo Review* and *U. S. A. Victory* (OWI) was sold and carried advertising; indeed, it is said almost to have paid for itself. The popularity of these publications has suggested that some of them may have a going value that will warrant continuing them under wholly private auspices. The risk in their transfer of ownership might be that, unless stripped entirely of their

<sup>9</sup> A State Department memorandum entitled "Comments on *Reader's Digest* in the Inter-American Field", Feb. 8, 1944, compiled by R. A. Yahres, noted (along with some criticism) the comment of Ambassador Messersmith in Mexico, in a despatch of Jan. 4, 1943, that *Reader's Digest* had seven readers for each copy, was read by all classes, and was "of good quality and performs a useful service in placing the American viewpoint before the Mexicans".

A despatch of June 12, 1944 stated: "Many Iraqis have told State Department representatives that the Arabic *Reader's Digest* is particularly appreciated because it is not one of the many propaganda publications with which they are surfeited. Its articles manifestly represent various shades of American opinion, and are frequently subjects of discussion among Iraqis".

former character (with consequent possible loss of good-will value), they would be associated with the United States Government while it had no control over them. It has been suggested that ownership of these magazines might be retained by the Government and the journals be leased to private publishers. This proposal is mentioned without recommendation.

In certain situations or for certain classes of material, Government-sponsored magazines or digests may prove to have a place, without challenging the principle of the spontaneity of the press. Thus an OWI representative in Moscow wrote in April 1945 that "any American magazine is destined to success in the Soviet Union, because the Russians are hungry for news". But the practicability of providing and distributing a privately managed magazine has been questioned.<sup>10</sup>

As to other countries, it has been suggested that there may be a peacetime place for Government-sponsored digests of scientific and other relatively non-popular material translated into the language of the country of distribution and thus made available to limited but relatively influential groups.

Aside from the publishing of entire magazines, the Government information services have experimented with the translation of individual magazine articles for placement in foreign journals. Both OWI and OIAA have found this to be an important activity, since it penetrates established reading markets in foreign countries. The State Department has also contracted with the Inter-American Committee on Scientific Publication to translate and place in United States magazines materials of superior merit and thus to lead scientists in the other American republics to look toward this country. The program for the publication abroad of United States writings needs expansion. This is an activity requiring the attention of information or cultural officers in the field. Similar activities are now being carried on by England, Argentina, France, Russia, and Mexico in the other American republics.

<sup>10</sup> Frank Bourgholtzer, in the article already quoted, remarked that "complications in the Russian economic and political situation, have so far discouraged American publishers from showing much interest in that market".

## Part VII

# THE SCOPE OF SUPPLEMENTARY AND FACILITATIVE GOVERNMENTAL SERVICES

IT IS FUNDAMENTAL in this analysis that the peacetime role of the Government in international information is supplementary and facilitative. The governmental operating responsibility is residual. The extent of this responsibility is measured by considering, against the irreducible stakes of the United States among the societies of the world, the movement of information through the voluntary institutions upon which the burden must mainly rest.

Various important media of international informational exchange have been surveyed. In connection with each medium, note has been taken, not only of the adequacy of the normal flow in accomplishing a fair and full projection of American society, but also how the process might be aided by the creation or further development of various *ad hoc* agencies, mainly private or semi-public in nature. This possibility has seemed especially marked in short-wave radio. Here the role of the Government must be relatively close because of the physical nature of the facilities involved and their unique international effect.

But certain central-servicing responsibilities devolve directly upon the national Government. The nature and scope of such residual activities determine the location and structure of the national agency or agencies for their conduct. It is timely to generalize about these activities, as a prelude for the recommendations offered in the two following parts of this memorandum, dealing respectively with home and field organization.

### Classification of Services Needed

The activities for which provision must be made are of three types, of which only one is a full operating responsibility. First, a continuous survey of the effectiveness of the portrayal of American society throughout the world. Second, coordinative action in behalf of certain voluntary activities which may energize their work (possibly with grants-in-aid) without weakening their independent character. Such

contact involves, among other elements, availability of Government offices for the interpretation of national policy. Third, the actual preparation of informational material, either at home or in its field, and its transmission. This third category is an operating responsibility and, although conceived in the relatively modest terms already indicated, enough uncertainty exists as to its extent after the war to raise the questions of organization dealt with in this memorandum.

### Supplementary Fast-News Service

It is taken for granted that the Government will not participate in what is ordinarily called fast news service. This Government has no desire to establish an official news service comparable to the pre-war Government news agencies—Domei, DNB, Stefani, Tass, and others. Part III of this memorandum has emphasized the Government's desire for conditions that will make it possible for private professional news agencies to supply news to the press in every part of the world. It was stressed that to this end the press should have communication facilities (especially by radio) that will be quick, cheap, equal, and universal.

During the war OWI has provided, in effect, a world-wide free news service. Each day it sent by Morse code to its outposts more than 100,000 words of spot news. Half or more of this news was a gift to the Government from the three American news agencies—AP, UP, and INS—which delivered their teletype services to the OWI office in New York at engineering cost. A staff of nearly 200 OWI writers and editors combined these news reports, and added stories which had appeared in New York newspapers or had been prepared by OWI writers from speech manuscripts and Government press releases. Some stories were specially gathered by OWI staff members in New York (15 reporters), in Washington (25 reporters), and in other parts of the United States (about 200 "string" correspondents).

This free news service to the foreign press would be abandoned. It is hoped that American news agencies will find it possible to deliver news commercially to most of the centers where OWI has maintained outposts. But it must be assumed that some curtailment of distribution will occur.

The Department of State would expect to expand and speed up its daily radio news bulletin which is sent to embassies and consulates. This bulletin, intended primarily for the information of the Ambassador and his staff, is also available to information officers who can use the contents as background information in discussing American news with foreign editors. The bulletin, now averaging about 3,500 words a day, contains official reports on the President's and Secretary's press

conferences, a summary of American news in bulletin form, and excerpts from important editorials. It is edited by a staff of four persons.

At present the bulletin is sent in identical form to all posts. In the future this should be supplemented when necessary by news telegrams of special interest to particular countries. The OIAA, which has never attempted to deliver a full news report to Latin American countries, has found it useful to transmit to its offices abroad special stories of interest to one or more countries, stories which do not find their way into commercial news files. These stories have been given free to the press and to the local offices of American news agencies—AP, UP, and INS.

Looking to the future, the full texts of important addresses, of laws or decrees, and of other current documents of interest abroad should be sent to the field, by telegram if needed. The news services are not likely to send complete versions of this detailed material. Press officers in the field (in addition to filling official needs) will be able to supply such texts to local newspapers on request. This service is complementary to the work of the commercial news agencies. At the same time, it may often furnish the additional authoritative information needed to deepen and to clarify foreign understanding of contemporary events in the United States. It must arrive promptly while the item is a matter of interest.

On many matters of vital concern to thoughtful people in other countries, the prime news originates with governmental agencies in the United States. Such news normally goes out in the form of a release. For fast news purposes this is normally sent in the abridged form. It is entirely legitimate and in no way competitive, while also protecting and projecting the policies of the United States Government, to furnish the full original releases to the field. If possible, the field organization should have them at hand before the news breaks.<sup>11</sup>

As a corollary to this textual service, the information officer frequently seeks advice on the Department's attitude toward current news, whether the developments are of governmental or private origin. The British Government meets this need in its diplomatic missions by a daily or weekly "guidance telegram" from London, informing the information officers of the official attitude on top news stories. This attitude is displayed in conversations with the press. Both OWI and

<sup>11</sup> There exists the problem of protecting the codes where it is desired that the exact text of important speeches should reach the field in advance but where the nature of the material would require its transmission in code in order to protect its secrecy prior to its delivery. In such cases the explanations and paraphrases may be supplied in advance, to be followed by open transmission of the full text instantly on its release.

OIAA during the war have prepared news directives for their outposts; these were cleared with the Department. It will be necessary for the Department of State to issue some such guidance to the information officers in telegraphic form after the war.

One of the important, delicate responsibilities that must be serviced by a home organization and administered in the field is a type of corrective service. The need arises typically when an item in the omnibus commercial news files transmitted from the United States is likely to be seriously misunderstood in another country, unless responsible newsmen there, who have the will to do so, are able to secure additional facts. They should know that some center of United States information probably has some facts and would be glad to discuss the background of the story. If possible, where the item has sensational bearings, these facts should be at hand about the time the original item is received. So far as the facts in question are not background material already in possession of the information officer (and many times it is possible to anticipate the troublesome questions that will arise), it may be necessary for Washington to send background on the story, noting that the item has gone on the commercial news file and may be used.

It would seem realistic to assume that these supplementary telegraphic services of the Department to the information officers abroad would require a central editing unit in the United States with a staff of at least 25 persons.

Communications costs might be substantially reduced by the rapid growth of airmail service throughout the world, which has already brought London within 20 hours of Washington, and China is only 3 days beyond.

