

Private

April 2012

Response to The Leveson Inquiry request of 05 April 2012



1. I will attempt to answer the general questions on the culture, practices and ethics of the press by this testimony and with reference to articles and speeches. It should be noted that I have not edited a British newspaper since 1982, though I have maintained a keen interest in the British media. I contribute by way of articles and radio and television commentaries. I attended the July 19, 2011 hearing of the select committee on culture, media and sport which questioned News Corporation chairman, Mr. Rupert Murdoch, and Mr. James Murdoch, chairman of News Corps subsidiary, News International. I also moderated a Thomson Reuters discussion debate entitled The Press We Deserve (edited video at www.reuters.com).

2. From my perspective, the most significant development in the dynamic of the relationship between politicians and the media has been the way successive governments have facilitated the dominance of News Corp. The 1977 Royal Commission on the Press (McGregor) concluded

that diversity was a central issue for improving the quality and caliber of the British press and remedying the political imbalance of national and mass circulation newspapers: “It follows that we should try to encourage this process [of diversity] by practical means, rather than simply pay lip service to the concept.”

The objective of encouraging diversity was cast aside in the political decision of the government in 1981 to facilitate the acquisition of Times Newspapers by News International, the UK company controlling the newspapers owned by News Corporation, chaired by Mr. Rupert Murdoch. He was allowed to acquire the biggest selling quality Sunday newspaper, *The Sunday Times*, and Britain’s most famous daily newspaper, *The Times*, despite the fact that his News International Company already owned the biggest selling daily, *The Sun*, and the biggest selling Sunday, the *News of the World*. I have maintained for many years that the consequences were adverse to the public interest, but bear in mind that as editor of *The Times* I had a dispute with Mr. Murdoch. I resigned under pressure in circumstances I have described in *Good Times, Bad Times*. He has usually responded, typically I may say, not by dealing with the substance but by defamations of one kind or another). My view, however, remains that his media dominance has been detrimental to the public interest in two ways: a certain erosion of editorial standards, and the way politicians of all parties fell over themselves thereafter to appease Mr. Murdoch’s commercial and

political imperatives on the presumption that he could determine their electoral fate.

This was probably true for Mr. Neil Kinnock in 1992 who was grossly abused by the Murdoch press, but I believe Mr. Blair would have won the Labour party landslide victory in the general election of 1997 without the backing of News International. Mr. Blair decided not to take the risk; “It is better to ride the back of the tiger than have it tear your throat out.”

3. It must be understood that though News Corporation is one of the world’s largest transnational media corporations, Mr. Murdoch is a “highly interventionist”¹ media proprietor controlling opinion but also in the habit of dictating certain news choices and emphases.² In *Good Times, Bad Times*, I have described resisting this, but there is ample testimony by other professional journalists over many years. I would refer the Inquiry to the most recent affirmation in the *British Journalism Review* (No. 4, December 2011, page 40) by Mr. Michael Williams, a senior news executive with experience at News International. He writes of Mr. Murdoch ordering stories “attacking the broadcasting unions and rubbishing the BBC.” Mr. Lance Price, deputy press adviser to Mr.

¹ Interview with John Menadue, June 18, 2006, <http://www.abc.net.au/sundayprofile/stories/s1665376.htm>

² Did Murdoch interfere in his editorship? "All Murdoch editors, what they do is this: they go on a journey where they end up agreeing with everything Rupert says. But you don't admit to yourself that you're being influenced. Most Murdoch editors wake up in the morning, switch on the radio, hear that something has happened and think, What would Rupert think about this? It's like a mantra inside your head. It's like a prism. You look at the world through Rupert's eyes." – David Yelland, ex editor The Sun, March 29, 2010 Evening Standard

Blair, has said that it was understood at No 10 that no big decision could ever be taken without considering the likely reaction of three men – Gordon Brown, John Prescott and Rupert Murdoch.

4. The origins of the fear of Mr. Murdoch were his success in taking over Times Newspapers, gaining influence from both papers and substantial revenues from *The Sunday Times*. The terms of the Fair Trading Act of 1973³ required a bid by a newspaper company to be approved by the Monopolies Commission. Mr. Murdoch's was not even referred. A newspaper merger unprecedented in history went through in three days. This was contrary to stated law and practice.

