Day 9 - PM Leveson Inquiry 29 November 2011

1 (2.00 pm)

3 MR JAY: Mr Davies, we're still on "The Dark Arts". We're now onto Trojan horses, bottom of page 277. We heard evidence about this yesterday from Mr Hunter, as you're probably aware.

4 A. Hurst.

5 Q. Hurst. Pardon me. Can I ask you there about the example you give in the middle of page 278, the mirror wall device. That was used by a businessman, not a journalist?

6 A. Yes.

7 Q. Relating to the tax affairs of Dame Shirley Porter.

8 A. I can't remember this bit at all. Keep going. Oh, I see. It was not a journalist but a business -- yes.

9 LORD JUSTICE LEVESON: When you're talking about a mirror wall, you're not talking about a title?

10 A. Correct, so my source are the reports of that public domain trial.

11 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

12 A. The best single source is a book who was written by Mr Pell, again, in general terms, where does it come from?

13 MR JAY: No. This presumably is in the public domain since it happens, to a breach of section 1 of that statute.

14 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

15 A. Correct, so my source are the reports of that public domain trial.

16 Q. Relating to the tax affairs of Dame Shirley Porter.

17 A. Yes.

18 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

19 A. Correct, so my source are the reports of that public domain trial.

20 Q. Relating to the tax affairs of Dame Shirley Porter.

21 A. Yes.

22 Q. Relating to the tax affairs of Dame Shirley Porter.

23 A. Yes.

24 MR JAY: Mr Davies, we're still on "The Dark Arts". We're now onto Trojan horses, bottom of page 277. We heard evidence about this yesterday from Mr Hunter, as you're probably aware.

25 A. Hurst.

26 Q. Pardon me. Can I ask you there about the example you give in the middle of page 278, the mirror wall device. That was used by a businessman, not a journalist?

27 A. Yes.

28 Q. Relating to the tax affairs of Dame Shirley Porter.

29 A. I can't remember this bit at all. Keep going. Oh, I see. It was not a journalist but a business -- yes.

30 LORD JUSTICE LEVESON: When you're talking about a mirror wall, you're not talking about a title?

31 A. Correct, so my source are the reports of that public domain trial.

32 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

33 A. The best single source is a book who was written by Mr Pell, again, in general terms, where does it come from?

34 MR JAY: No. This presumably is in the public domain since it happens, to a breach of section 1 of that statute.

35 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

36 A. Correct, so my source are the reports of that public domain trial.

37 Q. Relating to the tax affairs of Dame Shirley Porter.

38 A. Yes.

39 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

40 A. Correct, so my source are the reports of that public domain trial.

41 Q. Relating to the tax affairs of Dame Shirley Porter.

42 A. Yes.

43 MR JAY: Mr Davies, we're still on "The Dark Arts". We're now onto Trojan horses, bottom of page 277. We heard evidence about this yesterday from Mr Hunter, as you're probably aware.

44 A. Hurst.

45 Q. Hurst. Pardon me. Can I ask you there about the example you give in the middle of page 278, the mirror wall device. That was used by a businessman, not a journalist?

46 A. Yes.

47 Q. Relating to the tax affairs of Dame Shirley Porter.

48 A. I can't remember this bit at all. Keep going. Oh, I see. It was not a journalist but a business -- yes.

49 LORD JUSTICE LEVESON: When you're talking about a mirror wall, you're not talking about a title?

50 A. Correct, so my source are the reports of that public domain trial.

51 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

52 A. The best single source is a book who was written by Mr Pell, again, in general terms, where does it come from?

53 MR JAY: No. This presumably is in the public domain since it happens, to a breach of section 1 of that statute.

54 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

55 A. Correct, so my source are the reports of that public domain trial.

56 Q. Relating to the tax affairs of Dame Shirley Porter.

57 A. Yes.

58 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

59 A. Correct, so my source are the reports of that public domain trial.

60 Q. Relating to the tax affairs of Dame Shirley Porter.

61 A. Yes.

62 MR JAY: Mr Davies, we're still on "The Dark Arts". We're now onto Trojan horses, bottom of page 277. We heard evidence about this yesterday from Mr Hunter, as you're probably aware.

63 A. Hurst.

64 Q. Hurst. Pardon me. Can I ask you there about the example you give in the middle of page 278, the mirror wall device. That was used by a businessman, not a journalist?

65 A. Yes.

66 Q. Relating to the tax affairs of Dame Shirley Porter.

67 A. I can't remember this bit at all. Keep going. Oh, I see. It was not a journalist but a business -- yes.

68 LORD JUSTICE LEVESON: When you're talking about a mirror wall, you're not talking about a title?

69 A. Correct, so my source are the reports of that public domain trial.

70 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

71 A. The best single source is a book who was written by Mr Pell, again, in general terms, where does it come from?

72 MR JAY: No. This presumably is in the public domain since it happens, to a breach of section 1 of that statute.

73 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

74 A. Correct, so my source are the reports of that public domain trial.

75 Q. Relating to the tax affairs of Dame Shirley Porter.

76 A. Yes.

77 Q. This information in relation to the activities of the person involved, Mr Stanford, who you name, was fined for an offence under the Interception of Communications Act?

78 A. Correct, so my source are the reports of that public domain trial.

79 Q. Relating to the tax affairs of Dame Shirley Porter.

80 A. Yes.
I straight to the Guardian and applied all sorts of pressure of various kinds to try to postpone the
Guardian to stop me doing that. And I didn't want the Guardian put in the firing line. I'm a freelance, I'm
writing my own book, I didn't want them brought into it and I also didn't want to be told to stop. I feel that
there was a real jeopardy to the success of the operation, and so for that reason, I made the deliberate
choice not to go to them.

Sorry, did you say to do something?

LORD JUSTICE LEVESON: (shakes head)

A. The underlying thing is that if you go back to the process I'm trying to follow -- the public domain
sources, the human sources, the early material -- what you're trying to do is to get yourself to a point where
you can say, "Right, that's true, this statement is true, that statement is true", and then to put it out
there, and if you've got to that point, and you can see that going to the subject of the story puts you in
jeopardy, puts your ability to tell the truth in jeopardy, then you wouldn't take that extra step, or
there might be ethical reasons for not going to the other side, or there might be legal problems.

MR JAY: You've covered just the practical probabilities or prudential problems. What sort of matters would fall
under the categories of ethical problems on the one hand and legal problems on the other hand?

A. There are other practical problems that occur as well.

Ethical, I think the classic case is you're covering its trial of a paedophile and he is accused of raping and
abducting and murdering children and you're preparing the background story that's going to be published or
broadcast once the trial is over. Do you really want me to go and ask this man what he says about his abduction
and rape and murder of children? And I think the answer is you don't want me to do that. There's an ethical
problem there. Do you ask Hitler what he thinks about concentration camps?