### Supplementary Background News

Fast news contains by definition a heavy percentage of the bizarre, the distressful, the dreadful, and in effect the discreditable, for it is the unusual that is dramatic. Domestic readers of news have an awareness of what is usual and broadly characteristic in the United States. Foreign readers do not. This creates the imperative need abroad for the kind of unsensational background information and feature service which has been the core of the OIAA information service in Latin America and an important part of the OWI service in other parts of the world.

With the exception of comic strips and columns on movies and clothing styles, American news agencies have had little success in selling supplementary news services abroad. Much of the information which the Government has distributed in wartime and which

foreign newspapers have printed has been so elementary that it would not be considered news by American commercial agencies. The Government should continue this type of background information service.<sup>12</sup>

Early in 1945 the OWI Features Division in New York employed about 60 persons. This staff prepared the following types of service to the press other than spot news: (1) series of obituaries and personality sketches; (2) series of geographical sketches about the United States, with pictures; (3) series on governmental agencies and their policies, with pictures; (4) clipsheets (based upon United States newspapers and magazines, and covering among other things arts and letters and popular science), about 15 issues a month; (5) batches of clippings not of world-wide interest but photostated for particular missions, largely gotten up as a by-product of work on the clipsheets; (6) features written by the OWI staff in response to requests from the field, but written so far as possible to appeal to all outposts.

At the same time the OIAA had a staff of about 30 persons preparing feature material for 1,000 newspapers in Latin America.

A great deal of feature material that is most useful can be directly clipped from the American press and periodicals, technical and general. Clipping in itself holds the mirror to the United States. There are many possibilities in the scientific and technical fields, as well as in the little technologies of modern living. There are possibilities, too, for interpretation of literary and other currents. Background can be provided about social and political conditions, including further light on some of the misunderstood peculiarities of the American system of government.

It is worth stressing the observation that science, pure and applied, offers an unusually effective meeting ground among peoples. It is a field in which the achievements of the United States are high but not so unique as to excite a sense of strangeness or envy.

Feature service of the sorts indicated has been one of the unspectacular and relatively inexpensive and extremely useful parts of both OWI

<sup>12</sup> Ambassador Hayes in a letter of Oct. 6, 1944 (no. 3191) indicated the scope of the material which should be prepared for the field. He wrote:

"To supply the press attachés abroad with the copious materials they would need to enable them to satisfy the requests and requirements of foreign journalists, broadcasters, and film operators for authentic and up-to-date information about America, the Department's Division of Current Information should take over from OWI a considerable proportion of the latter's Overseas News and Features Division. At present, it is from this OWI Division that there comes—by cable and airmail—the bulk of the material for the preparation of feature articles for the local press and for the furnishing of commentaries and interpretations to local inquirers. This is the best and the most permanently useful part of the OWI's present setup, and it should be continued, in modified and restricted form, under the Department's auspices."

and OIAA. The emphasis is upon partly processed material—the raw stuff of articles—not finished stories.<sup>13</sup>

It may be expected that a continuation of this type of supplementary background information service will require a servicing unit of at least 50 persons in the United States.

### Non-Competitive Photographic Services

OWI in wartime has pioneered a world-circling radiophoto network. This has been one of the outstanding contributions of OWI to the history of journalism. News pictures transmitted over this network have been distributed free to the foreign press.

Several American news-photo agencies have already indicated their eagerness to take over the functions of this network on a commercial basis. There can be no question that the Government should withdraw from the distribution of radiophotos, except for the transmission of occasional pictures of interest to a particular country and requested by the American information officer in that country.

Both OWI and OIAA have revolutionized the use of news photographs in the newspapers of less-developed countries by the distribution of photographs on plastic plates. The plates can be set directly on a newspaper press, thus eliminating the expense of photo-engraving or the casting of lead plates.

Many of the pictures transmitted by these two agencies have been war pictures, a service which naturally will cease. But there have also been large numbers of background pictures of the United States which have reached foreign papers for the first time. No commercial agency before the war had a sufficient number of foreign clients to maintain a flow of these low-revenue picture services abroad. The

<sup>13</sup> Selden Chapin, in his report from Paris on Dec. 5, 1944, indicated (with due allowance to be made for the peculiar needs of the transitional condition with which he was dealing) certain border-line types of non-competitive material:

"The French daily press in Paris and the many weekly semi-literary journals have indicated on several occasions their desire to obtain articles dealing with the United States and its problems. . . . We should without delay establish a service which would respond to this need. In the first place we should facilitate the reestablishment of the commercial wire services to France. This might be supplemented by an additional wire service carrying certain non-competitive items of information which the limited wire service of the immediate future could not afford to carry. More important, however, would be the despatch of feature material which could be assorted, rewritten and prepared here in Paris. Particularly desirable in this class of feature material is anything which will go to explain and describe the American life, conditions and aspirations. . . . Such basic material, which of course should with rare exceptions not be supplied in final form to the French press but rather as source material, must be supplemented by publications of all types."

Government should continue this service until commercial agencies demonstrate they can render this service on a paying basis.

OIAA in 1945 maintained a staff of about 10 persons to select and ship photographs. The pictures were obtained chiefly by purchase from domestic news agencies (\$28,000 annually); some were obtained free from other Government agencies. Laboratory work was performed by commercial or Government laboratories (\$20,000 annually).

For similar work the OWI had a staff of about 50 persons in New York and 50 persons in Washington selecting pictures, writing captions, and dispatching the pictures or plastic plates to outposts. The OWI personnel in Washington included the necessary staff for operating the old Farm Security Agency film laboratory, where prints were produced.

In addition, OWI has had a special staff of 11 persons assembling photographic exhibits mounted on show cards suitable for display in schools, galleries, or store windows abroad. This is a work which has cost little, has drawn unbelievable crowds (a quarter million persons at one exhibit in China in less than 30 days), and should be continued by the Government.

Still another appendage of the OWI picture staff is the unit of 14 persons devoted to film strips. Laboratory work for this service is performed under contract by commercial laboratories. The Government's staff is needed for the planning of film strips, preparation of commentaries, selection of photographs, and supervision of the laboratory work. Film strips have proved especially effective in foreign schools and should certainly be continued by the Government.

It would appear that the Government would continue to require a picture-servicing unit of not less than 25, and more likely as many as 50 persons, to maintain the post-war program of background pictures, photographic exhibits, and possibly film strips unless special provision is made elsewhere for their production or for the handling of contracts with outside producers. Part VI of this memorandum suggested the possibility of a Government photographic laboratory connected with a film library. This would supplement the work of a State Department picture division but would not replace it.

### Services to Foreign Journalists

Both OWI and OIAA have had special units which render service to foreign journalists in the United States. There can be little doubt that a despatch sent from the United States by a foreign correspondent to his own country attracts more attention, by and large, than any information transmitted by an American news agency or by the United States Government. Everything possible should be done to assist



foreign journalists in the United States, to increase their number, and to facilitate their access to information.

In addition to the fundamental and continuous task of aiding regular foreign correspondents in their contacts, it is fruitful to arrange for visits by foreign journalists. OIAA has brought more than 120 Latin American journalists on trips to the United States since 1942, and has included an item of \$65,000 in its 1946 budget for the bringing of an additional 22 editors and writers. OWI likewise has brought groups of journalists from Egypt, Turkey, Iran, Sweden, Belgium, and France and has asked \$223,000 for continuing this activity in 1946.

This kind of service should be continued by the Government after the war, perhaps on a shared-expense basis whereby the Government would pay only a round-trip steamship fare for a few selected editors each year, or the expenses of such individuals during ninety-day visits within the United States.<sup>14</sup>

It should be the full-time responsibility for a small unit in the Government, possibly only three or four men, to facilitate the work of foreign correspondents. The unit would be guided by reports from the missions on the kind of news appearing in the foreign press under the names of correspondents in the United States. In addition the staff should be equipped to participate in arranging for visiting journalists.

### Activities in Connection With Foreign Visitors Generally

Distinguished visitors to the United States, private as well as official, may be the source of news or background feature material for use both here and in their own countries. During the war, the OIAA in cooperation with the State Department gave a suggestive demonstration of interlocked services through the Inter-American Travelers' Index and the Reception Center at Miami. It is sufficient to say here that whatever is done with reception activities in the future will have an informational angle, requiring collaboration by whatever units are concerned with the information program.

### Servicing Overseas Libraries

Libraries abroad will be the channels for much that is disseminated. Among other wartime developments, the British Division of the OWI,

<sup>14</sup>It is said, however, that when the United States bears the whole expense it is easier to make sure that the foreign journalist sees the country as a whole and not merely the seaboard.

in close association with the embassy, has illustrated the long-run possibilities. Such centers must be serviced from the United States.<sup>15</sup> Among other current materials, they require frequent shipments of clippings. They need help in maintaining conveniently arranged exhibits of governmental and other pamphlets on various classes of subjects, ranging from technological matters to public policies likely to be of interest in other countries. They will wish to maintain a classified current shelf of books of outstanding interest. They must be aided in providing catalogue service. They must be equipped to furnish reference assistance. The libraries must be prepared to aid foreign authors who need pictures for their articles. Suitable collections of photographs (preferably in convenient mat form) should accordingly be accumulated and kept abreast of the demand.

