1984 and all that

The impact of political change on Independent Radio in the UK

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The history of radio – sound broadcasting – in Britain has been dictated by the impact of political philosophy and electoral events more precisely than any other medium. In turn, therefore, it provides a mirror for the impact of underlying socio-political forces on society as a whole. That applied at the birth of broadcasting in the early 1920s, and the response to continental commercial radio; to the years of the offshore pirates; and to the UK's unique experiment with a fusion of public service and advertising funding in Independent radio in the seventies. The shift from independent radio to commercial radio shows the effect on the media of what we have come to call 'Thatcherism', and by analogy the impact of that political and economic philosophy on the UK as a whole. Nowhere is that better illustrated than in the events surrounding the Heathrow Conference of 1984, which began the move towards true commercial radio in the UK.

For the greater part of the last century, the UK had been denied legitimate, land-based domestic commercial radio. Instead, for two decades or more from 1972, the UK conducted a unique experiment, fusing public service and commercial radio within a single system of *independent* radio. This paper describes the various false starts for commercial radio in the UK, and then focuses upon the hinge point of the mid-eighties, when the independent experiment started to swing towards full-scale commercial radio; and by extension from social liberalism to market liberalism. It draws upon major new research, to be published in March in Tony Stoller's new book, *Sounds of Your Life*,[i] which examines the history of the independent radio experiment, and throws fresh light on the interplay of social, cultural, economic and political factors in determining broadcasting policy; and on Emma Wray's doctoral thesis, *British Commercial Radio in the 1980s*, which examines the impact of regulation upon programme content and identifies catalysts for change.

The contrasting histories of the introduction of radio as a mass medium in Britain and the USA are well known. After experiments before and during the Great War, America opted for an unconstrained commercial model. Westinghouse launched KDKA on 2 November 1920 – probably before the company had actually received its licence to broadcast – and a rush of stations followed. By the end of 1922 there were more than 550 commercial radio stations in the US, owned among others by nearly 70 newspapers, and more that one and a half million radio receivers.[ii] There was chaos, but also commercial energy.

The political consensus in Britain at that time was horrified by both. Thus when the British Broadcasting Company was created in October 1922, it established the principle of 'unified control' of radio broadcasting; i.e. monopoly provision. Finance would come from a licence fee, charged to those who wished to operate radio receivers. In line with the political demands of those years, radio was to have a social purpose, characterised in the Reithian triptych, 'to inform, educate and entertain." On 1 January 1927, the British Broadcasting Corporation was constituted by Royal Charter, and an exclusively non-commercial, monopolistic model for British radio was enshrined for 45 years.[iii] Britain was still – despite the impact of the Great War – a hierarchical, deferential and formal society, and the new medium was going to reflect that wholly.

Commercial radio, however, was available to British listeners in the years between the wars, coming from stations operating in English from the near continent. Leonard Plugge's International Broadcasting Company (IBC) established Radio Normandy in 1930. Its rival, Wireless Publicity Limited, swiftly established the English language service of Radio Luxembourg. They were soon to be followed by others: Radio Paris, Radio Toulouse, Radio Côte d'Azur.

These stations were a huge popular success. By 1935 one out of two British listeners interviewed listened to Radio Luxembourg regularly on Sundays.[iv] By 1938, the commercial stations had 64 per cent of the available morning audience, with the share falling to 36 per cent across lunchtime but rising to a peak of 70 per cent by late afternoon.[v] A social study by Quaker philanthropist Seebohm Rowntree, published in

1941, found the most popular single programme was the "Littlewood's Pool Programme from Luxembourg on Sunday at 1.30 pm".[vi] Yet their popular success was not matched by political support. Government endorsed attempts at a BBC-dominated International Broadcasting Union meeting in Lucerne in May 1930 to forbid frequencies to stations broadcasting "the type of programme which is essentially based on the idea of commercial advertising in the international field".[vii]

The Second World War determined the issue. By 1945, it had become part of the British consciousness that radio was what the BBC does, and how it does it. Thus the Beveridge Committee in 1949, just as much as the Ullswater Committee in 1935, had no time at all for the notion of UK commercial radio. When the lobby for commercial television got started, leading the birth of ITV in 1955, the radio debate was not even worth having. The UK was still a structured, directive society, promoting what we would now call public and social enterprise within the wide sphere of public life. In an era of central planning and nationalisation, it could hardly have been otherwise. Radio Luxembourg – the only one of the pre-war transmitters which escaped destruction during the Nazi occupation of Europe – was tolerated in its sky-wave plagued niche, and provided the all-day pop music against which the BBC had resolutely set its face.