For example, the BBC code of conduct, which is a particularly intensely thought-out, good one, uses precisely that expression, "overriding ethical or legal reasons".

So that's a relatively unusual block, but it's there. If you follow me, anyway. I take that view.

Legal is two categories. One, which I would come across from time to time, which is where I have obtained
information which could be deemed to be confidential.

There's a risk that if I let the other side know, I'm going to get myself injunctioned and I did a story --
I might have referred to it in the statement,
Yes, but for him there's a twin question, isn't there, because there was --

A. The Nazi element of the story.

LORD JUSTICE LEVESON: Correct. But how does that play into your analysis of the circumstances in which you go to a particular target?

A. I think -- first, I don't think the Max Mosley story should have been printed, but if I were the reporter trying to get that story into the public domain, I would understand that if I go near Max Mosley, he's going to get an injunction on breach of privacy grounds and it's an interesting contradiction, actually, because the official story from the News of the World is: "Oh, well, we've got Article 10 on side here. This is in the public interest. This is our freedom of expression."

But the underlying fear would be that that's not going to be the way the court sees it and that they are going to injunct. So I don't approve of the story, but I can understand why they didn't go near him. Have I answered your question?

LORD JUSTICE LEVESON: Yes, you have, and I also understand why they didn't go near him.

A. I think that's all they're saying. It's tricky -- you see, on the confidentiality thing, which is something we were confidential and they got the injunction and that was it. We had to remove the documents. We were not able to publish that story. It comes back to this point if newspapers went to him too early.

MR JAY: Thank you.

LORD JUSTICE LEVESON: I hope you've not just broken the terms of that injunction.

A. No, no, I haven't given you the detailed contents of the paperwork.

LORD JUSTICE LEVESON: Your lawyer tells you you haven't.

A. Thank you. Just this once. No, but you see -- that again, you see -- the lesson from that incident for a reporter is the danger of a court interpreting the law of confidence in such a way as it to frustrate what you genuinely consider to be your legitimate function.

A. Can I just add, you know I said "practical"? Apart from the kind of intimidation question, the big problem is PR. If you go to the subject of a story and that subject has professional PR advice, if you give them the time to manoeuvre, they'll put the story out on their own terms. So they'll change the angle, and so to speak, scoop you, and -- Alastair Campbell, for example, who I know he's giving evidence, was brilliant at doing this if newspapers went to him too early.

So more often than not you will want to go to the other side. You want to go to the other side in case

probably deeply tedious series a few years ago about corporate tax avoidance. It was a very noble thing to do. I don't know whether anybody read it. It went on for the days.

Now, towards the end of that, we were contacted by somebody who gave us internal paperwork from Barclays Bank which described tax shelters which Barclays was providing to corporate clients. We thought there were two reasons why it was in the public interest to publish this: (a) this is about the avoidance of tax, the frustration of the Parliamentary will as to what tax should be paid, (b) this was at a time where Barclays was in negotiation -- ultimately fruitless ones, but were in negotiation about taking taxpayers' money to bail them out of the credit crisis, and therefore the fact that they were it is selling tax shelters was particularly in the public interest.

So we put those documents on our website with a story, and that went up late one evening. Alan Rusbridger will tell you the story in more detail but by 1 or 2 o'clock in the morning, there were powerful lawyers onto us and onto a judge, arguing that these were confidential and they got the injunction and that was it. We had to remove the documents. We were not able to publish that story. It comes back to this point about the difficulty of making these judgments about what's in the public interest. We felt very aggrieved --

LORD JUSTICE LEVESON: I hope you've not just broken the terms of that injunction.

A. No, no, I haven't given you the detailed contents of the paperwork.

LORD JUSTICE LEVESON: Your lawyer tells you you haven't.

A. Thank you. Just this once. No, but you see -- that again, you see -- the lesson from that incident for a reporter is the danger of a court interpreting the law of confidence in such a way as it to frustrate what you genuinely consider to be your legitimate function.

MR JAY: Thank you.

LORD JUSTICE LEVESON: I hope you've not just broken the terms of that injunction.

A. No, no, I haven't given you the detailed contents of the paperwork.

LORD JUSTICE LEVESON: Your lawyer tells you you haven't.

A. Thank you. Just this once. No, but you see -- that again, you see -- the lesson from that incident for a reporter is the danger of a court interpreting the law of confidence in such a way as it to frustrate what you genuinely consider to be your legitimate function.

A. Can I just add, you know I said "practical"? Apart from the kind of intimidation question, the big problem is PR. If you go to the subject of a story and that subject has professional PR advice, if you give them the time to manoeuvre, they'll put the story out on their own terms. So they'll change the angle, and so to speak, scoop you, and -- Alastair Campbell, for example, who I know he's giving evidence, was brilliant at doing this if newspapers went to him too early.

So more often than not you will want to go to the other side. You want to go to the other side in case
Day 9 - PM

Leveson Inquiry

29 November 2011

Page 13

1. also wish to make it clear that they refute generally
2. the allegations you make against them in the book, which
3. are incapable of specific refutation because they lack
4. any meaningful detail. Do you follow that?
5. A. Mm.
6. Q. Do you understand also the difficulty they have, and to
7. the extent that we have that, without you giving us your
8. sources -- and we fully understand why you can't -- that
9. which substantiates your book cannot be tested
10. evidently. Would you accept that?
11. A. That's true of some but not all. I mean, for example,
12. where you look at the Motorman material, we know as
13. a matter of public domain fact that the Mail came out
14. top of the league table which the ICO published
15. in December 2006. I was at the Select Committee hearing
16. in September 2009 where the new Commissioner,
17. Christopher Graham, said that the ICO had made it clear
18. to newspapers that if they wanted to examine that
19. material, they could, and he's then said in his evidence
20. that no newspaper has come to the ICO to ask whether
21. they can examine the material which we seized from Steve
22. Whittamore. It seems to me that if the Mail want to
23. discover whether there was law-breaking in that
24. material, that was something they could have done/is
25. something they can do. It may be that they have now --

