

# Is BBC blackmail demand worth paying?

 [blogs.lse.ac.uk/polis/2006/10/16/23/](https://blogs.lse.ac.uk/polis/2006/10/16/23/)

2006-10-16

Mark Thompson is in a [stand-off](#) with the Government over the BBC's licence fee. He wants extra money above inflation because of the cost of all the BBC's new online services and the multi million cost of the switch from analogue to digital TV in 2012. Changing all the transmission technology and telling elderly folk in rural areas about the joys of BBC Three is proving very expensive. The BBC says that if it doesn't get the money then it may have to cancel its proposed move of some programme-making to [Salford](#). If it's cancelled it will delight the metropolitan middle-classes who make up the BBC but annoy a Government which is keen to boost the creative industries north of Brent Cross.

One of the reasons that the BBC can afford to go public with this cheeky but risky act of blackmail is because of a [survey](#) that said people are prepared to pay an even higher licence fee than the BBC has asked for.

My first instinct was to dismiss this as a bit of self-serving opinion-polling – along the lines of 'Do you agree that Walkers Crisps are the finest in the land?'. But on reflection I suspect it may be a relatively accurate snapshot of public opinion and here's why.

I think that people are now getting used to the idea of paying money for TV. Millions now pay subscriptions for Sky between £15 to £43 a month. So even the cheapest is already more than the BBC's fee. Many millions more are getting used to the idea of paying to watch one-off football matches at about £10 and other events online for fees of about £2-£5 as well. So the BBC licence fee at around £150 in five years time for dozens of digital stations, dozens more radio channels plus the almost infinite delights of BBC online, doesn't look such bad value. And the BBC's strategy of staying as a big universal player that touches everyone's lives at some point has also paid off. Everyone feels that they have got something out of their licence fee at some point.

When I was at the BBC the licence fee was seen by much of the population as a highly-contested poll tax. Many advocated that the BBC should retreat to the high ground of elite programming supported by a subscription-based minority audience. So far, Thompson and Grade have embraced the opposite strategy – and from the BBC point of view – it appears to be working. Whether Sky, Channel 4, ITV and the rest of the independent sector can continue to tolerate the growth of this monster in their midst is another question.

- Copyright © 2014 London School of Economics and Political Science