Commercial radio re-emerged on a broader front as a consequence of the initial dismantling of deference and public formality which came about as part of youth affluence in the sixties. That was reinforced by popular culture for younger people expressed chiefly through pop music, and made available by the technological innovation of the transistor radio. However, the old political dispensation was still not prepared to go quietly. The BBC, like the political class of which it was a central part, was resistant to the changing social reality. As Barnard makes clear, it decided to back the more wholesome skiffle, but to try to keep rock 'n' roll "at arm's length".[viii]

The offshore pirate radio stations started up in response to this official disdain for what young people might choose if allowed the chance. The first full station to broadcast to the UK was Ronan O'Rahilly's Radio Caroline, from the former Baltic ferryboat the *Frederica* on Easter Saturday 1964. Allan Crawford's Radio Atlanta,

broadcasting from the vessel now named *Mi Amigo*, began on 12 May, and Radio London from the *Galaxy* on 23 December.[ix] They were hugely successful in audience terms, and the commercial radio lobby began to gain support within the governing Conservative party.

All the more frustrating for its backers, then, that news about the fall of Nikita Khrushchev – which might have denied Harold Wilson his very narrow electoral victory – was delayed until the day after polling in the October 1964 General Election. As it was, Labour came to power doctrinally opposed to commercial radio, and set about sinking the pirate ships. Almost all of those went off air with the passage of the Marine &c., Broadcasting (Offences) Act on 15 August 1967. The new White Paper had already been published, just before Christmas in 1966, and it was clear that "the BBC and its allies have won all along the line in their rivalry with commercial interests for the favours of the Postmaster General".[x]

The BBC was handed the pop portfolio, as a new national radio service – Radio One – and commercial radio slipped back to be the policy of an opposition party seemingly in disarray. They went into the 1970 General Election with a manifesto commitment to introduce local commercial radio, but with little hope of winning. Nevertheless, alongside the Conservatives' principled commitment to commercial radio there was more than a hint of political opportunism too. 1970 was the first General Election with a lowered voting age of eighteen. Street (2001) argues that this positioned commercial radio as a possible 'election winner', marketing Tory politics to a new, young electorate[xi]. Pirate radio had enjoyed wide popular support, and had in turn offered covert and sometimes open support to the Conservative Party. An independent market research poll by Louis Harris in November 1969 argued that seventy-four percent of young people aged between 16 and 19 were in favour of local commercial radio, which they hoped would be a reincarnation of the pirate ships' sound.[xii] Barnard supports this point, suggesting that for a supposedly youth station "Radio One's audience by 1970 was neither particularly young, nor was it offering a surfeit of what any listener to the pirate stations would have defined as 'pop material'".[xiii]

Chance affected the outcome of the General Election in 1970, just as it had in 1964. Four days before polling, England lost a World Cup quarter final to West Germany, after leading two nil. Wilson's quip "have you noticed how we only win the World Cup under a Labour government?" had come back to haunt him. The feel-good factor he had hoped for from the soccer championship changed instantly to disappointment, and the election was lost when public opinion changed in the final couple of days of the campaign.

In came the Conservatives, pledged to introduce local *commercial* radio, but they delivered something rather different. The new medium was called, with conscious intent, *Independent* Local Radio (ILR). The political centre still had no room for unrestrained commercialism in broadcasting. Instead, they legislated for local public service radio, funded by advertising (but not sponsorship), and with a detailed set of statutory obligations overseen by an extended version of the Independent Television Authority. The decision to combine radio with the television regulator had major implications for the sector. In line with Independent Television (ITV), private radio in the UK was to carry extensive public service obligations, merely provide a programme signal for broadcast by the Authority's transmitters, and be strictly limited in its ownership and its commercialism.