Page 14

1. I can't obviously say -- but certainly at that stage, if
2. Christopher Graham is to be believed, that hadn't
3. happened and that route is open to them without having
4. to tangle with the confidential sources.
5. There's a second possibility where Z is concerned
6. about internal accounting. I just don't know what their
7. internal accounting systems are like, so -- the payments
8. that I was particularly being told about were cash, so
9. it may simply be that you draw the cash and it leaves no
10. specific footprint as to why it was being drawn, in
11. which case that isn't going to help us. But if there is
12. anything in the accounting system that actually shows
13. a payment going from the paper to Z, then that would
14. help the Mail to get to the bottom of the truth without
15. running up against the problem of off-the-record
16. sources. I mean, it's a pretty fine investigative
17. paper. I think they can get quite a long way without
18. me.
19. There's also the whole business of what
20. Scotland Yard has on that source. Again, it's in the
21. public domain that Scotland Yard mounted a surveillance
22. on him. I don't know what they came up with but it
23. would be interesting to ask.
24. So I do accept that there are real difficulties with
25. the Mail dealing with some of the things I've been

Page 15

1. telling you, and it's frustrating, I accept that, but
2. I think there's an area where they could try and see
3. what they can find.
4. Q. In terms, generally, of the incidents of corruption
5. which you list, I think from your evidence already we
6. have some sense of the timescale.
7. A. Yes.
8. Q. We go back to the 1970s, Z is in the 1980s. The
9. information gathered, page 272 -- this is surrounding
10. The Wine Press in Fleet Street. You give the date for
11. that, probably in the early 1990s; is that right?
12. A. I'm saying mid, up to about 1996/1997 I'm talking about
13. there.
14. Q. Then page 279, which is the activities of Mr Benjamin
15. Pell.
16. A. It's not really corruption, is it?
17. Q. No?
18. A. Can I just interrupt you, before you go on, while we're
19. on corruption. My understanding of the position with Z
20. is that he goes right back to the early 80s, kind of
21. '82/'83, but comes a long way forward. My understanding
22. is he was still active when I was researching the book,
23. so that's a long span of activity of that kind.
24. On the police corruption side, there's the
25. investigator who you pointed me to at the top of
Day 9 - PM
Leveson Inquiry
29 November 2011

25 LORD JUSTICE LEVESON: ... Page 281.
24 A. I wrote about it a bit in the book. He was very --
23 Q. The third one, that he apparently accepted information
22 from Benjamin Pell that Pell had acquired from other
21 people's dustbins. Is that something you know about?
20 A. Okay.
19 Q. The second example that's put to me I think it's better
18 if I just ask it directly of Mr Leigh when he comes next
17 week?
16 A. Not a bad memory.
15 Q. The second example that's put to me I think it's better
14 if I just ask it directly of Mr Leigh when he comes next
13 week?
12 A. Okay.
11 Q. The third one, that he apparently accepted information
10 from Benjamin Pell that Pell had acquired from other
9 people's dustbins. Is that something you know about?
8 A. I wrote about it a bit in the book. He was very --
7 LORD JUSTICE LEVESON: Page 281.
6 Page 18
5 (Pages 17 to 20)

1 involving Jonathan Aitken, the Guardian eventually
2 published this story which disclosed that as our
3 Minister of Defence dealing with establishing arms
4 deals, he was lining himself up to receive enormous
5 bribes, and when the Guardian eventually got that into
6 the public domain -- I'm not libelling anybody here;
7 this is all already written -- they said that if there
6 had been a more serious example of political corruption
5 since 1945, they would like to be told what it was.
4 So I would say you are top of the scale public
3 interest on that piece of blagging.
2 Q. That's page 281 of your book.
1 A. Oh, is it?

1 A. Yes. He was very clever about it. David's a fantastic
2 reporter and the good reporters -- the Martha Gellhorns,
3 the James Camerons, the David Leighs -- have a kind of
2 artful dodger about them, and he could see the exciting
1 potential of this extraordinary man who was digging
2 material out of significant people's dustbins, but he
1 could also see that the Guardian were never going to pay
2 for it. Out of a mixture, I think I said in the book,
1 of poverty and principle, it wasn't going to happen. So
1 he very cleverly passed Benjamin on to somebody else who
1 could deal with him and this somebody else was a friend
1 who was highly likely to tell him if anything
1 interesting emerged from the bin.
2 So I think he got himself very close to the line and
2 just stayed on the right side of it. I thought it was
2 clever of him. This is exactly the sort of thing I'm
1 talking about. Is that in the public interest or not?
2 Who knows where the line is? Really, really tricky
1 judgments that many could up. He took a call on it.
2 Q. Could we look, please, to the future and press
2 regulation generally.
1 A. Mm-hm.
2 Q. The matter which was, as it were, parked before lunch
2 but which we promised or threatened that we would come
1 back to.

Could you give us some thought to that now and tell
us your views?
A. First of all, it's really difficult. I think that as
two starting thoughts -- we said the first one, that we
have to consider the needs of media victims as well as
media organisations.

The second one is that just as an intellectual
exercise, I wouldn't start with what we've got. We've
got this horrible concoction of common law and statute
and regulation and it's a mess. I think that it's
helpful to start with a blank sheet of paper and you
could conceptually draw a line down the middle of that
piece of paper and say really there are two different
kinds of problem. The most important problem is
falsehood and distortion, within which there is
defamatory falsehood and distortion, and on the other
side of this line you put unethical behaviour, within
which the worst is probably the invasion of privacy.

So if you take the first of those, if you start with
a blank sheet of paper and say, "What should we do about
falsehood, distortion and defamation?" I don't think
you'd come up with anything like the law we have. You
wouldn't invent, for example, the concept that damages
should be paid to somebody whose reputation has been
hurt by a publication. Surely you would say, "If that

