

television advertising expenditures. Assuming a similar redistributive effect in Britain for ITA programmes, we would expect a net redistribution of approximately £15 million (\$42 million) in 1963, or 11% of total expenditures on television (advertising expenditures and licence fees combined). Thus, the larger the role of the government-licensed television sector (in this case BBC), the smaller the relative importance of the redistributive effect. If we relax our assumptions regarding viewing patterns for BBC and ITA programmes, and with respect to qualitative differences in programmes, the welfare results would be changed somewhat.

The other popular hybrid system is exemplified by the French system, which is supported by licence fees paid by set owners and by government subsidies. In places of expenditures by advertisers, the French Government provides financial support. In 1963 the 4.2 million set owners each paid 85 francs (\$17). Although the precise amount of government subsidy is not known, it is estimated that the Government supported as much as half of the expenses of television incurred in 1963.

The extent of redistribution under this system depends upon the magnitude of government subsidies and upon the tax structure, from which the French Government derives revenues to subsidise the television system. The more progressive the tax structure, the greater the shift of income from higher-income brackets to lower-income brackets through television viewing. This assumes a viewing pattern similar to that found in the United States.

FRANCIS A. LEES
CHARLES YNEU YANG

*St. John's University,
New York.*