The need for continuing these services was stressed in a letter of December 18, 1944 from Arthur Hays Sulzberger, publisher of the *New York Times*, to Elmer Davis. The letter read in part:

"I want to tell you how impressed I was with the OWI Library in Melbourne, Australia. I am just back from a trip of more than 25,000 miles which took me as far West as Leyte and then South to Australia and New Zealand.

"The Melbourne library is well set up and apparently much used. The two ladies in charge seem capable to the nth degree and both are most attractive in manner as well as in appearance. I am sure that the place is performing a useful function for they tell me it is crowded at noon and the questions are innumerable. Naturally I was pleased to see the *New York Times* there as well as the *New York Times Overseas Weekly*, our *Index* and the film of the paper. After all, that makes almost a complete library in itself! You have every reason to be proud and happy about the set up and I am in hopes that when the war is over a library such as that can be coordinated in some way with our consular or diplomatic service and continue to function for the benefit of those who seek to know more about us. God knows it's the least we can do to offset some of the films that come out of Hollywood which portray us most incorrectly to the masses."

A special library-service unit of perhaps ten persons would be needed to select, purchase and ship the necessary books and pamphlets for these libraries.

<sup>15</sup>Eric Biddle, field agent in London for the Bureau of the Budget, in a confidential report to the Bureau on Mar. 22, 1944 regarding the British Division of the OWI (not to be confused with OWI's main London headquarters for Europe), noted that it consisted of a Library, a News Room, and a Slow Media Section. He added that the British Division in London had not really gotten started until early in 1943 when the OWI "established a British Division in Washington to service it".

## Books and Pamphlets

Books privately published in the United States and sold abroad can be of material assistance to the purposes of a national information program. The Government after the war will give assistance wherever practicable but the distribution will remain in private commercial channels. The wholesome collaborative tendency among book publishers in their analysis of and reaction to the need for closer attention to their export trade has been embodied in the United States International Book Association. Apart from its intrinsic activities, it provides a point of contact for the Government on many problems.

It is not possible to conclude at present whether there will be need for additional Government assistance in the publishing of inexpensive overseas editions of American books, such as OWI has arranged for the liberated areas of Europe. These books paid for themselves. The Government has provided only a small unit in New York to work out details with the publishers.

Likewise it is not yet possible to conclude whether there will be need for Government pamphlets about the United States. OWI has had a small unit (about 15 persons) producing such pamphlets. Much of the OWI writing has been done under contract. OIAA has also assigned a few officers to pamphlet work. The decision to continue this activity can best be reached after the information program in the liberated areas has been operating for a year and the chiefs of mission have had opportunity to judge the results of the pamphlets prepared in European languages.

So far as distribution abroad is directly governmental, the field organization must be prepared to sell publications if only to increase their appeal. The OWI budget justification for 1946 stated: "The sale of publications is not only thrifty but is also the most effective propaganda policy. Reading matter which is paid for has a greater propaganda effect than that which is distributed without charge." The same principle, it may be remarked, applies to the rental of films and film strips.

The Government presumably will continue to aid in the translation of certain books, as in scientific fields, which could hardly be put out in translation on a commercial basis.

## Government Magazines

It is taken for granted that magazines which the Government has been conducting, such as *En Guardia* (\$1,050,000 a year), *U. S. A. Victory*, and *Photo Review*, if continued at all after the war, will be taken over commercially.

It is possible, however, that there will continue to be a demand from certain chiefs of mission for the publishing of magazines especially designed for a particular country or language group. The Russian-language publications distributed by OWI in the U.S.S.R. have been highly praised. It is unlikely that the Soviet authorities would accede the same reception to any privately published American magazine.

Concerning France Selden Chapin has written: "Concurrently with the distribution of publications in English, it is suggested that we examine the possibility of giving assistance to a review published in French (to be created) which would contain articles in the various engineering fields, and of a Franco-American medical journal made up largely of translated articles from the journal of the American Medical Association."

The American Ambassador in Egypt has recommended the publishing of a "class" magazine to appeal to the Egyptian upper classes in a manner which no private American publication has succeeded in doing.

Each proposal of this sort must be weighed on its own merits. It is assumed at the outset that the Government may produce under contract after the war several magazines directed toward particular countries and that these would not require substantial staff on the Government pay roll.

## Motion Pictures

The importance of motion pictures in an information program was dealt with in part V of this memorandum. It was concluded that the showing of informational pictures about the United States in other countries is a function which cannot be undertaken on a profitable basis, that no private organization is prepared to carry on this work on a world-wide basis, and that if the work is to be done, the Government must be the sponsor.

The OIAA has been operating a successful distribution program in Latin America which reaches approximately 5,000,000 persons a month. This has cost about \$1,500,000 a year, of which a third has been for production or editing of pictures, a third for prints, and a third for the distributing and projecting of the films in the field. Most of the production work is performed under contract; the technical workers therefore do not appear on the Government pay roll. OIAA has required a small staff in Washington, about 10 persons devoted to planning, policy, program content and administration; and a staff of about 30 persons in New York, working through contractors on the production, adaptation, and distribution management of film.

OWI at the peak of its overseas motion-picture activities in 1945 employed about 125 persons in its motion-picture bureau and had a budget of approximately \$2,000,000. This budget included \$200,000 for the United Newsreel, which it is understood will be discontinued at the request of the newsreel companies at the end of the war. Personnel in the OWI Motion Picture Bureau included several camera crews.

In the post-war period it may be assumed that all production work can be carried out under contract by commercial firms or other Government agencies. Under this principle it appears likely that a world-wide motion-picture program could be administered by a Government staff of 50 to 100 persons in the United States. If Government activities were restricted to the rescoring of existing pictures, it has been estimated that a staff of 20 persons, excluding translators and narrators under contract, could rescore 50 or 60 reels a year in each of 15 languages.

### Radio Broadcasting

It has been pointed out that a balanced program of international relations in radio includes not only direct short-wave broadcasting from the United States—for which a separate organization has been assumed—but also arrangements for the rebroadcasting of programs by medium wave in foreign countries, and the provision of transcriptions for use by foreign stations.<sup>16</sup> Service from some central source must provide field officers with radio recordings and script material.

Regardless of the manner in which short-wave broadcasting is organized in the United States, the agency responsible for the over-all Government information program will need a small liaison unit to cooperate with the broadcasters in matters of overseas policy and the supplying of information.

The need for Government personnel to prepare and distribute recordings will depend largely on whether a private or a Government organization is selected for overseas broadcasting. If the central broadcasting entity is privately owned, it is assumed that the burden of supplying recordings will fall largely on the Government information program, which would then require a radio unit of perhaps 25 persons.

<sup>16</sup> Regarding radio services in the field, the Bureau of the Budget's representative in London, reporting in August 1944 on the operations of the British Broadcasting Company in Latin America, noted that the BBC has four representatives in Latin America stationed in Mexico City, Buenos Aires, Rio de Janeiro, and Bogotá. Among other things, they arrange for the rebroadcasting on medium wave of British programs and maintain collections of recorded music, speeches, and other material for loan to the local stations. (It was reported that more than 100 medium-wave stations rebroadcast British programs, most frequently news bulletins.)

### Radio Monitoring

In closing, mention may be made of the problem of continuing in peacetime a certain amount of monitoring of broadcasts from one country to another. One possibility would be to decentralize the task by making it a routine responsibility of informational officers attached to the diplomatic missions. So far as the job was conducted systematically, it might be confined to countries, both of origin and of reception, that were significant from the standpoint of United States interests and policies. The discharge of the responsibility in the receiving countries would involve, not only a running survey of the content of programs, but also an estimate as to the listening public they had enlisted. Even on a drastically simplified scale, any systematic conduct of monitoring is a formidable undertaking. Some of it, perhaps, might be handled regionally at selected posts. Under any circumstances, of course, a degree of monitoring activity must be a part of the work of any informational officer—especially if he is assigned to radio matters—for such monitoring of programs from outside (along with an analysis of the local radio) would be a necessary phase of political reporting.

Even if monitoring is decentralized, some special home support will have to be provided, in addition to the use of the information in political reports. A central monitoring unit in the United States directing administration for the monitors stationed abroad and conducting a central monitoring post would require at least 25 persons.<sup>17</sup>

### Personnel Estimates Probably Too Conservative

The foregoing estimates of possible personnel who may be needed in peacetime have been offered with more confidence in the judgment about the continuing need for the activities in question and their general scale than in the accuracy of any numbers that have been mentioned. The program as pictured has been conceived cautiously and, if anything, it probably errs on the conservative side.

<sup>17</sup> From many points of view, of course, the home organization for radio monitoring would be closely related to a headquarters intelligence service on foreign-policy matters and should be assimilated to any office of intelligence that may be created in the State Department.

