"Rent" TV

By O. B. JOHANNSEN

THE present acrimonious dispute whether certain TV channels should be assigned for programs which will be paid for by the viewers points up the unwise method which has been adopted in allocating radio and TV frequencies.

The regulatory body set up to prevent overlapping of stations was given considerable latitude in the determination of who shall have the use of the frequencies. This put in the hands of a few men not only great power in making these lucrative awards but also, as is obvious, the right of censorship, for by refusing to allocate the channels for paid TV they infringe on the right of the people to buy or not to buy TV programs.

But the entire dispute can be resolved quite easily. Instead of leaving to the regulatory body's discretion who shall get the desired frequencies, the government should simply rent them out on an annual basis to the highest bidders with freedom to use them as they see fit. Certainly some radio and TV lessees would adopt the subscription basis. If such proved unprofitable, it would indicate the public did not like those paid programs, and the lessees would have to give them up.

In addition, the competition among the bidders would insure that the government would get the full monetary value of these frequencies. All of the people have an equal right to them, but as it is physically impossible for more than one party to have the use of any given frequency in a particular area, the party obtaining its use has an extremely valuable privilege. He is not entitled to it unless he pays to the rest of us—the equal claimants to that privilege—its full price. This would be accomplished by the fee going into the general tax fund, thereby reducing taxes to that extent. Obviously, as the government does not now collect the annual rental value of these frequencies, the people in effect pay it in some form of taxation, so whether they know it or not they are indirectly paying for "free" TV and radio programs now.

This single criterion of renting the frequencies to the highest bidders is in accord with the principles of private enterprise for it puts them directly in the marketplace where the people control. And after all, it's about time control of the radio and TV frequencies was taken away from the bureaucrats and given back to the people.

—From The Wall Street Journal