This is integral to understanding the complexity in developing non-BBC radio in the UK. The Independent Broadcasting Authority (IBA) came into existence on 12 July 1972, with a brief which was linked to the true state of political expectation in seventies Britain. Contrary to the myths nowadays believed, other than among the younger generation the sixties were not a time when people discarded all their prior assumptions. Most still clung to some of the tradition, caution and deference which characterised the society they understood. Just as Britain had rejected the American model of radio in the twenties, because it then represented a mismatch with the spirit of the times on this side of the Atlantic, so the arrival of Independent Local radio (ILR) still meant blending the pop revolution with continuing restrictions and public obligations, which were widely acknowledged to be essential.

From 1973, until the wheel turned in 1990, ILR stations produced a full range of speech content, including hour-long documentaries, regular features, extended news programmes and phone-ins. A wide range of specialist music was also a requirement – with more than half an ear to musical education – and the stations' schedules reflected this. Every station (apart of course from the News/Speech franchise held by LBC) was expected to broadcast a full range of separate genre specialist music programmes; typically including classical, country, jazz, folk, rock, so-called 'ethnic' and more.

We take the view that the obligations imposed by ILR's public service remit had a positive effect on ILR's content quality. The IBA's regulation obliged broadcasters and producers to hone their production and programme research skills in a manner which was intended to match so far as possible the BBCs approach to programme-making. A number of stations had full-time drama departments; all essayed ambitious documentaries, which were regularly syndicated across other stations as part of the Programme Sharing Scheme[xiv]. This approach was underpinned by the secondary rental mechanism, intended as a tax to guard against excess profits. Described by Gillian Reynolds as 'John Thompson's masterly invention', this kept the money raised within the ILR system, for use by the IBA or the stations themselves, rather than leaking out to the Treasury's Consolidated Fund as was the case with the ITV Levy. Secondary rental therefore funded programmes, content and training initiatives, and projects such as the live broadcasting or Parliament, which brought ILR up as a genuine competitor for the BBC's formal output, with the newcomer on occasions outstripping the Corporation.

The Programme Sharing Scheme demonstrates the nature of the relationship between regulation and programme content requirements. Almost solely as a result of this regulatory and statutory intervention – itself a product of political expectation both as regards content and profit-limitation – independent radio during this period could be innovative and deploy a remarkable breadth and range of independent programme and production skills. In turn, the shared programmes themselves serve also as an historical document and social commentator. Much of the material places the issues and themes surrounding British society in context and demonstrates attitudes and behaviour

prevalent during the 1980s. One such programme is a one hour documentary called *AIDS – The Facts*. Produced by LBC and broadcast in 1987, at a time when the UK death toll from this newly recognised disease was just 300, the programme was made to support the Conservative government's campaign entitled Don't Die of Ignorance, which involved sending a leaflet to every household in the UK. Other compelling and challenging documentaries included *The Boat People – a New Home and a New Life*, which discusses the problems facing the Vietnamese Boat People during their resettlement in Newcastle (Metro Radio, 1986); and *Kent Miners*, (Capital 1984) where coal miners and their wives discuss the social and financial problems of their daily life, during the Miners' strike.[1]

The establishment of *independent* radio had continued through the seventies and into the early eighties. Although the first ILR stations, launched in October 1973, found the going bitterly difficult, once the worst of the seventies recession began to ease the system came to be seen to be working remarkably well. When Wilson returned to office in 1974, Labour contented itself with limiting the number of ILR station to 19, pending the inquiry into broadcasting by the Annan Committee, By the time Annan reported, ILR audiences were over 14 million, and the stations collectively had won almost a third of radio listening in their areas.[xv] Radio advertising revenue for those 19 stations reached £33,204m in 1979, suggesting a secure commercial future despite the public service obligations. In a lecture in January 1976, the IBA's Director of Radio, John Thompson, had allowed himself some rare publicly-expressed satisfaction. "On the independent broadcasting side, there is common ground for believing that one of the most fruitful areas for broadcasting development is for local radio throughout the UK on an independent and self-financing basis."[xvi]