## Part VIII

# HOME ORGANIZATION

IT WAS STATED at the outset of this memorandum that the nature and location of the central organization will depend upon the types and extent of the direct governmental services needed to supplement and facilitate private activities, both profit and non-profit, which must constitute the overwhelming bulk of informational relationships among peoples. These activities have been reviewed, the nature of the supplementary services has been sketched, and it is now possible to generalize about future organization.

It is obvious that so far as governmental activity goes, the reliance must be largely on decentralized field organization in foreign countries. But field activities, however organized, must be serviced by a home organization. This will be a production-shop to some extent as well as a channel of policy suggestions. It must provide the sorts of servicing that are neither supplied by private agencies nor handled by the *ad hoc* operating agencies that may rise in the domains like short-wave radio and documentary motion pictures. The importance of servicing by a home organization was forcefully stated by the second secretary at Moscow, John F. Melby, in a report transmitted by Ambassador Harriman under date of October 12, 1944 (despatch no. 1078). He wrote in part:

"The program as it is now conducted is an integral part of the Embassy which draws part of its personnel and invaluable cooperation and working materials from the OWI. Without this assistance nothing could have been done. Since the OWI will presumably disappear with the cessation of hostilities, the State Department should be prepared to take over the functions of the OWI here fully upon its termination and without any interval of time. If it is not prepared to do so, it should at least make sure that some other and permanent agency does. And the present is none too early to start, for this program requires organized, trained personnel, material, and full cooperation by the appropriate private and official informational and cultural organizations in the United States. The Department must be prepared to service this field activity as it is now being serviced by OWI. Unless it is prepared to do so, there can be little point in continuing the activity now at all."

## Alternatives

The theoretical alternatives of home organization are:

(1) An organization which is fully part of the regular structure of the State Department.

(2) A variation of the foregoing in the form of an organization which would be "of" the Department of State without being "in" it—perhaps by making its head an assistant secretary while conducting the operations of the workshop outside under a distinctive name.

(3) A wholly separate Government agency (presumably to be formed at the outset by a merger, on a greatly curtailed scale, of the Overseas Bureau of the OWI and the information divisions of the OIAA), the whole to be conducted subject to the directives of the State Department. Such a body would presumably be devoted wholly to overseas informational activity.<sup>1</sup>

(4) An autonomous organization, almost semi-private in its degree of separation from the Government, but preponderantly public, although perhaps with some private support.

(5) An unrelated series of *ad hoc* organizations, public and private, existing or to be created—the distinguishing mark of this type of arrangement being the degree of decentralization, since it is certain that under any scheme there will be reliance upon a number of *ad hoc* bodies.

(6) Finally (though not as a main alternative), there is the possibility of supplementing any of the foregoing forms of informational organization by channeling certain types of relationships through an autonomous national body linked to a United Nations educational and cultural organization.

Function is the arbiter of organizational forms. The standard adopted in this memorandum for choosing among the foregoing alternatives depends on the scale of the activities involved. If the servicing that were required entailed production on a large scale, it would be desirable to have a separate agency. The State Department could hardly be asked to provide the skills, tempo, atmosphere, and professional prestige suited to an extensive and technical production organization. But the obverse of this standard is likewise true.

Earlier parts of this memorandum have considered various media of international informational contact and the extent to which an adequate portrayal of the United States is accomplished by the non-

<sup>1</sup> As is pointed out below, but without approval, there is the additional possibility that, without affecting the other alternatives but in combination with one or other of them, a general information service for the whole Government of the United States might perform certain productive functions in addition to a coordinating role in domestic informational activities.

governmental institutions which utilize these media. Important gaps have been indicated. But the supplementary task for the Government is not of such a size and productive complexity that it need be maintained outside the Department of State, forfeiting certain important advantages of a full departmental association.

### Integration in State Department Recommended

It is accordingly recommended:

(1) that the future organization be fully part of the Department of State;

(2) that it be under fixed assignment to an assistant secretary of state, free to give it most of his time but a participant himself in the highest policy counsels of the Department;

(3) that in the development of this organization there be a reconsideration of the interdivisional relations, duties, and personnel of the present informational units of the Department in the light of future servicing needs and the transfer of functions and possibly of persons from OWI and OIAA;

(4) that OWI as a separate organization in contracted form continue for some time even after V-J Day in order to service occupational government in Germany and Japan, with incidental transitional duties in adjacent liberated areas. (This aspect of the matter is dealt with further in the final part of this memorandum which discusses problems of transition and timing.)

It is assumed that there will be a number of *ad hoc* organizations (as already suggested) for creative fields as distinctive as short-wave radio. It is assumed, furthermore, that the United States Government should help to support, and should increasingly look to as a channel of national expression and international exchange, the national commission that will be linked to the proposed United Nations educational and cultural organization. This possibility is discussed in a later paragraph.

### Advantages of the Recommended Form

There are administrative arguments for placing the main servicing organization squarely in the State Department. It will avoid the jangling that to some extent is inevitable where an outside organization must constantly receive advice, especially where it may be sought at a number of separate points in the geographical offices. What has just been said does not mean that the separation of policy guidance from operations is administratively impossible—indeed, such separation is bound to exist in a degree in the internal life of all organiza-

tions. What has been said, furthermore, does not mean that the State Department, with its inalienable, over-all responsibility for foreign policy, can avoid in various fields the difficult task of communicating a sense of direction to other Federal agencies which inevitably have contacts with foreign affairs but which can hardly be absorbed in the Department of State. What has been said merely means that, unless there are strong considerations to the contrary, divided agency responsibility should be avoided. There will remain enough problems of integration within the State Department between its geographical and functional units.

The argument for unity was put sharply by Selden Chapin in a report in December 1944, on problems of informational activity and machinery in France. "However much the Department may desire to avoid certain operational activities," he wrote, "it would be difficult for it to escape its responsibilities in this field . . . from the point of view of our international relations it would be disastrous if the Department of State were not to have complete control over informational and cultural activities both as respects planning in Washington and administration in the field. It is unfortunately in the nature of things that any separate organization even if theoretically under the control of the other will seek to develop a separate policy . . . psychological preparation for peace and its maintenance must be placed under control of the Department of State and be entirely coordinated with our international policy."<sup>2</sup> Ambassador Jefferson Caffery endorsed the foregoing views in a letter dated December 5, 1944 (despatch no. 307) that transmitted the report. "It is of much importance that in Europe, specifically in France, since that country is of immediate concern to me, the informational and cultural program, which is to supplement and strengthen our foreign relations, should be guided and directed by the Department of State and the Chief of the Diplomatic Mission. . . . In arguing that the Department rather than an independent agency have the eventual responsibility in an informational and cultural program for France, I venture to emphasize that, as noted in Mr. Chapin's memorandum, there is bound to be some divergence in policy between the two separate organizations." He added: ". . . we would be faced by a serious hiatus in the carrying out of such a program should OWI, a war agency, suddenly disappear from the Governmental machine upon the conclusion of the war."

<sup>2</sup> In the course of his report Mr. Chapin said: "These Frenchmen express their astonishment at the paucity and ineptness of our publicity effort and point with tolerant amusement to the progress made in this field by our British allies . . . marvel at the patient or 'holier than thou' attitude which we seem to take. An attitude which they feel is due more to indifference than to essential rightness."

A further argument for unity concerns understandable congressional attitudes. Congress will support a permanent international informational organization and appropriate money for it upon the conviction that the activity is indispensable to our foreign relations and an organic part of their administration. The Secretary of State must convey this conviction, speaking when necessary very frankly off the record. The conviction will be confirmed by having the central organization for which support is asked squarely within the Department of State.

Unity in the State Department, moreover, is suited to the close relationship that should exist between the current background information which the missions need in their diplomatic work and which is now flowing to them in growing volume, on the one hand, and the current information that should be available in public contacts abroad, on the other hand.<sup>3</sup>

### Implications of the Choice From the Standpoint of State Department Internal Structure

The decision to place the peacetime central informational service organization in the Department of State has corollaries which involve: (1) continued administrative progress in the Department generally; (2) recognition of the proper relationship of functional to geographical elements of organization, with special reference to informational activities; and (3) a review of the units now grouped in the Office of Public Affairs. Each of the foregoing will be commented on in turn.

(1) The rejection of the idea of a permanent outside organization is based in part on the assumption that the Department of State will be marked by continuing attention to and improvement of its internal administration. Otherwise the Department could hardly be expected in the future to have enough promptitude and flexibility to run what in many respects will be a workshop. At bottom, of course, the needs of the informational organization do not differ from those of energetic administration at all other points in the Department. Good administration implies autonomy in the sense that every unit is supplied with the personnel, the procedures, and the equipment required by its distinctive functions. In the conduct of informational servicing work, imagination and adaptability will be necessary. Craft skills must be drawn upon. Novel personnel recruiting and arrangements may be required. At the same time, the workshop staffs must be kept aware

of the policies that should shape their output. This awareness—this sense of being on the inside—is only a phase of a condition that is essential to the health and progress in all parts of growing foreign offices; it is a requirement that must be met despite the confidential nature of much of the matter with which such offices deal. An alert over-all administration of the Department of State can accommodate itself to these needs.

