

~~PM~~

Mr Patten / Mr May wish to see  
for questions purposes. 10/1/81

Broadcasting



Foreign and Commonwealth Office

London SW1A 2AH

23 JUL 1981

(2)

From The Minister of State

Prime Minister

You may like to see Mr Ridley's  
circular letter. M/A 24/11

Dear Colleague

I am writing to you about the Government's plans for the enhancement of the BBC's External Services.

Responsibilities

The Government must retain its right to determine what its foreign policy priorities are, and how much it can afford to spend on them. The Government decides how much money the BBC can afford to spend, and to which countries it wishes to broadcast, and for how many hours a week. We leave complete editorial freedom to the BBC, which alone decides upon the material that should be broadcast. It is right for me, at this time of misunderstanding, to repeat that balance of responsibilities. The BBC cannot, for all its wisdom, be expected to decide either foreign or financial policy. Equally we repeat our determination not to interfere in the BBC's editorial policy.

Money

After 18 months of careful discussion and consultation with the BBC the Government decided that it would have to spend more money on the External Services. Despite the pressure in the Party for reductions in Government spending, and thus in taxation, we concluded that this was a programme, (along with Defence) that was so important that expenditure in real terms must increase. The overwhelming argument for doing this is the deteriorating audibility of BBC programmes by comparison with our competitors. The work of replacing and modernising the capital equipment has been continually put off, both by our predecessors, and by ourselves (sadly, I agree, but as a result, I must say, of Parliamentary pressure in 1979). Unless we make funds available, the External Services will be barely audible in many parts of the world by 1990.





The total cost of the capital programme, (extending over 9 years and at 1981 Survey prices,) is about £102 million. Within the current PESC programme this involves an extra £13 million being made available over and above present provision in the two years 83/84 and 84/85 combined, and broadly similar amounts in future years. The BBC have agreed this will cover their desired capital spending plans.

### Priorities

What should the priorities be for spending it? The Government believe the top priority is to spend it on putting the transmitters, Bush House and other equipment into first-class shape. We believe it would be wrong to jeopardize, or reduce this capital programme by keeping going all the vernacular services. We need to save some £3 million a year (£2.6 million in 1981 prices) to achieve this. In rough terms, the £102 million would be found by £23 million of savings and £79 million of government money over the 9 year period.

There are between 2500 and 9000 languages in the world today - experts argue about how many. Obviously we cannot broadcast them all. First, we have to take a view of which are the most important to our interests as a nation. Second, our priorities will change, as economic, political, and strategic considerations change too. We must therefore decide which languages we use, and the number of hours for which we broadcast in each. We must be prepared to change as the world situation changes. This is where the true input of foreign policy arises. I am sure that you will agree that the Government must decide this, not the BBC.

### The Decision

Within our increased PESC programme, and in the light of our judgement of where our priorities lie, we decided to give priority to replacing the capital equipment: otherwise what we broadcast will not be heard. This is of particular importance for the vital World Service in English.

With what remains - the large annual sum of £64.5 million in 1981/82 - we have made our judgement as to which services are our priorities. We have increased some (Russian, Farsi and Turkish), started a new one (Pushtu) and decided to dispense with others (Burmese, French to Europe, Italian, Maltese, Portuguese to Brazil, Somali, and Spanish to Spain). We have also decided that the Transcription Service should continue only if self-financing. This judgement is based on our carefully considered view of the effect of the various vernacular services in terms of British foreign policy.



I hope this explanation will be helpful, and I enclose a factual note giving more precise details of all this for those who are interested. A further memorandum, produced by Research Department, is available in the Whips Office.

*Yours  
Nicholas*

Nicholas Ridley





## BBC EXTERNAL SERVICE'S AUDIBILITY PROGRAMME

In consultation with the BBC the Government have drawn up a long-term programme. Some progress has already been made, notably two medium wave transmitters now in Cyprus and four short wave ones due next year. A medium wave transmitter will also come on stream then at Orfordness.

The new programme envisages existing relay stations being fed by satellite by 1985, eight modern short wave transmitters operational in the United Kingdom by 1985, and six more by 1987 and new relay stations being established to cover East Africa and the Far East. There will also be substantial plant replacement and a thorough modernisation of Bush House, the headquarters of the External Services. The total of all these projects, at 1981 Survey Prices, is estimated to cost £102.4m.

Putting this capital programme into effect at the optimum speed requires a large increase in expenditure by the External Services from 1983-84 onwards. The Government would be prepared to make a substantial increase in the grant-in-aid to help meet this.

Out of this new, increased total of money available, we have to plan our priorities. We believe the priority must be to make the service audible. To this end it is necessary to make some savings in current spending. The Government have accordingly requested the BBC to make net savings in current services of about £3 million per annum from 1982-83 onwards.

The savings will involve a reduction of 58 hours per week out of a total of 726 hours of broadcasts in all languages, or about 8 per cent. The 24 hours a day of the BBC's World Service in English will not be cut and will be heard more clearly, as will the remaining vernacular services. The BBC will still retain its position as the World's fifth largest international broadcaster. Under the BBC's licence and agreement which Parliament has recently renewed, the Foreign and Commonwealth Secretary is empowered to prescribe the languages and hours of External Services programmes. He does so after taking into account the national interest and available funds. The External Services have already been exempted from the cuts on most Government spending plans announced last November.

In the difficult task of deciding which services to end we have looked first to the transcription services which are a net charge of nearly £1 million on the grant-in-aid. We recognise the value of providing to overseas broadcasting stations recordings in such fields as music, drama and entertainment, but we do not consider them essential. We have looked next to broadcasts to friendly neighbouring countries where Britain's voice is already well heard, namely French to France, and Spanish to Spain, Italian and Maltese. It was particularly hard to choose services to the Third World. We have chosen from each continent a service directed to one country or confined area only, namely Portuguese to Brazil, Burmese and Somali. In no case does the ending



of the vernacular service imply any diminution of the excellent relations we enjoy with the country concerned. In all cases, not only will the World Service in English continue - it will be heard more clearly as a result of the steps we plan to take to improve audibility.

Figures setting out likely proposed savings are as follows (at 1981 Survey Prices):-

		Hours per week
Transcription Services	£1,100,000	
French to Europe	£ 400,000	15 3/4
Portuguese to Brazil	£ 387,000	15 3/4
Italian	£ 229,000	7
Spanish to Europe	£ 198,000	7
Burmese	£ 183,000	7
Somali	£ 182,000	5 1/4
Maltese	£ 14,000	1/2
Overheads/Rounding up	£ 107,000	
	<hr/>	<hr/>
	£2,800,000	58 1/4
Increases (Russian, Farsi Pushtu and Turkish)	£200,000	17
	<hr/>	
Net reduction	£2,600,000	

(1982/83 forecast cash prices about 15% higher)