Thus it was no surprise when, after Annan, the IBA was given the go-ahead to expand ILR across most localities in the UK. This approach, endorsed by the Conservative government which replaced Callaghan's dying administration in 1979, seemed to have confirmed that this model of *independent* radio was the foreseeable future for

[1] The failure of the National Union of Miner's counter-revolution at Orgreave Colliery in 1984 and afterwards offers a neat historical synchronicity with the events which were to spell the end of the *independent* concept of local private radio.

non-BBC radio in the UK.[2] These were still not unconstrained *commercial* radio stations. It can be argued that those same public service obligations – requiring essentially local output, local and national news, information and features, plus a wider range of music than a *commercial* approach would ever have contemplated – underpinned ILR's success. Through the seventies that caught the mood of the times, socially, politically and economically.

However, 1979 was not one of the routine General Elections which had been the rule since 1951, with the two major parties swapping turns around a set of centrist policies. This was a seminal election, bringing revolution from the right of the political spectrum. Margaret Thatcher set out to destroy the previous consensus and to bring the characteristics of the market to replace the social engineering which had dominated the previous three decades.

The economic and the social climate in 1980-81 posed problems for ILR. There was widespread industrial unrest, with large-scales strikes by steelworkers. A recession was underway, creating 2.7 million unemployed by 1981 (Marr 2007). Rioting, triggered by racial tension, broke out in Brixton, London and Toxteth, Liverpool. IRA prisoners went on hunger strike. The anti-nuclear campaign gathered momentum when the Government announced that American cruise missiles would be located at the Greenham Common airfield, and the protest camps came to embody a new radical coalition. With Thatcher committed to breaking the social market orthodoxy which had prevailed since the early fifties, the recession of the early eighties bit deep and was accompanied by levels of unrest every bit as challenging as the union-inspired "Winter of Discontent" which had destroyed the Callaghan government.

Thatcher's government was rescued by the Falklands War. "The so-called 'Falklands Factor' played a huge part in the government's recovery of popularity in 1982-3"[xvii]. It also had the effect of confirming the competence and relevance of ILR news output, at a time when the BBC might have been expected to dominate. The central news service IRN, enabled stations to produce news broadcasts. Radio Victory, the ILR

[2] By the end of the nineties there were to be 248 ILR stations in operation

station for Portsmouth, was integral to the coverage and support for naval communities. In that context, we consider that this demonstration of its public service ethos was an immediate gain for ILR during the war, where each local station was able to offer full news coverage of the war – through a very credible Independent Radio News (IRN) – heightened by local relevance. It was personal, local, authoritative and immediate.

Corporately, though, between 1979 and 1984, ILR was still chiefly concerned with keeping its audiences and adding to its revenues, rather than fundamental change; and with the renewed expansion of the system, rather than overturning the system. However, as the ILR companies from a position of relative success observed the changes going on around them, they too began to yearn for the freedoms and opportunities of the era and were prompted to look for ways to throw off the shackles of the public service limitations inherent in *independent* radio. In doing so, they came to realise by the mid eighties that they would be working with the grain of a new political and economic settlement.

The proximate trigger for ILR's own revolution was the growth of rival broadcast media. The IBA after Annan was dominated by expansion, rather than liberalisation, in television just as much as radio. Already faced with the prospect of the start of Channel Four at the end of 1982, the industry's trade body, the Association of Independent Radio Contractors (AIRC) feared breakfast television and urged the IBA to delay until ILR coverage had reached 85-90 per cent of the UK. Initially the Authority relented, and when it awarded the franchise to TV AM in 1981 that was on the basis of a launch in autumn 1983. However, pressure from Peter Jay on behalf of the self-styled 'famous five', persuaded the IBA in June 1981 to bring the launch date forward to May 1983. This dismayed AIRC, which felt that "when the Authority has made a decision stating that it had regard to the effect on Independent Local Radio…it should abide by that decision when the circumstances are not materially different from those that pertained when the decision was made".[xviii]