(2) Within the Department of State, the responsibility of the information organization for the several phases of the informational process must be adequately recognized. The organization must be able to set standards for informational field personnel, to participate in their selection and in framing instructions to them, and generally to guide and galvanize them. The informational organization will collaborate closely with the departmental unit responsible for the flow of confidential summaries to the field. These summaries are intended primarily for the use of diplomatic missions in understanding the background of events throughout the world, but they are also of use to information officers who interpret American policy to the press.

Problems of adjustments with the geographical offices must be met. Specifically, the existence of the OIAA and its noteworthy program have encouraged a unique relationship between the Office of American Republic Affairs (ARA) and regionalized informational services. The appointment of the former Coordinator of Inter-American Affairs as assistant secretary in charge of American republic affairs might conceivably invite the later absorption within ARA of considerable informational activity. The unintentional effect of such a development might seriously handicap the functional treatment of information through the development of a strong and responsible information organization, global in range, specialized internally, and of course constantly deriving its frame of reference from the several geographical offices as well as the other sources of guidance in high policy. This risk must be dealt with frankly. The recommendations of this memorandum are based on the belief that the primary organization for the conduct of informational activities should be functional and world-wide. It does not seem practicable to have duplicate workshops for each medium within each geographical office.

Problems of adjustment with the other functional units in the Department of State must likewise be worked out in terms of the implications of a central information organization within the Department. Specifically, a sharing of jurisdiction must be established with the economic offices that deal with the technical and the commodity or trading angles of various industries that touch international information. The solution does not lie in locating the jurisdiction for matters like telecommunications or motion pictures in any one place

<sup>3</sup> G. R. Merrell wrote from New Delhi, India, on Oct. 23, 1944:

"The agency in the United States which should supply press secretaries with both background material and interpretations of news from the standpoint of American foreign policy certainly should be within or under the supervision of the Department of State."

whether an economic or an informational office. Rather, the solution lies in a still clearer recognition of shared jurisdiction, of an awareness of the nature of informational policy, and, in these terms, a sharper understanding as to the routing of action papers and the location of initiative and consultative responsibility as to various classes of items.

(3) It will be necessary to reconsider the principles that underlie the present divisional structure of the Office of Public Affairs. This subject calls for a fuller inquiry than is possible at the present time. Decisions on the main questions discussed in this memorandum are necessary before it will be possible or profitable to reduce the proposed functions and structure to a blueprint.

### Suggestions as to the Outlines of Future Organization

The following outlines of future organization are suggested:

(1) The foreign and domestic phases of information have a common element but as they expand should be organized separately for both detailed planning and for operations. The relationships between them will be safeguarded by placing them under the same assistant secretary. The staff attached directly to the assistant secretary (which may include a career deputy) should not be on a scale that would undermine the responsibility of the offices and their divisions.

(2) The office on foreign informational and cultural matters would be subdivided on a functional basis, with a number of divisions based on media or processes. These divisional jurisdictions would cover such fields as: (a) the preparation of the supplementary news, feature, and related background material described in the preceding part of this memorandum; (b) visual materials, including collaboration with outside production organizations; (c) radio, involving liaison with whatever outside short-wave organization or organizations may develop; and cultural cooperation, which, in addition to its broadly coordinative contacts with organizations and individuals as well as other Government departments, would as an operating unit be largely concerned with movements of persons, together with certain activities in connection with books and publications. In addition, a translating service would assist all of the divisions.

(3) The work of the functional units must be focussed geographically. This must be accomplished in ways that will preserve their vitality. The need for a country focus has two phases. One is broad planning for each country that will cover every kind of informational medium. The other is the necessary duty of getting out materials to each post, attending to miscellaneous inquiries and requests, and seeing to it that the needs of the post are filled in an expeditious and concerted manner. This important activity might well be organized as a division.

As for planning, it should be noted that under peacetime conditions the responsibility for deciding what is needed and of devising an informational program for any country will rest in considerable and increasing degree with the field organization in that country, subject to the head of the diplomatic mission. The home organization will support the program, within the limits of a balanced use of the funds available, so far as the program depends upon production and other servicing carried on within the United States.

Country planning, as distinguished from media planning, in the home organization might be crystallized by a number of aides to the head of the office, each assigned to a given area. Each aide could serve as the focus and secretary of a country committee that would draw together elements from each of the functional information divisions together with a representative from the geographical (political) office or division concerned.

In addition, there would be the unit already referred to for servicing and attending to the needs of each field post, considered as a whole.

### Relations to a Possible Government-Wide Information Office

In addition to machinery in the State Department, note must be taken of the possibility of a coordinating information office for the Government as a whole.<sup>4</sup> The decision will rest with Congress. Precedent exists, of course, in the Office of Government Reports, which for a time was part of the Executive Office of the President.<sup>5</sup> If such an office were recreated, of course, it would not be a substitute for departmental informational services such as the proposed enlarged service to be conducted by the Department of State for international

<sup>4</sup>In Great Britain a general information office is proposed in addition to departmental units, including the information service in the Foreign Office. The pamphlet on *Government Information Services*, published by P E P (Political and Economic Planning, no. 230, Feb. 2, 1945), recommended (in addition to departmental informational units) that "a central publicity unit should be set up to provide technical and creative services. It should be attached to the Treasury, the Lord President, or the Cabinet offices; it should operate under the general direction of a standing committee of Departmental directors of information services." The central service would take over the work of such Ministry of Information divisions as Films, Publications, Photographs, Exhibitions, and Campaigns. "It should be responsible for buying space, time, and commodities for all government advertising. In all matters of publicity production, Departments should be free to deal direct with private agencies where these exist."

<sup>5</sup>The Office of Government Reports evolved from the U. S. Information Service and other staff services under the National Emergency Council. It was placed in the Executive Office of the President by Reorganization Plan No. 2 and Executive Order 8248, Sept. 8, 1939. See Lowell Mellett, "The Office of Government Reports", *Public Administration Review*, winter 1941, vol. 2, pp. 126-131.

information. Incidentally, however, the general informational office might carry on some of the production needed for foreign use. Thus, it might rework materials based upon governmental publications. It might conduct a film service for the Government at large, although (as has been suggested earlier in this memorandum) such a service should preferably be developed under the Library of Congress. In any case, when utilized as a production arm for international information services, the over-all Government agency would be reimbursed by the State Department from its own appropriations. The potential drawback of any over-all information office (apart from its legislative vulnerability) lies especially in the risk that, even when ostensibly confined to coordination and service, it tends to become interposed between individual departments and the public. The creation of such an agency is not recommended from the standpoint of this memorandum.

### The Possibility of National Bodies Linked to International Organizations

Finally, a word must be said on the question of an omnibus autonomous agency for national expression and projection abroad. The following answer is ventured. Instead of throwing effort into what has often been suggested—some American equivalent of the British Council—it is urged that the extradepartmental impetus, so far as it does not belong to *ad hoc* agencies for matters like radio and motion pictures, should be put behind the United States national commission which will be linked to the proposed International Organization for Education and Cultural Development. The desirability of this course is fundamental; its long-run strategy is sound. The more the channels of international exchange can be made international, with national agencies joined to them at both ends rather than forming separate and complete conduits from one country into another, the more wholesome the effect.

In connection with the possibility that has been mentioned, it is appropriate to quote from the tentative constitution of the proposed International Organization for Education and Cultural Development (or, as it may be called, the United Nations Educational and Cultural Organization). Article VIII provides for "national commissions" to be designated in each country by the government and by national educational and cultural organizations. The functions of each national commission include: (1) advising with the government and approving the selection of at least half of the national delegation to the conference; (2) acting in an advisory capacity to the national delegation; (3) considering reports and taking "such steps as it considers desirable

to secure action on these recommendations within its own country . . ." In addition, (4) "Each member may assign to the National Commission such additional functions as are consistent with the purposes of the organization."

The utilization by the United States of its national commission as a vehicle for international exchange must respect the principle that in an international body no one nation should, by disproportionately large financing, assume too large a part of the normal costs of an international body. But the principle cannot be applied literally. A distinction may be drawn between normal administrative and special-project costs; the latter may be financed by individual nations outside of their quotas.<sup>6</sup> It is the sense of reciprocity that must be preserved. Much that the United States has at stake in making itself known can legitimately be effected through this organization, by generous financing of the national commission.

Another possibility is that an international body suited to aid in the enforcement of certain international principles of freedom of information may be developed under the Economic and Social Council of the United Nations Organization. For purposes of investigation and report it might utilize the voluntary type of guild referred to in an earlier part of this memorandum.

The foregoing developments, if they occur at all, would not obviate the need for the national agencies, at home and in the field, that are dealt with in this memorandum, including especially the central organization recommended for the State Department.