Merrill Legal Solutions
(+44) 207 404 1400
www.merrillcorp/mls.com
8th Floor 165 Fleet Street
London EC4A 2DY
<table>
<thead>
<tr>
<th>Page</th>
<th>21</th>
<th>22</th>
<th>23</th>
<th>24</th>
<th>25</th>
</tr>
</thead>
</table>
| 1   | happens, if I publish something which falsely damages somebody's reputation, what they deserve is a correction of equal prominence. Not the PCC's weasel words, 'due prominence'; equal prominence to what I published." That's a complete balance, and I think the same applies generally to falsehood and distortion. This is the thing that most upsets people about what we do, and so having crossed this line and abandoned the idea of self-regulation, I want somebody to pass a law that says: if you publish, in newspapers, magazines, books, wherever, and you make a statement which is demonstrably false, you have to correct it with equal prominence.
| 2   | First of all, this is good for the freedom of the press. The worst burden, I think it's fair to say, we suffer under is libel law. It constantly prevents us telling the truth about important things. It has a terrible, chilling effect, and I bet you every editor in Fleet Street, from Rusbridger to Dacre, would be happy to see the back of defamation law. There's a few learned friends here who might not be happy but it would be an enormous advantage to the freedom of the press. And yet we can satisfy the needs of victims, but I would do that not through the courts but through some sort of simple --
| 3   | LORD JUSTICE LEVESON: I'm not sure that's not a bit simplistic because those who have been defamed obviously want to get the defamation corrected, but in the meantime they've been put through the grinder for the time it takes to get it corrected.
| 4   | A. Yes, but --
| 5   | LORD JUSTICE LEVESON: They are entitled to some redress for that, and in our system, the only redress we have is the commodity called money.
| 6   | A. But I wouldn't push this through the courts. I want an arbitration system that's quick. I would put statutory deadlines on it. If a newspaper publishes a statement of fact, they should already know whether or not it's true and be in a position to justify it pretty quickly. I would say if someone makes a complaint about a statement I have made -- you might think this is bonkers but within four weeks we ought to have a hearing. And that hearing shouldn't be in court; it should be in some sort of arbitration system. That system would make a finding of fact and it could be appealed to the courts on only point of law. You have a system rather like this in maritime law, where they have specialist lawyers who act as arbitrators. I've been researching it a little bit and it works. You see as a starting point -- if you start with a blank sheet of paper and just think it logically through, you don't run into the contradiction between the freedom of press and the need for regulation. You can actually make something happen which increases the freedom of the press and gives media victims a quick, effective reply.
| 7   | I know it's simple what I'm saying and it's a complicated argument. I'm trying to provide a starting point.
| 8   | LORD JUSTICE LEVESON: No, no, I'm very grateful. Indeed, the idea of having some sort of arbitral system you may have heard that I've suggested to a number of people over the course of the last two weeks.
| 9   | A. Mm-hm.
| 10  | LORD JUSTICE LEVESON: But whether one removes the law of libel entirely is perhaps something rather different, and it would be a rather odd consequence, wouldn't it, of all the problems that have caused this Inquiry to say we should have even a greater licence for the press to print whatever they want? A. No, because -- you take the McCann case, the horrific falsehoods being published about those people. They don't have to sue and go through that long, drawn-out process, expensive, exhausting process. They trigger the complaint. Within four weeks, they get an arbitration decision. Surely the newspapers are not in a position to justify the factual statements that were made about them. All those newspapers who have made them have to publish corrections with equal prominence. The Daily Express has to put it on their front page, where the allegation was. They get justice, fairness, truth, much, much quicker. They don't get damages. I don't think they wanted damages.
| 11  | And on the other side is my -- all the business of ethical behaviour, in particular breach of privacy at the core. Over and over again, you come back to that business: "It's all right if it's in the public interesting."
| 12  | LORD JUSTICE LEVESON: So you want the arbitral system also to provide you --
| 13  | A. No, they're what I'm after --
| 14  | LORD JUSTICE LEVESON: I'm very content with a system that is professionally based that takes work away from the court. I'm not in the business of trying to get more work into court.
| 15  | A. What I'm after there with the public interest is a beginning, some sort of advisory set up. It might be part-time specialists with whom I can communicate.
| 16  | I send them an email and say, "Here's the situation. Here's what I'm planning to do. Will you, in confidence, give me a guide? Am I or am I not operating reasonably well?"
<table>
<thead>
<tr>
<th>Page 25</th>
<th>Page 26</th>
<th>Page 27</th>
<th>Page 28</th>
</tr>
</thead>
</table>
| 1 with public interest on my side?" And then I have that 1 Mr Mosley, the News of the World argued that the facts 2 and then proceed, and if there is then a civil dispute 2 were A, and Mr Mosley was saying most emphatically it 3 or a criminal prosecution, that's disclosable. Up until 3 was not A. 4 A. Okay. I think my system can cope with that because 4 that point, it's secret. Yes? And if it turns out that 5 if -- this is the Nazi theme? 6 I've ignored that advice, that's going to weigh heavily 7 LORD JUSTICE LEVESON: Or not taken it. 8 against me. 9 A. Yes, or not even asked for it in the first place. 10 LORD JUSTICE LEVESON: Yes. 11 That's a bit like refusing to do a Breathalyser. The 12 A. That's all right to say that? That's all public 13 presumption is that you've got something to hide. 14 knowledge? 15 You see, I think Max Mosley has a point about it 16 LORD JUSTICE LEVESON: It's comparatively public knowledge. 17 being too late to deal with the privacy problem after 18 advisory folk, I say, "In this video which we secretly 19 the story's published, after those horrific videos 18 shot, he is acting out some sort of Nazi fantasy", and 20 flashed around the world of his naked body. But his 19 on that basis they say, "Okay, you've probably got some 21 proposed remedy is too severe. It involves prior 20 public interest", if then subsequently it's shown that 22 restraint, and all of us are allergic to that. So I'm 21 we never even translated what was on it and we are 23 trying to set up a system where the signal would be sent 22 wrong -- let's just say we were wrong in simple terms 24 to us very clearly before publication that if Max sues, 23 about that fact. That's going to weigh very heavily 25 we're going to lose, so we know -- and furthermore when 24 against us because that email is going to be produced. 25 that's disclosed, it's going to make us look 26 So I don't think it's such a bad idea. 27 particularly bad. 28 But there's another case -- I think it's all right 22 LORD JUSTICE LEVESON: Of course, one of the problems about 23 to say that this -- which is the Blunkett case. The 24 getting advice requires you to make a value judgment 25 tabloids went after David Blunkett and said, "You're 26 about the facts. I'm not commenting one way or the 27 having an affair." That, to me, was prurient and 28 other, but if you go back to the example concerning 22 MR JAY: Mr Davies, thank you very much for assisting the 23 about publish and being damned. So if the Blunkett 24 Leveson Inquiry. 25 story at first sight looks like a breach of his privacy, 26 finished? 27 LORD JUSTICE LEVESON: Thank you very much. Before you go, 28 we should nevertheless have the freedom to carry on and 27 either you end the matter now or you leave it open to us 28 make the mistake and take the risk and then if we can 28 to say, "Even though 29 find the public interest gem beneath the pile, then we 29 finished? 30 LORD JUSTICE LEVESON: Before you go, I have one other 30 can justify it. I think it gets very difficult if you 31 affair? And kind of at the end of 32 LORD JUSTICE LEVESON: I understand. 33 MR JAY: We can hear you very well but you're going too 31 do. LORD JUSTICE LEVESON: I'm nearly finished. I'm not sure 32 fast. The good news is -- 32 finished? 33 MR JAY: We're very old-fashioned people. 33 A. I'm nearly finished. I'm not sure quite sure what's 34 LORD JUSTICE LEVESON: Yes. 34 happening now. Are we finished? 35 MR JAY: In the example of Mr Blunkett that you gave, the 35 Q. I think you should complete the answer you were giving 36 MR JAY: Mr Davies, thank you very much for assisting the 36 to your satisfaction and then maybe we will have 37 LORD JUSTICE LEVESON: I understand. 37 LORD JUSTICE LEVESON: No, I'm not -- 38 MR JAY: The News of the World argued that the facts 39 A. I don't know any other journalist who agrees with me, 40 were A, and Mr Mosley was saying most emphatically it 41 I'll confess. 42 LORD JUSTICE LEVESON: That's an interesting fact too. 43 A. We're very old-fashioned people. 44 MR JAY: In the example of Mr Blunkett that you gave, the 45 chance ascertainment of a public interest nugget, as it 46 were, was a wholly adventitious by-product of a story 47 whose initial basis, you say, was without a public 48 interest justification; is that correct? 49 A. Yes, but there's something to be said for that maxim 50 about publish and be damned. If there's a really
is there anything that you feel you've not had the
opportunity to say on a topic which you've obviously
thought about very deeply?
A.  No, I think --
LORD JUSTICE LEVESON:  Thank you very much indeed.
A.  Thank you.
MR JAY:  Mr Barr is taking the next witness.
LORD JUSTICE LEVESON:  Thank you, Mr Jay.  Just give
everybody a moment to move around, Mr Barr.
Right.
MR BARR:  Good afternoon, sir.  The next witness is
Mr Paul McMullan.
MR PAUL McMULLAN (sworn)
Questions from MR BARR
MR BARR:  Mr McMullan, could you tell the Inquiry your full
name, please.
A.  Paul McMullan.
Q.  And your address?
A.  Um ...
LORD JUSTICE LEVESON:  I don't think you need to give your
home address.
A.  The Castle Inn, Dover.
LORD JUSTICE LEVESON:  Fine.  Thank you very much indeed.
MR BARR:  I understand you are a professionally trained
journalist?
A.  Yes.
Q.  And that you initially gained experience working for the
regional press?
A.  Yes.
Q.  And then you moved and had a further experience in
London working for the Fleet Street News Agency?
A.  Yeah, I started with Thomson Regional Newspapers, which
is -- I think they've now folded, and I was a journalism
student with Michael Gough, funnily enough.  I'm quite
pleased to say I came top of my class and he came sort
of bottom end and he's now the minister of education.
Q.  Thank you for that.  You then obtained a position as
a shifter, working for the Sun and Today in 1992; is
that right?
A.  Yeah, under Kelvin McKenzie, yeah.
Q.  And then you obtained a staff job working for the Sunday
Sport?
A.  I was news editor there for three months.  It was a bit
of postgraduate silliness but good fun.
Q.  Then you worked for an agency, Eureporters(?)?
A.  Eureporter, yes.  It was in France.
Q.  Before working for the News of the World for a period of
seven years?
A.  Yes.
Q.  Including working for part of that time as a deputy
features editor?
A.  Yes.
Q.  You then moved to the Sunday Express for a period of
around two years?
A.  Yeah.
Q.  Were you the investigations editor there?
A.  I was, yeah.
Q.  You've also worked for the National Enquirer,
I understand?
A.  Yeah, about the last three years of my career, if you
like, before they had a buy-out and couldn't afford a
European correspondent any more.
Q.  Is it right that you're now in semi-retirement as
a journalist, working partly as a journalist and partly
as a publican?
A.  Yeah, I bought an old listed building, which is an inn
which has seven letting bedrooms and unfortunately the
fire services closed off the top floor, saying -- it's
quite important -- saying we need a fire escape and the
Listed Buildings Committee saying you can't have a fire
escape.  So yet again I've come up against government
annoyance -- so that's why I'm working at two jobs at
the moment, to keep that afloat.
Q.  Thank you, Mr McMullan.  I think we can concentrate on
your experience as a journalist and not as a publican,
please.
A.  I'm not --
Q.  Can I start by asking you some general questions about
the pressures of the job as a journalist.  You've
mentioned in some of the interviews you've given byline
counts?
A.  Yes.
Q.  Can you explain what the byline count process is?
A.  Yeah, I mean you can do it electronically now, but
before the days of wordsearch, you had to get more than
12 stories a year in a newspaper.  That doesn't sound
very many, but given we're a weekly newspaper and my
longest investigation on a prison governor who was
sneaking female prisoners out of the prison in Maidstone
so he could have his way with them took three months to
stand up -- I spent three months in a surveillance van
doing that -- actually, 12 stories does become a bit of
a burden, which is why, you know, I cut all of my
stories out, just so if it ever came to the crunch,
it's: "No, actually, I've done 15 or 35 this year."
Q.  I see.  Could I ask you to speak up a little, please.
A.  Okay.
Q.  So the consequence of not getting sufficient bylines was
what?
A.  Well, you got fired.
Q. And was the threat of the sack something which looms over journalists generally?

