

# Why the BBC Matters: Memo to the New Parliament about a Unique British Institution

---

STEVEN BARNETT AND JEAN SEATON

WHY DO we need the BBC? Because it represents us to the world and us to ourselves and invites us to be part of a conversation about our condition. Because it is treasured by the British, and by those outside the UK who care about Britain. Because it combines, uniquely, an ability to entertain with a grand ambition to inform, educate, stimulate and enrich which treats its public as citizens rather than consumers. No institution—whether public or private—is perfect, but were we to lose it or rearrange it in such a way that it lost its courage, creativity and ability to reach out to every part of the United Kingdom, our lives would be greatly diminished. This new Parliament, representing as it does a new political settlement—will be asked at some point to make critical decisions about the BBC's future. Our aim is to remind our legislators—both new and old—how vitally important this institution is for Britain's cultural and democratic welfare.

Political reservations about the BBC are nothing new. Almost since its inception, government ministers and backbench MPs of all persuasions have been infuriated by an organisation which at various times has offended either their own party allegiances or their ideological convictions. From the left have come anxieties about a regressive tax which is unfair on the poor and unemployed; from the right, resentment at a guaranteed public funding which insulates it from the market; and from both sides, absolute

conviction of a deep-seated bias against their own political philosophy.

Over the last 20 years, however, politically motivated attacks have become more muted and have given way to a growing number of full-frontal assaults on the BBC's funding, structure and core services from a different and more potent source: commercial competitors for whom the BBC represents a barrier to their own advancement. New technologies have seen a proliferation of commercial operations and a commensurate increase in the decibel level of opposition to the BBC. From the perspective of a commercial operator trying to make a living, such opposition is understandable. Media companies are suffering from a recession-led decline in advertising revenues, a shift of advertising to the internet, and fragmented audiences. As newspapers in particular look to the internet for other sources of revenue and charging for access (the so-called 'paywalls'), they find themselves competing with one of the most internationally respected and best resourced online news sites in the world, available for free. It is scarcely surprising that some of these corporate conglomerates rail against the BBC's size and public funding.

It is therefore easy to lose sight of the huge affection in which the BBC is held by the British public, the worldwide admiration which it attracts, and the immeasurable importance of the democratic and cultural contribution which it

makes to British life. The BBC, like the NHS, is a national treasure which needs to be nurtured rather than diminished. Like the NHS, its existence makes life more difficult for private companies operating in the same field. But the rising crescendo of complaints should not obscure the benefits which the BBC brings to Britain and the interests which lie behind those noisy objections.

We should remember that the BBC is one of those precious institutions that defines our exceptionalism—that sense of distinction that every nation state needs. Given that most of today's media outlets are owned by the very organisations which feel most threatened by the BBC's presence, the arguments for its continuing health and vitality are not often heard. What follows is therefore our attempt to explain the breadth and depth of the BBC's achievements—and hence what will be lost if the BBC is diminished.

## The BBC and democracy

The classic argument is that freedom of speech requires competition. But this view of speech in a market place is dangerously limiting. Freedom of speech needs range and scope to be stretched. It requires argument not as victory of the loudest or the most popular, but argument in the John Stuart Mill sense of organic development and interrogation. The BBC is required to consider a far wider agenda than any other organisation across the range of programmes, while 'balance' and 'impartiality' must include voices and arguments that easily disappear in the stampede to agree. After the credit crunch—a collective failure of intelligence—nurturing the capacity to attend to different voices is a priority, and the BBC is tooled to do just this. Critical reflection is built into the DNA of the Corporation.

As a result, access to information and knowledge is offered across every one of the BBC's services according to transpar-

ent, honest and carefully constructed professional standards of accuracy, respect, integrity and impartiality—while not forsaking passion where necessary. This is a vision of journalism which is rooted in an idea of the kind of society we aspire to be and the kind of democracy we aspire to practise—informed, respectful, thoughtful, participative—rather than a commercial imperative to generate audiences through contrived confrontations or to placate advertisers or satisfy shareholders.

It is also a journalism which understands the importance of the world outside the UK, not just through the eyes of parachuted commando hacks but from those immersed in the culture, language, politics and priorities of other nations—and therefore better equipped to help us understand the international context for national and local issues. Foreign news is losing ground within news organisations—one American network executive described it as complex, dispiriting, expensive, dangerous to make, and not liked by audiences. As global media companies progressively scale back their commitment to foreign journalism, the BBC's continuing role becomes even more important.

## The BBC and the world

The BBC is a beacon for Britain, perhaps the one single institution which both tells the world something about Britain and offers the world something unmatched by any other country or institution. It is a hugely effective ambassador for Britain because it is trusted to tell truths that people recognise and is not perceived as an arm of 'British' policy. It therefore commands respect throughout the world while others of our institutions—such as banking and our political system—have lost authority. In his Chatham House speech this year, BBC Director General Mark Thompson described the values of accuracy, impartiality, independence and

seriousness which are inscribed in BBC World Service journalism in countries from Afghanistan and Somalia to India and China. Its news services now reach over 240 million people outside the UK via radio, television and online, extending Britain's influence, values and reputation to more people even than during the cold war.