<sup>6</sup>At any rate, it seems to be the intended policy of the United States not to contribute to the heavy expenses of educational reconstruction in liberated countries through international channels but to proceed under bilateral agreements.

As for the financing of the national commission dealt with in the text, presumably it could mobilize private contributions. H. Res. 215, 79th Cong., 1st sess., adopted May 17, 1945, approved the "creation of an international educational and cultural organization". H. Rept. 588 noted that the jurisdiction was not intended to extend to education in enemy countries or its physical rehabilitation in war-devastated countries.



## Part IX

# FIELD ORGANIZATION

SO FAR AS international information is a peacetime governmental job, it must be largely discharged in the field by units suitably linked to the diplomatic establishments. Such devolution personalizes contacts and makes it easier to adapt methods and materials to the society in question. Much detail can be performed locally with economies and other benefits that more than offset whatever advantages may lie in centralized production. Informational activity in the field has already shown itself to be an indispensable adjunct of our diplomatic missions. There remain questions, first, of the exact relationship of the field-organization activity to the diplomatic establishment, and second, of the extent of the professionalization necessary and of its provision within the Foreign Service.

### Alternatives of Organization

The alternative types of status for the elements of informational field organization are:

- (1) An organic part of the diplomatic staff, located on the premises of the mission as well as responsible to the chief of mission.
- (2) A unit separated physically from the mission, with personnel not necessarily part of the Foreign Service, perhaps even under a different organizational name, but still responsible to the chief of mission. This has been suggested particularly for libraries, which would be developed into omnibus distribution centers for various classes of "slow media", in addition to printed material, which do not involve a day-to-day interpretation of American foreign policy and events.
- (3) A semi-independent field unit attached to an information agency located outside the Department of State. This alternative is mentioned for purposes of logical completeness, but has already been ruled out by the recommendation that the main home organization be developed within the Department of State.<sup>1</sup> Some of the *ad hoc* producing organizations that have been envisaged may require occasional field agents on relatively technical matters.

<sup>1</sup> The possibility of overseas organization in the form of governmental "tourist agencies" or the like is not even considered here, being alien to the public policy assumed in this memorandum.

The first two alternatives above recognize that the information organization should be essentially part of the diplomatic mission. There seems a convincing case for essential unity of leadership in the field and accordingly for the selection of either the first or second alternative, or a mixture of both.

The choice between alternatives (1) and (2)—whether information activities should be physically inside or outside the embassy—would turn largely on the following points:

- (1) whether the atmosphere in the diplomatic establishments and in the Foreign Service generally is suitable for the operation of what in part may have to be a distribution service;
- (2) whether punctilio and related conditions in an embassy will limit usefully varied and intimate contacts;
- (3) whether the United States wishes to deepen the international precedents for the conduct of informational activities as adjuncts of diplomatic establishments;
- (4) whether the informational work would be more effective if conducted in partial dissociation from the direct instruments of high national policy;
- (5) whether nationals of a country are more likely to use the information services of a foreign government—such as the United States—if the information service is physically separated from the diplomatic establishment;
- (6) whether some governments are inclined to accept information activities by other governments but to shut out private informational activities, as in the Soviet Union; or conversely, whether some governments, during periods of strained relations with the United States, would permit no information activity by the United States Government but would tolerate activity by private American organizations.

### Grounds of Choice

In answer to the foregoing questions, a fixed pattern can hardly be recommended. Needs vary from country to country. But three general observations may be made:

- (1) From the standpoint of the spirit in which the United States will conduct its informational program throughout the world, there would be loss rather than gain in attempting to dissociate the responsibility for the activities from the diplomatic establishments.<sup>2</sup> More-

<sup>2</sup> This conception seems to mark British thinking as it is reflected in the pamphlet on *The Future of Foreign Publicity* (a broadsheet issued by P E P (Political and Economic Planning, no. 213, Oct. 19, 1943, p. 9), where it was said: ". . . the official concerned with information, publicity and Press (he might be called the Public Relations Secretary or Counsellor) must obviously be a member of the staff of the Mission, directly responsible to the Ambassador or Minister."

over, as indicated elsewhere in this memorandum, it seems probable that government information in other countries will, either by international agreement or United States policy, be labelled as to its source.

In certain countries the work as a whole could be conducted only under full diplomatic auspices. The second secretary at Moscow, John F. Melby, in a report transmitted by Ambassador Harriman on October 12, 1944 (no. 1078), made the following comment:

"The program of information in the Soviet Union cannot be conceived of in the usual terms of relations with other countries . . . the nature of the Soviet set-up and control has required and will continue to require that activity be closely tied in with the Embassy."

Ambassador Harriman himself, in a message on June 19, 1945, said:

"Nothing in the present and future relations among nations is more important than that our country and the Soviet Union should have a clearer understanding of each other, and the dissemination of the facts of American life is essential to this understanding. . . .

"Since the Soviet Government controls all foreign contracts, it is of prime importance that our government continue to function effectively in the field of information and cultural exchange between our two countries. It should of course be our policy to assist and stimulate individuals and organizations in the United States in the development of their relationship with the Soviet Union in these fields."

Note should be taken, however, of minority viewpoints, arising from different backgrounds, that have been expressed on the question of the direct connection of informational activities with the missions. Guy W. Ray, second secretary of embassy at Mexico City, in a memorandum of March 23, 1945 (despatch no. 23,608) on "Future Information Program of the United States Government, particularly as regards Mexico", presented an argument for separation. He assumed that "publicity appears destined to play a much greater part in future years", that "the information officer in the field must look to the diplomatic mission for guidance", and that "the headquarters organization should preferably be in the State Department". But he added:

"However, the Information Office should be on separate premises from the Embassy and matters of administration of the office should be under a manager who would have full authority in the administration of his office in the mechanics of distribution of material. An information office should be on premises separate from the Diplomatic Mission in order to avoid the accusation that the Diplomatic Mission is a propaganda agency. Diplomatic mail goes out under the franking privilege and the use of such a privilege for the distribution of publicity is not desirable. Furthermore, if difficulties should arise with the local administration regarding questions of propaganda, it would not involve the standing of the Embassy if the office is separate from the Embassy and established as a separate government agency."

In somewhat the same spirit, Sheldon Thomas, second secretary, wrote from Buenos Aires on November 30, 1943 (no. 13023): "The author of this memorandum does not believe that it should be the function of the mission to handle directly any of this information program, especially in a country like Argentina." Mr. Thomas' arguments in this memorandum stressed "mechanical" and related factors. He subsequently renewed the part of the argument for separation that was based on political grounds. On January 26, 1945, he wrote:

"I believe that a special information program for Argentina could be designed to supplement the routine one, utilizing such extra-official channels and organizations as are best adapted to the needs of that program. The nature of the program and the channels for putting it into effect will naturally depend upon the situation prevailing in Argentina vis-à-vis the United States after the atmosphere has cleared."

(2) A fairly strict application of responsibility under each chief of mission is in line with the principle that is being pursued to the utmost degree consistent with technical requirements in all foreign representation of the United States. The relations of the overseas workshops of the OWI to the diplomatic establishments for the most part have been marked by a degree of working cooperation which, under the circumstances, has been commendable, sometimes remarkably so. But these relations have not been so completely harmonious as to be an argument for the sufficiency of federated structure in foreign capitals. Informational activities are an indispensable phase of the conduct of foreign relations. They are inherent in the proper equipment of the diplomatic establishment for the discharge of inalienable responsibilities.

(3) Informational activities in the field are a connected but not a single process. One phase involves relatively close working relationships to the head of the mission, availability for the active interpretation of his policies as well as of the day's events at home, and a background for both gained in part from coded and confidential material. The second phase of the process involves public services conducted by such means, for example, as collections of books, magazines, clippings, photographs, and other raw stuff for articles by foreign writers, libraries of motion pictures, film strips, radio recordings for loan, with some equipment for direct exhibition when necessary. These two phases of the informational process—though they should be one in point of responsibility to the head of the mission—permit differing degrees of physical detachment from the mission.

## Physical Separation

The question of a separate physical location, even of a distinctive name, for a part of the activities is therefore a question of effectiveness

in terms of the local situation and type of work to be done, rather than of principle or punctilio. The degree of decentralization will tend to vary with the requirements of equipment and personnel for the conduct of the type of distributive activities which is appropriate to the country in question. Some societies call for a relatively direct, extended type of distribution; the operations become detailed and mechanical. Premises and equipment as well as subordinate personnel must then be suited to tasks of this type.