Dismay turned to anger when an advance of a further three months was agreed in May 1982. A delegation from the ILR companies, led by the current AIRC Chairman Terry

Smith, met the full Authority on 4 November 1982 where they raised issues over the many apparent concessions to TV AM, and their own straitened circumstances. They gained nothing on this point, and TVAM launched on 1 February 1983, two weeks after the BBC's *Breakfast Time.* Despite its difficult launch, and all TV AM's subsequent troubles, the IBA's repeated concessions to the television company reinforced the growing view within AIRC that they were poorly served by their regulator. New television opportunities were becoming dominant, which was to their direct disadvantage.

Similar issues arose early in 1984, when AIRC got wind that ITV was pressing for a move into 'coffee time television' on weekday mornings, shifting its schools programmes to Channel Four. When in July 1985 AIRC's efforts to get the IBA to agree to radio companies diversifying into magazines and periodicals went sour, Richard Findlay wrote to Whitney, as much in sorrow as in anger: "When the Authority decided to proceed with Channel Four, we warned that a sudden glut of television advertising minutage would have an adverse effect on our revenues. When the Authority decided to proceed with breakfast television, we warned that the BBC would not sit still, and the combined effect of the two breakfast television services would have an adverse effect on our audiences…Why does the IBA do something like this, particularly at a time when we are trying so hard to establish harmony between us?"[xix] That changed nothing. AIRC, estimated a loss of 300,000 listeners each week and revenue shortfall of £3.6m a year,[xx] but ILR lost the 'coffee time television' battle too, with schools' programming shifting to Channel Four from September 1987.

That was not the only competitive threat. In March 1983, Home Secretary Willie Whitelaw announced that the UK would seek international approval for the allocation of VHF frequencies for a new independent national radio network, along with a further BBC service on VHF. INR was now in play. Whitelaw told the House of Commons that "the IBA has proposed that one of the new national networks should be used to provide an independent national radio service. The government finds this proposal attractive, provided that satisfactory financing arrangements can be developed."[xxi]

The leaders of the ILR companies were starting to wonder where all this left them. Expansion in the number of stations, following the 1978 Green Paper and the 1980 Broadcasting Act, saw 38 stations on air by ILR's tenth anniversary in October 1983. Yet the rules under which they operated remained much as they had been ten years before. Each of the companies was, in principle, limited to owning just one station – except where 'rescues' were allowed – and trading in their shares was very restricted. ILR's commercial growth was constrained by limits on diversification, especially into free newspapers. There were tight rules on sponsorship of programmes, although these were freer than for ITV, and the IBA considered that allowing such 'co-funding' of radio programmes was generously liberal. The companies were particularly exercised by their high level of 'fixed' costs, of which primary and secondary rental were directly imposed by the IBA. From the stations' point of view, the Treasury levy, their music royalties, payments to musicians and fees to IRN also came, in effect, from the same regulatory regime. These were the years of increasing commercial freedom in the newly-sanctified 'free market', and ILR wanted some of that too. At least one normally prosaic MD was moved to confused hyperbole. "We should not be afraid of freedom: ILR has nothing to lose but its chains. Freedom is unlikely to kill any cherished pheasants or make the cows go dry. It might radically increase their yields."[xxii]

1984 – just like 1997, in more recent memory – seemed the key year in a prominent, poignant and prophetic era. The Thatcher government's second term, and the growth of media technology, encouraged a more ambitious and assertive commercial radio industry, while technological developments and the rise of information technology were becoming a key characteristic of this period and integral to social reform.[xxiii] Vinen senses a marked step-change in the Conservative party's approach to policy making in 1984, following its convincing 1983 election win where the "economic benefits of Thatcherism seemed more dramatic and more widely experienced and sometimes seemed to offer people the very thing that the first Thatcher Government had defined as being impossible – money for nothing". [xxiv] Critical political, economic, social and cultural events which took place in 1984 confirm its prominence in history. The Miners' Strike, privatisation of British Telecom, the Ethiopian Famine that culminated in rock concert, Live Aid and US President Reagan's endorsement of

the 'Star Wars' nuclear defence system, are global examples. Significant on the health agenda was the emergence of AIDS, which created shifts in attitude towards sexuality and a "new frankness".[xxv]