5. The determining factor in 1981 was the will – and political interest – of the Prime Minister, Mrs. Margaret Thatcher. She has never explained why in this instance she preferred concentration to competition. Her memoir published in 1993 makes no attempt to do that, and indeed there is an altogether surprising omission of any mention of Mr. Murdoch

6. A number of people at the time⁴ suspected that a deal had been made between the Prime Minister and Mr. Murdoch. It is significant that thirty years later we have documentary evidence that that alone of all the bidders for Times Newspapers, Mr. Murdoch was afforded a private meeting with the Prime Minister which was followed by her intervention

³ Extract in Appendix X

⁴ Lord Donoughue in his memoir.

on his behalf with the Secretary of Trade, Mr. John Biffen. The ostensible “briefing” Mr. Murdoch offered was, in fact, highly prejudicial. Mr. Murdoch denied he ever did have such a meeting with Mrs. Thatcher. His specific denial is recorded in his interview for the history of *The Times* he himself commissioned⁵. I discuss this intrigue in a Preface to the fourth edition of *Good Times, Bad Times* included among the documents with this submission.⁶

7. I have described the consequences for the political independence of *The Times* in *Good Times, Bad Times*; my account of the transition from 14 years of editing *The Sunday Times* during the ownership of the Thomson Organization, to one year editing *The Times* during the ownership of Mr. Murdoch. The Thomson ownership, through the Times Newspapers board with independent directors, insisted, as a condition of my appointment as editor that I would maintain the traditional political and commercial independence of *The Times* (and the board asked for the same pledge from my successor as editor of *The Sunday Times*). I describe the board meeting in my autobiography, *My Paper Chase*⁷, pages of which I’ve included in the documents.

Mr. Murdoch pledged that the conditions for independence would be maintained under the ownership of News Corp. Had he honored his

⁵ *The History of The Times, The Murdoch Years* by Graham Stewart (Harper Collins 2005) p 28

⁶ *Good Times, Bad Times*, fourth edition, Bedford Square Books, 2011

⁷ *My Paper Chase*, Little, Brown (Back Bay paperback edition) p.321 (2009)

word, the consequences of concentration might have been ameliorated. But he did not. He had guaranteed that Times Newspapers editors would have control of political policy of their newspapers for which they were responsible; that they would have freedom within agreed annual budgets; that the editors would not be subject to instruction from either the proprietor or management on the selection and balance of news and opinion; that instructions to journalists would be given only by their editors; and that any future sale of the titles would require the approval of a majority of the independent national directors. In my year editing *The Times*, Mr. Murdoch failed to honor the guarantees he had made to the editors, to the board of Times Newspapers which had agreed to the sale with conditions in 1981, and to Parliament. The government took no action following the documented violation of the agreements. Mr. Murdoch had a “get out of jail” free card.

8. In terms of the concentration of the press, it must be acknowledged that while Mr. Murdoch, in the acquisition of Times Newspapers, represented an important negative development, the paradox is that his defeat of the print unions at in the “siege of Wapping” was liberating for the British press. It lowered the economic barriers to new entry (viz *The Independent*, the first new quality newspaper in Britain in the twentieth century), and finally enabled journalism to be assisted through computer

typesetting and on-line research, a development I had long advocated⁸. Computers are a commonplace now, but their introduction at Times Newspapers and throughout the industry was delayed a decade by craft rules and inter-union solidarity. Mrs. Thatcher's reform of trade union law was an important factor in enabling News International to prevail. It is probable that another ownership would have succeeded at the twentieth century drew to a close – the economic imperatives had become overwhelming – but, as I have written elsewhere, there is no doubt the demise of restriction at this time was of benefit to the press and a personal achievement to the credit of Mr. Murdoch and Mr. Murdoch alone.

9. But, alas, that is not all there is say, as is manifested, I submit, by the origins of this very Inquiry. For thirty years Mr. Murdoch was not restrained by any government, Conservative or Labour or Coalition, in still further tightening a grip on British print and broadcasting media and exacting commercial benefits. The Labour government of Tony Blair dropped its proposals to restrict cross media ownership. The Coalition government led by Mr. Cameron was on the point of sanctioning News International's control of BSkyB before the hacking scandal lifted the stone on so much unscrupulous conduct.

⁸ Institute of Stationers lecture

Mr. Murdoch exerts direct personal control of all his newspapers, despite occasional protestations to the contrary: Andrew Neil, a former editor of *The Sunday Times*, characterized him in his book *Full Disclosure* as the Sun King with obedient courtiers “All authority comes from him... The Sun King is everywhere even when he is nowhere.”

It has been a regression for British democracy and British society that political leaders came to bend the knee to the values of one unaccountable individual out of fear of retribution by headline. “It’s The Sun Wot Done It” boasted the tabloid on April 11, 1992 but its coverage was no more than a lurid version of the common line imposed on all the News International papers⁹. Had Mr. Murdoch honored his pledges of independence for Times Newspapers, there might have been at least a few squeaks from the Thunderer.

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⁹ <http://www.dailymail.co.uk/news/article-496130/Media-mogul-Rupert-Murdoch-admits-controlling-Suns-political-backing.html>