Broadly speaking, the libraries abroad—already familiar institutions—can be made omnibus vehicles to carry the second phase of the informational process described above, with whatever degree of separation in physical location and distinction of nomenclature is deemed appropriate by the head of the diplomatic establishment.<sup>8</sup>

### Experience With Coordination Committees in Latin America

From the standpoint of decentralization, experience with the Coordination Committees established in 1941 under the Office of Inter-American Affairs has angles of outstanding interest. Incidentally—like the OWI outposts in a different setting—the staffing of the committees has illustrated how much personnel was absorbed in the field activities during the war. An OIAA report showed, as of July 1944, that there were 688 paid employees under the Coordination Committees (without differentiating those paid through the committees and those paid directly by the Coordinator's Office). Of the total number, 94 were United States nationals, 24 having been sent down for the purpose and the others being United States nationals who were residents of the countries. Of the total number, 205 were engaged on administration, 216 on motion-picture activities, 169 on press, and 79 on radio. (The number in each category for the several countries is shown on the accompanying table, "Coordination Committee Paid Personnel".) The administrative expenses of the committees—not including sums allotted to them for press, radio, and motion-picture programs—were estimated at \$700,000 for the fiscal year 1946.

The Coordination Committees have illustrated a method of decentralized operations. Within the funds given them, they have exercised initiative in devising and carrying through local programs for press, radio, book translation, photographic exhibits, and similar activities. The future scale of peacetime informational financing will hardly permit a literal imitation of this method of field devolution,

<sup>8</sup> The proposal regarding libraries, it should be added, is subject to the objection that it might impair the efficiency of the libraries as such by adding extraneous elements to their relatively simple objectives.

but its essential lessons may well be reflected in the leeway that will be allowed to the missions in planning and in conducting informational activities from country to country.

COORDINATION COMMITTEE PAID PERSONNEL  
(as of July 1944)

Country	Ad- min- is- tra- tion	Radio	Press	Mo- tion pic- tures	Ed- uca- tion	Other	Total	U.S. na- tionals sent down	U.S. na- tionals em- ployed locally	Na- tionals em- ployed locally	Total
Argentina.....	30	3	10	27	2		72		8	64	72
Bolivia.....	8	6	11	10			35	3	2	30	35
Brazil.....	35	12	30	32		16	125	7	12	106	125
Chile.....	15	6	27	21			69	2	3	64	69
Colombia.....	15	5	5	22			47	1	3	43	47
Costa Rica.....	6	6	8	8			28	2	2	24	28
Cuba.....	4		5	7		1	17		2	15	17
Dominican Republic.....	5	1		2			8		3	5	8
Ecuador.....	17	5	9	19			50	1	5	44	50
El Salvador.....	4	1	4	3			12	1	1	10	12
Guatemala.....	5		1	7			13		1	12	13
Haiti.....	7	1	3	4			15	1	1	13	15
Honduras.....	7	3	1	4			15		2	13	15
Mexico.....	7	6	19	5			37	1	11	25	37
Nicaragua.....	8	1	5	5			19		4	15	19
Panama.....	3						3		2	1	3
Paraguay.....	6	5	3	6			20		1	19	20
Peru.....	10	7	17	13			47	3	3	41	47
Uruguay.....	7	7	6	9			29	1	2	26	29
Venezuela.....	6	4	5	12			27	1	2	24	27
<b>Total.....</b>	<b>205</b>	<b>79</b>	<b>169</b>	<b>216</b>	<b>2</b>	<b>17</b>	<b>688</b>	<b>24</b>	<b>70</b>	<b>594</b>	<b>688</b>

The Coordination Committees have represented a method to galvanize the American communities abroad. More than 600 American citizens (according to the OIAA budget statement early in 1945) were serving on a voluntary basis on committees in all principal cities.

The success of so extended but so inherently localized a scheme has naturally been uneven.

Part-time committees are ill-equipped by their very nature for continuing administrative and policy responsibilities. Paid staffs have been necessary to provide continuity. Moreover, the part-time committees, even though composed largely of American businessmen, have not succeeded in raising locally any substantial funds for wartime information activities. Despite the desire of many members connected with the Coordination Committees to go on with the method, there is

little evidence that funds could be raised locally after the war for local activities.

The long-run lessons of the experience with the Coordination Committees have been obscured by several wartime factors. First, the Committees have been part of the field organization of a war agency. The critics of the scheme might take a different view of community advisory committees attached directly to the missions.<sup>4</sup> On the other hand, much of the praise directed toward the Coordination Committees has arisen from the large amounts of Government money channeled through the committees during the war and the more than 600 full-time paid personnel on their staffs.<sup>5</sup> Discounting these temporary factors, the example of the Coordination Committees may suggest to many diplomatic establishments the possibility of enlisting advisory groups or eliciting other elements of collaborative support in the conduct of certain phases of informational work.

## Field Activities and Foreign Service Specialization

The case for integration in the field must make terms with the fact that informational activities call for some specialization of talents and experience and training.<sup>6</sup> If they are to be absorbed in the diplomatic establishments with due status and prestige and therefore conducted essentially by the Foreign Service, the latter must be permanently capable of this degree and kind of specialization. The need here, of course, is one aspect only of a major problem which affects the future of the Foreign Service very fundamentally. Unless the Service can accommodate itself to an adequate amount of internal specialization, various functional departments of the national Government can hardly be prevented from maintaining their own foreign agents, whose separate activities the chief diplomatic representatives in foreign capitals would have to coordinate as best they could.

<sup>4</sup> Some aspects of the long-run policy of the Department of State as to the committees were indicated in an exchange of letters with the OIAA in January 1944, copies of which were sent on Feb. 16, 1944 to U. S. diplomatic missions in the other American republics (Embassy file no. 842).

<sup>5</sup> A comment from Havana, Dec. 1, 1944, stated (according to a summary prepared on Mar. 23, 1945 for the Information Policy Committee):

"The membership and operating methods of the Coordination Committee for Cuba are so efficient, it is proposed that, following the severance of its ties with the OIAA, it shall continue to operate as at present, taking no action without prior approval of the Embassy. It will only be necessary to reduce the secretarial staff and to change its name."

<sup>6</sup> *Editor and Publisher*, Dec. 16, 1944, noted that Elmer Davis, before the Foreign Press Association, said the OWI planners hoped, if the informational activities passed under the State Department, that "the news attachés would have their own career bracket."

The present memorandum is not the place to trace the steps that have been taken in preparing to deal with the general problem. But, in view of the necessity of early action if there is to be a transition from the OWI and OIAA field organizations (with the already expressed ideal of absorbing outstanding individuals), it is well to stress the severe limits on the permanent recruiting that is now possible.

(An accompanying table shows the number of "public relations" officers among the 300 additional Foreign Service officers for whom money was asked in the fiscal year 1946. The figures on the table are in addition to the information officers authorized in the 1945 fiscal year. To June 1945 the Department had appointed only 10 auxiliary officers for full-time information work (France 4, Germany 1, Iran 1, Belgian Congo 1, Italy 1, Egypt 1, Brazil 1). A large number of regular Foreign Service officers were devoting a part of their time to information work but no accurate list of these officers was available.)

COUNTRIES AND FUNCTIONS FOR WHICH 300 ADDITIONAL OFFICERS WERE REQUESTED FOR 1946\*

Country	Political	Public relations	Economic and commercial	Consular and administrative	Total
Albania.....			3.0	1.0	4
Austria.....	4.0	2.0	9.8	6.2	22
Belgium.....	1.6	1.6	1.4	1.4	6
Bulgaria.....	1.4	1.6	2.6	3.4	9
Czechoslovakia.....	2.4	1.0	8.0	6.6	18
Denmark.....	4.0	2.0	7.0	4.0	17
Finland.....	2.0	1.0	2.0	1.0	6
France.....			1.4	9.6	11
Germany.....	3.2	4.0	6.4	40.4	54
Greece.....				2.0	2
Hungary.....	2.0	2.0	2.4	6.6	13
Italy.....		1.0	4.8	14.2	20
Luxembourg.....	.4		1.0	.6	2
Netherlands.....		1.0	1.0		2
Norway.....	2.0	1.6	3.0	7.4	14
Poland.....	.8	2.0	6.0	10.2	19
Rumania.....	2.6	1.8	7.8	4.8	17
Union of Soviet Socialist Republics.....	3.0	8.0	11.0	14.0	36
Yugoslavia.....	1.0	3.0	3.0	6.0	13
Philippine Islands.....	1.6	3.0	6.0	4.4	15
Total.....	32.0	36.6	87.6	143.8	300

\*Hearings Before a Subcommittee of the House Committee on Appropriations on the Department of State Appropriation Bill for 1946, Feb. 13, 1945 (79th Cong., 1st sess.), p. 101.

During the war, specialists have been recruited mainly through the Auxiliary Foreign Service, established in 1941. If mature officers are

recruited now from the rolls of the OWI or the OIAA, or otherwise, they will be engaged through the Auxiliary Foreign Service.<sup>7</sup> But this Service is limited to no longer than six months after the end of the emergency. The amendment of the Foreign Service Act passed in 1945 (H. R. 689, H. R. 51, S. R. 192, Public Law 48, 79th Cong., 1st sess., approved by the President May 3), in its revised form did not seek to facilitate admission from the Auxiliary to the regular Foreign Service. If there is to be effective permanent recruiting of high-quality personnel during the period of transition, it is urgently necessary that there be early action on a fundamental policy, with attendant legislation and Executive orders, to permit functional additions to the permanent Foreign Service. With these will go the in-service training program that will include attention to informational activities.