While the UK was undergoing substantial political, social and cultural change, commercial radio was also going through a quiet revolution. Frustration and concern over the business model was mounting; the desire to create radio for segmented audiences to increase revenue and ratings was becoming ever more urgent, given the imminent arrival of new communication technologies. For what was still *independent* radio, there were three additional triggering factors alongside the companies' commercial aspirations: first, the IBA's reluctance to share its plans for Independent National Radio (INR); second, the emergence of a new breed of unlicensed radio stations, most notably an offshore American service, Laser 558; and third, the Government's intention (later aborted) to license directly a community radio 'experiment'.

It was the chairmen of the original 19 ILR companies who took the first initiative early in 1984, forming themselves into a potential lobbying group and meeting together separately from their MDs. Richard Findlay, then MD of Radio Forth, was that year's chairman of AIRC, and on its behalf met several of the ILR company chairmen to agree a common way of moving forward. It was agreed by them, and endorsed by the AIRC Council on 30 May 1984, to convene a special meeting of AIRC, and then to take forward their case to the IBA and to the government. That meeting, which took place on 23 June 1984 at the Sheraton Skyline Hotel, became known as the 'Heathrow Conference'.

The conference debated eight resolutions, which had been 'composited' from the expressed areas of concern. That Saturday morning, the meeting considered the first four topics: that the development of community radio and/or independent national radio should take full account of the existing ILR system; that responsibility for independent radio should be moved to a new, separate regulator, with the companies owning and operating their own transmitters; that programming regulation should be drastically reduced; and that sterner efforts be made to curb land-based pirate radio.

The afternoon session discussed four more issues: that ILR companies should have greater commercial freedom; that sponsorship should be permitted for radio; that advertising controls should be eased; and that broadcasting from commercial premises should be permitted.

The conference unanimously adopted six resolutions, demanding major change.

> "1. AIRC is concerned that UK radio developments now being contemplated are examined in the context of all independent radio, and requires the government, and the Independent Broadcasting Authority, to take full account of the possible effects of any changes or additions to independent radio on the existing ILR system.
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> 2. AIRC requires that any funds drawn from Independent Local Radio by the Independent Broadcasting Authority must not be used for the provision of transmitters, or to meet any other costs, associated with the development of Independent National Radio.
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> 3. AIRC resolves to commission EIU Informatics, as a matter of urgency, to carry out in-depth research into the various levels and consequences of radio de-regulation. EIU Informatics will also be asked to examine the IBA and its relevance to the current and future needs of ILR.
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> 4. AIRC totally supports the most recent letter from the chairman of the Independent Broadcasting Authority to the home secretary on pirate radio. The association calls on the government to increase resources immediately, and use all the powers available to it, in order to halt at the earliest possible moment the blatant flouting of the Wireless Telegraphy Act 1949 and the Marine &c Offences Act 1967 by illegal broadcasters. AIRC resolves that, in the event Government does not take such actions, the members of AIRC will reconsider their own various statutory and royalty payments, currently costing the industry in excess of £13m a year.

5. Recognising the nature of the market place, independent radio companies in the UK should be able to trade with the same degree of freedom as other commercial enterprises, limited only by the explicit requirements of the Broadcasting Act, the Companies Acts and the laws of the land applicable to all businesses and private individuals. Accordingly, AIRC resolves to enter into immediate discussions with the Independent Broadcasting Authority, and others, to secure:

i. A substantial reduction in the current annual IBA rentals bill to companies of £6m and subsequent further reductions in rentals;
ii. Reduction to an absolute minimum of IBA interference in company activities, including programming, broadcasting hours, advertising, technical standards, capital structures, shareholdings and diversification;
iii. A clear understanding that all forms of control will be reduced in accordance with the very much easier controls emerging for cable, and likely to be obtained for community radio and other new forms of UK broadcasting.

