

# BBC announces widespread job losses and cuts

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On December 7, the director general of the British Broadcasting Corporation (BBC), Mark Thompson, announced cuts of £320 million a year, including the shedding of 2,900 jobs.

Thompson's announcement was made via a satellite broadcast link-up to the BBC's 27,000 staff worldwide, following a series of reviews by the organisation into its operations and future.

The result is a far reaching overhaul of the BBC. The biggest hit department is BBC Professional Services, employing workers in finance, property and business affairs, human resources, strategy and distribution, policy and legal, marketing and communications. Two and a half thousand of the jobs are to go in the department and its budget cut by a quarter, or £57 million.

The Factual and Learning department is to be subject to 400 job losses as the BBC cuts in-house production capacity from 70 percent to 60 percent. The department has been responsible for numerous award winning productions, including *Blue Planet* and *Walking With Dinosaurs*. While Thompson decided against raising the 25 percent production quota for independent producers, another 25 percent of BBC commissions are being put into a "window of creative competition" available to both in-house producers and independent suppliers.

BBC Scotland faces a budget cut of £24 million—15 percent—from its annual budget of £160 million. This is to be phased in over three years and will result in about 90 job losses.

As well as the announced job cuts, further redundancies are to be carried through as every BBC department will have its budget cut by an average of 15 percent. All departments are to announce their planned cuts in March 2005 and it is expected that the total

number of job losses will range from 6,000 to estimates of 10,000.

Departments will have to hit targets in order to secure increased finance for programming. BBC Worldwide, for example, has been instructed that it must double profits over the next two years.

The BBC is also selling off part of its operations. BBC Broadcast, responsible for channel management and transmission, is to be put up for sale and a business partner sought for BBC Resources. This will result in up to 2,400 jobs being removed from the BBC payroll.

As part of the restructuring, the corporation is to relocate key departments and 1,800 staff to the city of Manchester over the next five years. These include BBC Sport, children's programming, new media and Radio 5 Live.

The cuts are being made now in preparation for the BBC's Royal Charter and licence fee renewal due at the end of 2006. The Royal Charter sets out the BBC's role, structure and funding and relies upon the support and approval of the government of the day in order to continue broadcasting for a further 10 years.

It was widely believed that Thompson's announcement was the result of a deal with a hostile Labour government, which favours privatisation. Thompson has denied this, but it is clear that the purpose of the reviews was to create the conditions to move the BBC in an ever more commercial and competitive direction as demanded by the government.

Thompson was named director general in May 2004 and took over in June following the resignation of Greg Dyke. Dyke was forced to stand down in the wake of the Hutton Inquiry into the death of the weapons inspector David Kelly. The inquiry criticised the workings of the BBC and supported the attacks by the Labour government on it.

In an article published on February 3 this year on the significance of the Hutton Inquiry, the *World Socialist Web Site* pointed out the broader implications for the BBC as a public broadcaster:

“The verdict against the BBC has major implications for the future of the corporation and more broadly for press freedoms in Britain. The entire future of the BBC as a public broadcaster may be thrown into question when its charter is due for renewal in 2006. The commercial stations may be allowed a greater share of the market, with one of the major beneficiaries being the government’s most fervent supporter—Rupert Murdoch.”

Thompson’s record in broadcasting gives an indication as to why he was chosen to replace Dyke. He began his broadcasting career at the BBC as a production trainee in 1979 and worked within it for 20 years. He rose through the BBC and became controller of BBC 2 in 1996, director of Nations and Regions in 1996 and director of Television in 2000.

He left the corporation to become chief executive of the commercial Channel 4 (one of the five terrestrial TV channels in Britain). While head at Channel 4 he oversaw a raft of job losses, cuts and a subsequent increase in profits. His “creative” output at Channel 4 included closing the renowned Film Four project. During his time at Channel 4, Thompson echoed those who were demanding that public funding of the BBC be scaled down, claiming that the corporation was “basking in a Jacuzzi of spare public cash.”

When he took over at the BBC, Thompson began a plan of introducing cuts and “eliminating waste.” In his review announcement, he criticised his predecessor’s time in his post as “four years in which we haven’t stressed productivity and efficiency very much.”

The November 28 *Observer* quoted a “BBC insider” as saying, “Under Greg [Dyke], numbers went up from 26,000 to 28,000, but the output grew as well. But in the real world, every company has to produce more for less; that’s how you increase productivity. The BBC has never thought that.”

Since its founding as a national broadcaster in 1926, the BBC has been the official voice of the British ruling class, not only in the UK but across the world. Its effectiveness in this role has depended on its ability to maintain the semblance of political neutrality—even whilst disseminating the essential views of British

capital.

But the corporation’s failure to act as an open mouthpiece for the government and its continued survival as one of the last remaining “nationalised” industries in Britain drew the ire of the previous Conservative government and has made it no friends amongst the born-again Thatcherite free marketeers of New Labour, which cannot tolerate any close scrutiny of its often anti-democratic measures.

The Blair government has made clear its intention to bring the corporation more directly under its control and encourage deregulation, so as to facilitate the spread of private media operations in line with the demands of its big business backers—and Murdoch above all.

Thompson’s announcement was largely welcomed in the right-wing media, with the only rider being that the review’s cuts did not go far enough.

An article in the *Daily Telegraph* on December 8 demanded Thompson go further, calling on the BBC to “gradually withdraw from areas served by commercial broadcasters, by selling Radio 1 and closing News 24, to concentrate on the sort of quality output for which it has been justly famous.”



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