PRIME MINISTER

Our attempts to persuade the BBC to drop the Panorama programme on the intelligence services are <u>not</u> going well, and the likelihood at the moment is that they will go ahead and show it.

The courses open to us are:-

- (i) to continue our present oral efforts at persuasion;
- (ii) to toughen those efforts with a warning letter but still to leave the decision whether to screen the film to the BBC;
- (iii) to decide to use the veto against the programme and, without revealing that decision initially, to put pressure on the BBC accordingly.

Sir Robert Armstrong prefers course (i) as the least unsatisfactory choice of three evils.

He suggests that you might want to discuss the matter with the Ministers concerned. Agree to do so?

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26 September 1980