A. Yeah, I mean you can get a front page on Sunday, but by next Tuesday you have to have three fresh ideas and that's fine for a few months, but week after week after week, there becomes a real pressure to build up a list of contacts, from, you know, police officers to PIs to basically anyone who can give you a story and you lean on those fixers to help you keep your job. I mean -- sorry.

Q. Is there a sense of competition then with your fellow journalists?

A. Oh yes, massively. I mean, I think Clive Goodman fell foul of phone hacking because he was getting on a bit, he was royal editor, he had a really high salary -- there were plenty of people who were 25 years old who would have taken his job and spent longer on doorsteps and worked harder, and were always constantly snapping at his heels, and to stay one step ahead of them, he got sucked into phone hacking.

Q. Is there also competition with competing titles?

A. Very much so. The whole problem with working for a weekly newspaper is you get a story on Wednesday and you've got three days to sit on it just hoping no one else is going to, you know, steal it from you. The trend. He was: "I want that story at all costs."

The biggest budget of any newspaper department in the country. So I had a lot of money to spend on -- I thought we wasted it on PIs, to be honest. I preferred to give the money to people who could tell us a good tail about, you know, a corrupt politician or a sports star, because they do well in terms of circulation, but no, I never felt any financial constraints. But that was the joy of working for Murdoch. We had a big, big pot of money, whereas the Guardian has nothing so never pays anybody.

Q. On the question of editors you mentioned at the start of that last answer, was it a question of the editor setting the cultural tone in the newsrooms you worked in or did the editors -- a new editor come in to an established culture?

A. I suppose, you know, it's been there -- News of the World was 167 years old and when Murdoch closed it, I actually felt: "Look, it wasn't yours to close. It was a British institution. Just because you bought it --" you know, I felt that was a bit --

LORD JUSTICE LEVESON: I'm having difficulty. I'd be very grateful if you'd speak up just a bit louder.