6. AIRC calls upon the Independent Broadcasting Authority to acknowledge the essential difference between radio and television marketing opportunities, and relax the advertising control system which at present prevents ILR companies from seizing specific advertising and sponsorship opportunities."[xxvi]

These were a mixed set of demands, less a shopping list, more the first draft of a manifesto, but there can be no doubt that it shook the IBA. Almost more significant than the resolutions themselves was what AIRC director Brian West did with them the following Monday, sending them to the prime minister, home secretary Leon Brittan, industry secretary Norman Tebbit and (fourth on the list), IBA chairman George Thomson. The wording of the AIRC press release made clear their confrontational intentions. "Independent Local Radio has thrown down the gauntlet to the government and the IBA." The government, and in particular Home Secretary Leon Brittan, would

have been neither bothered nor surprised, as Findlay had previously met him to explain ILR's concerns, and had been heard sympathetically.[xxvii]

This was the occasion when *independent* radio started to shift into *commercial* radio. Findlay himself is clear on this point. "If there was a moment when the seeds of change were sown, it was probably round that Heathrow Conference, when the industry found its own voice, which it hadn't had up to that point. It found that politicians and Home Office officials were very keen to have a direct dialogue, and that the industry could have an influence and be listened to. That's when the commercial momentum began. We could change things for our commercial betterment, and begin making money."[xxviii] It was also the moment when the politics of the Thacher era finally began to have their effect on *independent* radio in the UK, and to redirect it towards its *commercial* incarnation.

The horse trading between the radio companies and the IBA, and both with Government, continued until the IBA caught the companies off guard with an announcement early in November that it would make some changes to its regulatory regime. AIRC was blindsided, and was furious at having been outflanked. In March of the following year the companies decided to raise the stakes still further, since "the IBA announcement of 12 November really screwed things up" and "what was intended [by the IBA] did not go as far as the statement implied, and we had been led to believe".[xxix] On 27 March the government announced the setting up of the Peacock Inquiry into the future funding of the BBC. On 28 March, AIRC went public with a request for a separate inquiry into radio structure and funding. "The government may not like the idea of two media inquiries at the same time, but our case for a radio inquiry …is strengthened by the BBC decision…'sorting out' the BBC in isolation from the rest of UK broadcasting will only cause mayhem elsewhere."[xxx]

The government indeed had no time for this second inquiry, which would have complicated Douglas Hurd's elegant postponing of the issues around broadcasting. AIRC's initiative therefore served to delay any potential resolution of the impasse over ILR, and took the immediate pressure off both the IBA and the government. The existence of the Peacock Inquiry provided a potential forum to pursue the discussions

about the future of ILR, but also moved the whole process from immediate decision into the middle distance.

Nevertheless, this was the start of a new era for commercial radio. Heathrow had changed at a stroke the relationship between the companies and their regulator. Suddenly, the companies were no longer content to be guided by the wisdom or lack of wisdom of the IBA. From that point onwards, the radio industry began to deal with its regulators in a spirit of confrontation, and in the language of confrontation. In the overall recasting of broadcasting structures in the UK in 1990, ILR began to mutate into *commercial* radio, and by the early nineties it had gained almost everything it had wished for at Heathrow.

We take the view that nothing more clearly differentiated *independent* from *commercia*l radio than the device of secondary rental.[xxxi] Thus the abolition of secondary rental in September 1988, as a direct response to the new circumstances, provided a powerful indication that there was to be an irrevocable break with the past. Further changes followed in quick succession. New programming philosophies such as 'formats' began to emerge, with the arrival of Antipodean experience in adult contemporary (AC) programming, and Richard Park's reinvention of Capital Radio's sound with his Contemporary Hit Radio (CHR) format. Simulcasting on FM and AM ended, and stations began to segment and target their market.