## The BBC and creativity

The licence fee has been called a form of venture capital for the creative industries, which is both an economic and a cultural imperative. In the television industry, we have lost £500m of investment in original content in the last five years as the commercial public service broadcasters have struggled while cable and satellite broadcasters show little interest in investing in original content. The BBC guarantees a continued substantial investment in British talent and British originality: new bands, new voices, new comedians, new scriptwriters, new ideas, new music, new on-screen and off-screen talent. It also provides the opportunity to fail, which has underwritten virtually every original creative opportunity from Mozart to Monty Python.

Its contribution to the UK economy in 2008/09 has been estimated at well over £7bn, generating at least £2 of economic value for every £1 of the licence fee. This guaranteed stream of investment in British creativity is particularly enriching in drama where commercial temptation always militates against expensive UK creation (up to £1m for a single hour of original drama) and in favour of US imports. The BBC provides a bulwark against the tide of cheaper American imports and ensures that it is primarily British stories which are still told to British audiences—and to the international audiences who still watch British made programmes in large and appreciative numbers.

A key objective of the BBC's strategic review is to spend 80 per cent of the licence fee on creating programme content. By comparison, content accounts for less than 40 per cent of Sky's operating expenditure—and even then, the vast majority goes on sports rights and films which make no contribution to the domestic creative economy. Pay TV income now exceeds £4.3 billion per annum compared to the £2.6 billion which is the television element of the licence fee, and is rising rapidly, Astonishingly, barely £100 million of that £4.3 billion is spent by commercial multi-channel operators on originating non-sports UK content.

## The BBC and music

From pop to classical, from world music to early music, from rock to quartets the BBC plays a key role in the musical life of the nation. It does not just play music—it underpins music-making. The Proms are the largest music festival in the world with the largest audiences at home and abroad. The BBC is the largest commissioner of new work in Europe; it is the most important patron of orchestras in the country. Through innovations like Young Musician of the Year and the Young Performers Programme it has nurtured talent and transformed playing. Radio 3 remains the most concentrated and intelligent classical music station—the envy of the world. And in all of this the BBC has continually enlarged the repertoire—British classical musical life is recognised as diverse and adventurous because the Corporation takes risks and educates listening—and participating. But the BBC has played a key role in supporting the British popular music industry as well, alerting audiences to new music and in a fast evolving industry repeatedly identifying new tastes and new ways of consuming music.

## The BBC and children

Children are citizens-in-waiting—yet all too often the entertainment they are served exploits rather than respects them. When Blue Peter involves children in supporting charity, it makes sure that every child can contribute: it asks for effort and activity rather than money, thus making their appeals inclusive and equal. Every nation wants fun, relevant programmes for children, locally produced and thoughtfully constructed. Few achieve them. Britain does, but increasingly only from the BBC as other broadcasters surrender this area or rely on cheap imports from America. The BBC is the nation's single biggest investor in children's programmes, supporting a uniquely lively children's production industry. According to Ofcom estimates, the BBC's expenditure on original children's programmes was £77m in 2008, compared to £11m for ITV, Channel 4 and Five combined and approximately £10m for the whole of the multi-channel sector put together. This tiny figure has to remain an estimate because the Satellite and Cable Broadcasters Group provide no breakdown of their expenditure—and in 2007 even refused to give information on their investment in children's programmes to the Culture, Media and Sport Select Committee 'on grounds of commercial confidentiality'.

Of course children use and adopt every new communications opportunity—but the principles of careful responsibility to the voices, needs and expression of children are what matter. Perhaps the best—and least known—BBC example is the annual School Report, involving 25,000 11–14 year olds in over 700 schools throughout the country who learn the mechanics of journalism, put together their own stories, and then watch them being broadcast on various BBC platforms over a single day. Providing creative programming for children is public

service at its most ingenious, difficult and valuable.

## The BBC as social glue

The BBC helps keep us together—even in our increasingly complex society. It holds up problems for us to see and encourages us to discuss them. It helps us to laugh at ourselves. It does this by creating powerful communities of taste and experience—Radio 4 audiences famously feel they own the station, and generations are defined by the comedy they like. It brings us together for the great public ceremonies we share, the royal events, the sporting events, the terrible and absorbing news events, those moments when we gather together compelled by a common interest. Five days after one of the most extraordinary general elections in decades, only the BBC covered the culmination of coalition talks and the transition from one Prime Minister to another: its two hour Election Special hosted by David Dimbleby on 11 May peaked at 9.9 million viewers with an average rating of 8.8 million. Its news programmes for that day had a total reach of 28.3 million adults, or 58 per cent of the population. And beyond uniting us in its coverage of momentous national events, the BBC drives people to organise in the real world—through reading clubs, helplines, and engagement in charitable campaigns like Comic Relief and Sport Relief. Perhaps the most important social glue is the way in which the BBC treats its audiences: as intelligent, decent, rational and in command.