A. Okay.

LORD JUSTICE LEVESON: Thank you.

A. No, my first editor, Piers Morgan, very much set the trend. He was: "I want that story at all costs."

Pretty much: "I don't care what you have to do to get that story." He wanted to be number one. He was driven to sell over 5 million copies a week, which is a lot, you know. Guardian sells 230,000. That's nothing in comparison. At one point, you could say half the adult population of the country were reading what we had written and so I think, in a sense, we were -- in terms of the power of the pen, we were the most powerful journalists in Britain because we had the biggest readership. What I wrote was read by half the adult population.

Q. On the question of editors you mentioned at the start of that last answer, was it a question of the editor setting the cultural tone in the newsrooms you worked in or did the editors -- a new editor come in to an established culture?

A. I suppose, you know, it's been there -- News of the World was 167 years old and when Murdoch closed it, I actually felt: "Look, it wasn't yours to close. It was a British institution. Just because you bought it --" you know, I felt that was a bit --

LORD JUSTICE LEVESON: I'm having difficulty. I'd be very grateful if you'd speak up just a bit louder.

A. Okay.

LORD JUSTICE LEVESON: Thank you.

A. No, my first editor, Piers Morgan, very much set the trend. He was: "I want that story at all costs."

Pretty much: "I don't care what you have to do to get that story." He wanted to be number one. He was driven to sell over 5 million copies a week, which is a lot, you know. Guardian sells 230,000. That's nothing in comparison. At one point, you could say half the adult population of the country were reading what we had written and so I think, in a sense, we were -- in terms of the power of the pen, we were the most powerful journalists in Britain because we had the biggest readership. What I wrote was read by half the adult population.

Q. On the question of editors you mentioned at the start of that last answer, was it a question of the editor setting the cultural tone in the newsrooms you worked in or did the editors -- a new editor come in to an established culture?

A. I suppose, you know, it's been there -- News of the World was 167 years old and when Murdoch closed it, I actually felt: "Look, it wasn't yours to close. It was a British institution. Just because you bought it --" you know, I felt that was a bit --
<table>
<thead>
<tr>
<th>Q.</th>
<th>A.</th>
<th>Q.</th>
<th>A.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
<tr>
<td>Q.</td>
<td>A.</td>
<td>Q.</td>
<td>A.</td>
</tr>
</tbody>
</table>
Day 9 - PM Leveson Inquiry 29 November 2011

<table>
<thead>
<tr>
<th>Page 41</th>
<th>Page 42</th>
<th>Page 43</th>
<th>Page 44</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. that there was an episode of public disorder in Portsmouth, wasn't there?</td>
<td>1. whole point of chasing circulation and nothing else, and to be the best paper you can be to achieve the number one circulation is you have to appeal to what the reader wants to read, and that's it. They are the judge and jury of what is in the paper, and if they don't like it -- if they don't like the fact that you've written a story about Charlotte Church's father having a two-in-a-bed -- sorry, three-in-a-bed on cocaine, then they'll simply stop buying the product. But the reality was it was bought in its millions. This is what the people of Britain want. I was simply serving their need, their -- what they wanted to read.</td>
<td>11 (Pages 41 to 44)</td>
<td>11 (Pages 41 to 44)</td>
</tr>
<tr>
<td>2. A. Yes.</td>
<td>2. LORD JUSTICE LEVESON: And to that extent, you would have to say that the end justifies the means?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Q. Did you think that the coverage might have been such as to whip up a certain amount of hysteria?</td>
<td>3. A. Yes, I think so. I think in order to -- I mean one of the things we had to do at News of the World was tape-record absolutely every interview we ever did. So in effect, it wasn't made up because every article I've ever written has been on -- is recorded and our legal department would sometimes want a transcript of it if we thought we were going to get sued about it. So all I've ever tried to do is to write truthful articles and to use any means necessary to try and get to the truth, and there's so many barriers in the way that sometimes you have to enter a grey area that I think we should</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. A. Yeah, no, I -- in a bizarre way, I felt slightly proud that I'd written something that created a riot and got a paediatrician beaten up, or whatever was the case, due to the &quot;paedo&quot; aspect of what our readers latched onto. But in another way, the public was absolutely outraged that for the last 20 years you could have a child rapist living next to a family of four, perving over the fence at their children and never knowing, and sometimes even letting them babysit and the abuse would carry on.</td>
<td>4. A. Yes, I suppose I'm being a bit frivolous, but in a sense, how do you judge what you do in your career? You like to have an impact and that was one story that clearly we were doing something right, and given that, there's so many barriers in the way that sometimes you have to enter a grey area that I think we should</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. LORD JUSTICE LEVESON: I'm sorry, I just want to check whether I'm reading this correctly: &quot;I felt slightly proud that I'd written something that created a riot and got a paediatrician beaten up&quot;?</td>
<td>5. A. Well, it was a bit of a joke.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Q. Can you --</td>
<td>6. LORD JUSTICE LEVESON: I understand. I read it back to you because I didn't think you meant what I'd just read.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. A. Yes, I suppose I'm being a bit frivolous, but in a sense, how do you judge what you do in your career? You like to have an impact and that was one story that clearly had an impact. I mean, you yourself wouldn't like to spend your career in a back room, never having, you know, created or achieved anything, and that was --</td>
<td>7. That was the point.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. LORD JUSTICE LEVESON: I understand. I read it back to you because I didn't think you meant what I'd just read.</td>
<td>8. That was the point.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. A. Well, it was a bit of a joke.</td>
<td>9. A. Well, it was a bit of a joke.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. LORD JUSTICE LEVESON: That may not be how it's reported.</td>
<td>10. LORD JUSTICE LEVESON: That may not be how it's reported.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. A. No, I bet it isn't. I wouldn't.</td>
<td>11. A. No, I bet it isn't. I wouldn't.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. MR BARR: Perhaps to pick up a little bit more about what you felt, did you feel that you had a certain power as a journalist who could write a story which would provoke a reaction from a very large audience?</td>
<td>12. MR BARR: Perhaps to pick up a little bit more about what you felt, did you feel that you had a certain power as a journalist who could write a story which would provoke a reaction from a very large audience?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. A. Yeah, I used to love sitting on the train watching people read things that I had written. Isn't that one of the reasons why we do it? I liked the idea that this paper wasn't just the biggest paper in Britain; it was the biggest paper in the English-speaking world. Clearly we were doing something right, and given that, yes, there was a certain influence that went with that.</td>
<td>13. Yeah, I used to love sitting on the train watching people read things that I had written. Isn't that one of the reasons why we do it? I liked the idea that this paper wasn't just the biggest paper in Britain; it was the biggest paper in the English-speaking world. Clearly we were doing something right, and given that, yes, there was a certain influence that went with that.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Q. And did it matter what the subject matter was?</td>
<td>14. Q. And did it matter what the subject matter was?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. A. No, because that was decided by the reader. We simply mirrored back what they wanted to read. I mean, the achievement was not having a paediatrician beaten up, clearly, but it was writing a story of such an impact that there were riots because the public were so furious about the way the law was and it needed to be changed.</td>
<td>15. A. No, because that was decided by the reader. We simply mirrored back what they wanted to read. I mean, the achievement was not having a paediatrician beaten up, clearly, but it was writing a story of such an impact that there were riots because the public were so furious about the way the law was and it needed to be changed.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. LORD JUSTICE LEVESON: I'm sorry, I just want to check whether I'm reading this correctly: &quot;I felt slightly proud that I'd written something that created a riot and got a paediatrician beaten up&quot;?</td>
<td>16. LORD JUSTICE LEVESON: I'm sorry, I just want to check whether I'm reading this correctly: &quot;I felt slightly proud that I'd written something that created a riot and got a paediatrician beaten up&quot;?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Q. Can you --</td>
<td>17. Q. Can you --</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. A. Yes, I suppose I'm being a bit frivolous, but in a sense, how do you judge what you do in your career? You like to have an impact and that was one story that clearly had an impact. I mean, you yourself wouldn't like to spend your career in a back room, never having, you know, created or achieved anything, and that was --</td>
<td>18. A. Yes, I suppose I'm being a bit frivolous, but in a sense, how do you judge what you do in your career? You like to have an impact and that was one story that clearly had an impact. I mean, you yourself wouldn't like to spend your career in a back room, never having, you know, created or achieved anything, and that was --</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. LORD JUSTICE LEVESON: I understand. I read it back to you because I didn't think you meant what I'd just read.</td>
<td>19. That was the point.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. LORD JUSTICE LEVESON: I understand. I read it back to you because I didn't think you meant what I'd just read.</td>
<td>20. LORD JUSTICE LEVESON: I understand. I read it back to you because I didn't think you meant what I'd just read.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. A. Well, it was a bit of a joke.</td>
<td>21. A. Well, it was a bit of a joke.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. LORD JUSTICE LEVESON: That may not be how it's reported.</td>
<td>22. LORD JUSTICE LEVESON: That may not be how it's reported.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24. MR BARR: Perhaps to pick up a little bit more about what you felt, did you feel that you had a certain power as a journalist who could write a story which would provoke a reaction from a very large audience?</td>
<td>24. MR BARR: Perhaps to pick up a little bit more about what you felt, did you feel that you had a certain power as a journalist who could write a story which would provoke a reaction from a very large audience?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25. A. Yeah, I used to love sitting on the train watching people read things that I had written. Isn't that one of the reasons why we do it? I liked the idea that this paper wasn't just the biggest paper in Britain; it was the biggest paper in the English-speaking world. Clearly we were doing something right, and given that, yes, there was a certain influence that went with that.</td>
<td>25. Yeah, I used to love sitting on the train watching people read things that I had written. Isn't that one of the reasons why we do it? I liked the idea that this paper wasn't just the biggest paper in Britain; it was the biggest paper in the English-speaking world. Clearly we were doing something right, and given that, yes, there was a certain influence that went with that.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
with the pilots and ground crew, and all of them were
convinced that there were weapons of mass destruction,
and so the pilots every night, sortie after sortie, were
risking their lives because they'd been told by, you
know, Tony Blair and John Prescott and the Cabinet that
these were weapons of mass destruction, and you know,
I spent half my time in a chemical suit. And they fired
17 missiles towards that base and the Patriots took out
11 and the other six missed, so all of us were under
great risk of being killed.

