

CC/BE



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

4 August 1986

The Rt Hon Douglas Hurd CBE MP
Secretary of State for the Home Department
50 Queen Anne's Gate
LONDON SW1H 9AT

NBP/M

A handwritten signature in dark ink, appearing to read 'Douglas Hurd'.

PEACOCK REPORT

WILL REQUEST IF REQUIRED

I owe you a reply to your letter of 2 July.

It is essential that we do not fall into the trap of confusing the quite separate problems of obscenity and violence on the one hand and political bias on the other.

The former is best dealt with by subjecting broadcasters to the general law of the land, which may indeed require amending. Nothing could better illustrate the increasing absurdity of a special regime for broadcasters than the rapid growth of videos - including pornographic videos and video-nasties where precisely the same problems arise.

So far as political bias is concerned, the existing system clearly does not work, and indeed will always favour the left. While the transition cannot of course be achieved overnight, the cause of political balance, including a fair crack of the whip for conservative values, stands a far better chance of being secured by the "newspaper" solution of a multiplicity of broadcasters, each enjoying political freedom of expression, but each constrained by the need to win and keep an audience.

I am copying this to the recipients of the previous correspondence.

A handwritten signature in dark ink, appearing to read 'Nigel Lawson'.

NIGEL LAWSON



cebe



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The Rt Hon Douglas Hurd CBE MP
Secretary of State
Home Office
50 Queen Anne's Gate
London
SW1H 9AT

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BH
await further results
N 26

John Douglas

PEACOCK REPORT: EXTENSION OF ITV CONTRACTS

I have seen your minute of 30 July to the Prime Minister. ^{*attap*}

I agree that the awarding of new contracts under the present arrangements would inhibit the introduction of any fundamental changes to the structure of the broadcasting system which we may decide to implement. I would therefore support your proposal to extend the current contract period for up to two years. However, this should not delay the review of contract arrangements in MISC 129 this autumn; nor should we lose sight of the possibility of moving to a levy based on revenue rather than profit for the subsequent contract period.

I am copying this letter to the Prime Minister, Willie Whitelaw, Nicholas Edwards, Norman Tebbit, Paul Channon and John Wakeham, and to Sir Robert Armstrong.

John
Nigel

NIGEL LAWSON

BROADCASTING: BBC financial P13