What has been said has not been intended to overstrain the claim for the need of specialized professional skills in informational work. In large degree, especially for the officer in charge, the emphasis is on what is often called "public relations" or more aptly "public affairs", rather than craftsman journalism; it calls for judgment, tact, a sense of public policy, an awareness of subtle factors, more than technique.<sup>8</sup> These are qualities idealized in the Foreign Service.

<sup>7</sup> On the quality of the emergency personnel in the field, it is appropriate to quote from the report in June 1945, of the special Free Press Committee of the American Society of Newspaper Editors dealing with its observations in a dozen countries during the first 4 months of the year: "Nowhere", they wrote, "did we find a bad OWI." And they added about the office in Egypt: "This was a good one, not because of its kindness to us but because of its intelligent grasp of things." The report further said "that the committee had come to the conclusion that while OWI should be abolished when its war needs are ended, there should be some form of OWI, a press attaché or something of the sort, attached to each Embassy. It would pay dividends."

<sup>8</sup> From Peru came a comment in the form of a memorandum submitted to the Ambassador by Rolland Welch (despatch no. 1792, Oct. 24, 1944). The writer indicated that he himself had once been a journalist for nearly 10 years. Press attachés, he thought, had failed, partly because they had not received enough guidance and partly because "most of them were ex-newspaper reporters". Mr. Welch developed his point by saying: "As to the second cause for failure, it is amazing how many people who begin to think in terms of public relations and press relations strike upon the idea that a newspaper reporter would be ideal to handle the work. As a matter of fact, a newspaper reporter is trained to investigate and report—he rarely knows anything about how to make a purvey news—and only a few of them, usually political reporters, reach that stage where they accurately sense public opinion. Large corporations have learned long ago that a friendly public and a friendly press can rarely be cultivated under the direction of a newspaper reporter. Whatever else a public-relations and press-relations director may be called, or may be, his success depends largely on the degree to which he is 'politically minded' or 'diplomatic' minded. . . . There are no secret tricks to the cultivation of the friendship of newspaper reporters, editors, radio commentators, etc." Mr. Welch pushed his sound point to an ex-

But effective informational work in the field will also require a fairly technical understanding of the possibilities, limitations, and needs of the media involved, some of them novel and now undergoing amazing technological improvement. It will require sympathy for those who use these media if only to win and keep their friendship and good will. It will require cheerful accommodation to the tempos of these media. At bottom, it may require almost a reversal of moods not unnatural in the Foreign Service and frequently characteristic of it. Informational work, without ceasing to be discreet, must have a strong sense of outgoing relationships.

In the larger posts, informational work will be subdivided, requiring a degree of operating skill in the several special media involved.<sup>9</sup> Certain specialties—radio, for example—might be served on regional basis.<sup>10</sup>

Some of the problems of recruiting and compensating technical personnel, moreover, will be met by developing the libraries as general distribution offices for relatively slow materials in various media. Employment here may, if desired, be under contract, securing additional flexibility. But these possibilities will not meet the crucial problem of officers who can handle the day-to-day interpretation of policy. They must be fully identified with the mission; they must be close to its head. They must have prestige as well as adequate representation allowances, equipment, and other elements of support.<sup>11</sup>

treme when he argued: "What is needed is a section *in* the Department which will handle our Government's 'public' policy, as distinct from its confidential policy. What is needed in most missions is the designation of a diplomatic secretary to carry out the 'public' policy of the government. . . . He needs no title; no special training . . . a press attaché or other outsider would be very apt to make mistakes of a serious nature. If the Department wishes to improve relations abroad, it has only to move some of its activities from under the mantle of secrecy to a pedestal in public view."

<sup>9</sup> Ferney A. Rankin, writing on Oct. 6, 1944 about results in Colombia remarked:

"The chief reason for the success of the radio effort in Colombia is that it was the first division, and perhaps the only one of CIAA, to be organized along professional lines. A radio field representative came to Colombia two years ago with authority and responsibility to organize a first class radio campaign. . . ."

<sup>10</sup> Note, for example, the British Ministry of Information, BBC, and British Council offices in Cairo for the Middle East. Note, too, suggestions in the United States Foreign Service for the use of interim specialists on a traveling regional basis. But where foreign public contacts and confidence are all-important, intimacy must not be sacrificed to seeming efficiency, nor can the natural pride of each separate country be slighted.

<sup>11</sup> The importance of adequate allowances is given point by quoting from a memorandum by Loren Carroll, June 15, 1945, based on his experiences in Algiers and Paris:

"All officers in Public Affairs should be allotted not only living allowances abroad but adequate representation funds. This is a most important point. In many cases the only suitable and dignified contact with people a Public

A possible method of securing experienced specialists of high caliber will be through the proposed Foreign Service Reserve. Thus, panels of correspondents, editors, columnists, radio commentators, and the like could be developed, and individuals from these lists could be thrown into the field for assignments of preferably at least 2 years at a stretch. It would hardly be practicable for the professions in question, however, unless the panels were constantly renovated, permitting the appointment of seasoned individuals who happened to become available. There are likely to be limits, too, on the number of successful men who could arrange and would wish to leave their outside positions for as long as two years on a purely temporary basis. Nor will the system in itself provide the steadiness that is needed at the core.

Continuity is important. More even than in cultural relations field work, where the individual cultural-relations officer may in himself provide a temporary special exhibit in a slowly rotating exhibition of phases of cultural achievement, informational activities call for trained abilities and consistent application. It may be possible to serve various special needs at foreign posts by Reserve officers assigned there for a couple of years. But the central informational task requires steady attention and cumulative experience within the Foreign Service and with the distinctive problems of international information. The regular Foreign Service must recruit or develop through training the officers who can provide the focus for informational work of all kinds in the several capitals. The new emphasis upon training in the Foreign Service will doubtless seek to make every Foreign Service officer in the future more conscious of and skilled in public affairs. But it will still be necessary for some officers to give relatively concentrated attention to this field.<sup>12</sup> In order that able young men

Affairs officer desires to influence is by means of an invitation to lunch. A simple invitation to 'Please come around to the Embassy one day so that we can talk,' or 'May I pass by your office one day?' is much too obvious. Public Affairs officers, whether they enjoy the experiences or not, are obliged to specialize in lunches, dinners and cocktail parties. British, French and Russian Public Affairs officers are provided with liberal representation allowances. Americans, unless they happen to be provided with private means, look shockingly shabby by comparison. The size of allowances made to Public Affairs officers should vary with the position. I give an example: In Paris the head of the Division should have at his disposal \$250 a month. For the chief assistant in the Division \$150 a month is the proper figure. For the other officers \$100."

<sup>12</sup> Loren Carroll, in his memorandum of June 15, 1944, made a suggestion about junior personnel who might be recruited into the regular Foreign Service after some previous sharpening of journalistic interests. He wrote:

"The Department should begin at once to train its own Public Affairs Officers. Material might be found largely in schools of journalism. Cub reporters of exceptional native qualifications might also be drawn into the service. The most

within the Service will elect it or continue in it as a specialty, it must not be a blind alley. Not only must it lead to assignments of dignity within the information field and suitably titled in terms of the unity of the Foreign Service, but also there must be no grounds for believing that those who devote much of their early and middle careers to informational matters are thereby barred from consideration ultimately as possible heads of missions. It is imperative that this work be regarded as an integral part of both the formulation of cooperative foreign policies and the conduct of a democracy's foreign relations.

During the next few years, while the recruiting and in-service training systems implied in what has just been said are yielding their necessarily slow fruitage, the Foreign Service must be able to absorb experienced persons of high professional as well as general quality. Furthermore, even after the improved system of continuous in-service training has achieved its long-run results, the need would survive for the enlistment and retention of a certain proportion of seasoned practitioners.<sup>13</sup> Both the immediate and the permanent requirements in these regards are among the reasons for a fundamental reconsideration of the Foreign Service Act and its administration.

effective training should be given to such young men or women in the already established information sections in the big Embassies abroad. Such appointees (appointments might be made on a probationary basis) would naturally merit much smaller salaries than those paid to men who have already made their mark in the newspaper profession. The young probationary appointees would not, however, be required to speak fluently the language of the country. But once abroad, they would be obliged to spend fixed hours studying the language—formal study in a school and not desultory efforts to 'pick up' the language."

<sup>13</sup> The Foreign Service has received a suggestion that Congress establish a transitional 5-year period following dissolution of the Auxiliary, during which the Department could make temporary appointments to any class in the Foreign Service. These temporary appointments would become void at the end of the 5-year period. The advocates of this proposal assume that the training program within the Foreign Service could provide the needed specialization within 5 years. This proposal would not meet fully the personnel needs of the information program described in this memorandum. Some of the best personnel in OWI and OIAA, as well as in private fields, are not likely to wish to continue in or to enter peacetime governmental work unless there is a possibility of a permanent career.