And indeed, as the war went on, some of these lads
that I got to know came back in body bags, and so
I think when I, you know, spoke to John Prescott and --
you know, I have no problem at all saying, you know, if
I'd -- I didn't actually hack his phone, but if I had
done to have proven that he was not an honourable man
because he stood up in front of 200 people in a church
and said to his wife, "I will love you, I will honour
you, this is my pledge", and yet he nips around the
corner and has sex with his secretary. So I want to
know that the man who is partly responsible for sending
our boys to their deaths is an honourable man, and to
that end, yes, I would hack his phone. I'd put my hand
up and say I hacked his phone and went through his bins
because that is a more important truth than this

nonsense, trying to send journalists to jail, which is
not good for the country.

If you look at the countries who have sent their
journalists to jail, we have China with 34, Iran with
about the same and the Turks have about 20 or 30 in
Kurdistan. We laugh at those countries, saying, "Oh,
we're so much better than them", but you know, I'm here
because you served me with a section 21 notice that
I could be jailed if I didn't turn up. Several of my
colleagues are under arrest, and all they've ever done
is try to write the truth, and pretty soon --

LORD JUSTICE LEVESON: I am not --
A. -- the people in Iran are going to be laughing at us,
laughing at you.

LORD JUSTICE LEVESON: I am not threatening to send you to
jail for speaking the truth. I am requiring you to come
and tell me. If I don't want to hear from you,
I wouldn't have done that, and I am giving you
a platform to say what you are saying. Isn't that what
it's about?

A. Well, I suppose it is, but not all of your witnesses
have been issued with a section 21 notice. But having
said that, no, I'm quite happy to be here, so given
that, thank you.

MR BARR: Could I just ask you if the views you've just
expressed were commonly held in the News of the World
newsroom?

A. Yes, I think most of us would have done what was
required to get a story. It's very hard to get a story.

You just don't go up to a paedophile priest and say,
"Hello, good sermon, and are you a priest because you
like abusing choir boys?" It doesn't happen. You don't
say, "Hello, I work for the News of the World." You
have to go to the nth degree to get to the truth.

Q. I'll come back to that particular example in a little
while, but perhaps I could explore the methods that are
used by the tabloid press, certainly in your experience,
a step at a time. First of all, can we deal with the
interception of conversations. Is it your evidence that
before 2000 the use of scanners to intercept

conversations and obtain stories was widespread amongst
journalists?

A. Yes, it was.

Q. And that that practice has diminished as a result, first
of all, of the switch from analogue to digital?

A. Yes.

Q. And secondly because of the ban on scanners?

A. No, you can still buy a scanner. I bought one the other
day just as an example, but its use is really just
for -- even the police have taken their radios out of

the scanning range, but -- I mean, fundamentally what
people seem to fail to realise is a mobile phone, all it
is, it's a radio transmitter. So you transmit your
words into the air waves and anyone can stick up an
aerial with effectively a radio but with a much larger
bandwidth, and listen. That's all it is. That's why
Tony Blair didn't have one of these and it that's why
Robbie Williams didn't have one of these. Not in the
same category, but because it's just so easy for anyone
to listen in.