## The BBC and creative skills for the future

Government studies have repeatedly emphasised Britain's role as a world leader in the creative industries and their vital importance in providing jobs and boosting exports as well as offering cul-

tural enrichment. In a world where the commercial sector is reducing its funding to organisations like Skillset and the National Film and Television School—and increasingly exploits the willingness of young people to work unpaid in their desperation to get a foot on the creative ladder—the BBC has continued to fund external training bodies as well as its own internal programmes. The £44.5 million which it invested in training last year dwarfs the amounts spent by the whole commercial sector, and its College of Journalism training website is now freely available as a learning resource to everyone in the UK.

### **The BBC and a non-commercial space**

In an increasingly commercialised world, access to information, knowledge and creative excellence requires some knowledge of advanced technologies or commitment to regular monthly payments. The BBC, from its very beginning, has represented universally available, uncomplicated access which is free at the point of consumption. Moreover, the BBC space cannot be commodified: its communication is not contingent on giving potential recipients a commercial value and does not treat them as consumers whose demographics and wallets must be attractive to potential advertisers. And it is a space in which the listener, viewer or online reader can have respite, if they choose, from commercial messages; in other words, the non-commercial nature of this space both defines the BBC's approach to creating its content and the nature of the consumer experience.

### **The BBC, governance and public trust**

In a world in which the polls tell us that virtually every professional group and

organisation—from teachers and social workers to bankers and industrialists—have suffered a catastrophic drop in confidence, the BBC has proved astonishingly resilient. Despite a stream of adverse publicity (some of it self-inflicted through ill-judged decisions and inflated salaries), the BBC remains one of the most trusted and respected institutions in Britain: an ICM-*Guardian* poll in September 2009 showed rising levels of support with 77 per cent agreeing that the BBC is an institution to be proud of, up from 68 per cent five years earlier. This is partly because it holds the attention of audiences while challenging and occasionally taking risks with them; and partly because audiences understand that it is run for the public benefit, with clearly articulated public purposes established by Parliament, scrutinised according to clear and transparent mechanisms of accountability. Its accountability is written into the DNA of how it operates, in the full knowledge that its decisions are rightly open to critical scrutiny.

### **The BBC and the licence fee**

Beyond the public value and citizenship argument, there remains a very strong consumerist argument: that set against the cost of cable, satellite and broadband TV, the licence fee represents astonishingly good value. At 40p per day, or the price of a pint of beer a week, we get four universally available TV channels, 10 national radio stations, a network of local radio stations, and an internationally acclaimed website. 98 per cent of the public use BBC services in any one week and its connection to its users—as well as its accountability—is supported by literally millions of switching decisions every day.

### **The BBC's size**

Opponents of the BBC will often argue that they respect and enjoy the BBC and

would not wish it any harm—but that it needs to be reined back and reduced to core services which the ‘market’ is unable to offer. It is important to remember that the cultural and economic benefits which accrue to the UK through the BBC apply to its output *across the board*, whether it be music, comedy, journalism, popular drama series or Shakespeare.

It is now clear, despite protestations from commercial rivals that they could step into the breach, that reductions in BBC output involve a *net* reduction in Britain’s creative and journalistic presence. Two recent decisions to curtail BBC services after objections from private competitors produced no equivalent commercial initiatives. First, the BBC Trust ordered an end to BBC Jam, a popular and widely used education service for youngsters, after complaints from educational publishers. Then, it halted plans for BBC Local, a £68m web-based local video service that might have injected new investment into local journalism, in response to furious objections from newspaper publishing groups. Meanwhile, one of the BBC’s harshest corporate critics BSkyB has seen its year-on-year revenue progressively increase

despite competition from the BBC. Current figures show an enormous discrepancy between the BBC’s annual revenue in 2009 of £3.5 billion and BSkyB’s of £5.3 billion (expected to rise to nearly £6 billion in 2010). There is no sign of a commensurate increase in original creation.

While commercial companies understandably resent the BBC’s public money, there is a balance to be struck between national and commercial interest. We believe that the BBC, like the NHS, epitomises one of the most enduring and valuable creations of the twentieth century, and that its centrality to British cultural and democratic life should not be imperilled in the interests of private sector expansion. There is no evidence that the market would willingly embrace any of the creative dynamism and informational value provided by the BBC, and they would certainly not be accountable to every sector of the British population regardless of age or income. As long as it commands unanimous admiration abroad and popular affection at home, we believe that this uniquely British institution should continue to be nurtured as a national treasure.