The report of the Peacock Committee in July 1986 had recommended that IBA regulation of radio should be replaced by a looser regime. This opening of the way for *commercial* radio to replace *independent* radio found expression in the 1987 Green Paper and eventually in the 1990 Broadcasting Act. The ILR stations were effectively relieved of most of their public service obligations. Competition became widespread, within the previous local monopoly localities, and from the new national commercial stations. Programming, advertising, sponsorship and ownership rules were relaxed, starting the move towards the consolidation of ownership and the networking of output which have come to characterise contemporary commercial radio. All of this was entirely in keeping with the tenor of the times, and those who sought to limit the effect of this liberalisation found themselves trying to stem an incoming tide.

The Broadcasting Act 1990 revealed key characteristics of the new political orthodoxy in respect of broadcasting, initiated by Thatcher's administrations and to be continued under Major, Blair and Brown. It focused on the removal of restrictions upon commercial operators (radio and television) and supporting the ideology of the free market. It sought to change the role of the regulator from interventionist to 'light-touch'. In our view, independent radio as it had been conceived in the early seventies was characterised by the fusion of private enterprise and public service. The 1990 Act indicated that this structure, both in terms of the funding model and the resulting content characteristics, was terminally outdated. The 2003 Communications Act was to confirm that, and complete the transition.

1984 can be considered as the beginning of deregulation in British commercial radio, with effects continuing to the present day. All forms of regulation: structural, financial and content were overhauled as a result of the actions in the period 1984-89. The Heathrow Conference therefore acted as a starting point on the road to deregulation, which opened up the market and gave stations opportunities to pursue commercial goals. This has seen a clear change in the programming approaches. The old notion of "meaningful speech" all but disappeared after 1990. Defined branded formats for highly segmented audiences replaced "all things to all listeners"[xxxii] Opportunities for station consolidation created by changes to share ownership rules moved commercial radio firmly into the sphere of City trading and influence. The growth of larger groups – especially after the further liberalisation in the 2003 Communications Act – has meant increased significance for shareholders and individual owners. The new phase of commercial radio has resulted in a redefining of local, relevant content in the pursuit of revenue and ratings.

From the time of the Heathrow Conference and its immediate aftermath this move away towards commercial radio became inevitable. The Conference had focussed the strain and worries of the ILR companies on a challenge to the fundamental conception of ILR as *independent* rather than *commercial* radio. This was the pivotal shift in their collective perception and aspiration, and showed once again the correlation between the prevailing political spirit and the changing expectations of private radio in the UK.

At the very start of the radio medium, Britain had set its face against commercial radio, because that was wholly at odds with the political and cultural norms of society in the twenties. The official mindset produced little more than obstructionism when continental commercial radio won a wide popular following in the thirties. Following the BBC's good war, the post-war consensus was if anything even more unswervingly anti-commercial in respect of radio, despite the eventual arrival of ITV in 1955/6. Through the sixties, the political establishment set its face against commercial radio in response to the pop music, transistor-led cultural resurgence of youth culture, and duly 'sank' the pirate ships when they tried to provide something outside the system.

When an alternative to BBC radio became inescapable in the seventies, it took the form of an alternative public service system of local radio, funded by advertising but heavily regulated. That proved remarkably successful in audience terms, politically and even financially, but the events which followed the General Election in 1979 meant that its days were numbered. The political centre had shifted irrevocably, and at the Heathrow Conference in 1984 the radio companies set in train the move away from *independent* radio to full *commercial* radio which was to arrive through the later nineties and be confirmed in the present century.

It is hard to imagine a change in the current basic approach to advertising-funded radio in the UK without another equal political shift. It is Community Radio – brought into being as a result of the efforts of the commercial radio regulator, the Radio Authority – which looks set to be the true heir to the ambitions of *independent* radio in the UK. How it fares will, in turn, depend heavily upon political will, and where the new socio-political consensus settles after yet another potentially seminal General Election this year. This inextricable inter-weaving of the fortune of non-BBC radio and the prevailing political philosophy is central to the understanding of how the UK as a whole works, and the broadcasting which it thus enjoys.

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