Q. I've been asked to put the next question to you.
I understand that when you were growing up you believed
that your father's telephone was hacked and I've been
asked to suggest to you that there is an irony between
that fact and the willingness of journalists to

intercept conversations. Do you see an irony there?

A. Well, my father was a journalist and he used to receive,
when I was quite young, phone calls from a campaigning
MP called Tam Dalyell, and he was looking after the
sinking of the Belgrano and the fact that maybe Maggie
ordered that to be sunk as a way to kickstart the war,
and you know, I just remember my parents at the time
saying, "We think our phone's being hacked", and
I just -- what joy it was that, you know, that in the
1990s you could go over to Maplins, spend 50 quid on

Page 47
a scanner and hack them back. My understanding of it was that it wasn't actually illegal, and do we really want to live in a world where the only people who can do the hacking are MI5 and MI6 and they should target us as journalists? No. For a brief period of 20 years, we have actually lived in a free society where we can hack back, and if you start jailing journalists for that, then this is going to be a country that is laughed at by Iran and by China and by Turkey.

Q. Can I move now to the question of voicemail interception? In your experience, how common was voicemail interception by journalists at the News of the World?

A. By the rank-and-file journalist? Yeah, not -- not uncommon. These journalists swapped numbers with each other. You know, you might swap -- I think I swapped Sylvester Stallone's mother for David Beckham, I think, for example.

Q. I should stop you there and say I'm deliberately asking wide questions about the culture and you should not personally did, unless you want to tell us. You don't have to tell us what you did.

LORD JUSTICE LEVESON: The point being, which actually is ironic given what you've just said, that you are absolutely not obliged to incriminate yourself in any way whatsoever. You ought to know that. Now, how you choose to answer questions is up to you, but I'll give you the warning.

A. It makes a nonsense of my assertion that we were acting in the public -- for the public good if I now turn around and say, "Well, I'm not going to tell you about it." Isn't the point of this Inquiry that you treat me as a witness rather than, as the police asked when they asked me into Scotland Yard, to treat me as a potential criminal? I mean, surely to prove that our politicians are dishonourable men and, as such, may have dishonourable motives when they send our boys to be killed in Iraq and in Afghanistan is more important than jailing me for saying I hacked David Beckham's phone, for example, if I was going to say that.

Q. You were saying that the interception of voicemail by reporters -- by the rank and file, I think was a phrase you used -- was not uncommon. Were intercepted voicemail messages used as leads for the further investigation of stories?

A. Yeah, I mean, I will say -- I mean, what happened is that the mobile phone was invented in the 1990s and, you know, the Taiwanese industry caught up really quickly, so six months later you had a scanner on the market that could intercept that and then when analogues were switched off in the late 1990s -- they were actually only switched off about three years ago, finally -- it was a school yard trick practised by, you know, many teenagers across the country that we now call phone hacking. It is simply the act of ringing up a mobile phone, pressing 9 to tell the phone that you are the owner, and then, in the old days, you just put in four zeros because that was the default code for Vodafone. So a great many people from, you know, wives thinking their husbands were staying out late, for example, may have a little listen. I remember the programme "Friends" had an episode where one of them hacked into the phone of another of them to see if they were having an affair and it was all very jolly and what a joke that was. I'd say at least 10 per cent of the population, maybe 20, have just hit 9 on the girlfriend's, boyfriend's -- you know, perhaps your son or your daughter is staying out late and you want to the know where she is.

Now, that is a criminal act if you hit 9 and listen to their messages. So obviously journalists were going to do that too to people who were going to give them stories. I mean, the problem came sometimes when they -- you did hit 9 -- when you rang them up and they answered the thing. So I can say in all honesty, once I rang up David Beckham, expecting his phone to ring because he would never normally answer the phone to me but actually did and it was: "Hello, who's this? How did you get my number?" And I went: "Argh, 9 -- oh, too late." So I didn't hack his phone in that instance because he answered really quickly.

Then you have the other issue of call waiting and so -- but again, 2 in the morning -- ask Glenn Mulcaire. He was much better as these things than your rank and file journalist.

Q. An interesting answer but it digressed a little bit from my question. Can I take it then that these intercepted messages were used as leads to investigate stories?

A. Yes.

Q. You said that it was not uncommon for the rank and file to be listening to other people's voicemail. Can I ask you now about the extent of knowledge within the News of the World as to voicemail interception. At this stage, I'm not asking you to name names but I'm asking you to give us an impression. Was voicemail hacking within the News of the World -- would you describe it as widespread or would you go further and say endemic?

A. It depends what period you're talking about. If you're talking about the period when I think it was legal to do
it, which is pre-2001, although there seems to a grey
area here --
Q. I'm asking about the period in which you were working
for the News of the World.
A. Actually, it was something that might have been done as
a last resort because, funnily enough, if you ring
someone up and then do whatever you might do to get the
engaged tone and -- yeah, self-incrimination. It's
a shame you said that because I'd have quite happily
spoken about it. Yeah, are you saying it was illegal to
listen to someone's messages before 2001?
Q. I'm asking you how widespread within the
News of the World was knowledge that people were
intercepting voicemails?
A. Oh, well, paparazzi told me that it was done by my
colleagues before I realised my colleagues might have
been doing it, in about 1995-ish.
Q. Let me put it a little bit more bluntly. Did your
editors know that voicemails were being intercepted?
A. Yes.
Q. Can I move now to the question of the Sunday Express?
A. I could go a bit further on that, in that we did all
these things for our editors, for Rebekah Brooks and for
Andy Coulson, and -- I mean, you only have to read Andy
Coulson's column in Bizarre, where it would just be

written, you know, that pop star A is leaving messages
on pop star B's phone at 2 am in the morning, saying,
"I love you. Shall we meet up for a drink?" I mean, it
was that blatant and obvious. I don't think anyone
realised that anyone was committing a crime at the
start, so my assertion has always been that Andy Coulson
brought that practice wholesale with him when he was
appointed deputy editor, an appointment I couldn't
believe. I thought, you know, he should have been made
a junior reporter, not deputy editor, and they should
have had the strength of their conviction to say, you
know: "Yes, sometimes you have to enter into a grey area
or indeed a black illegal area for the good of our
readers, for the public good, and yes, sometimes our --
you know, we asked our reporters to do these things",
but instead they turned around on us and said, "Oh, we
didn't know they were doing it, oh heavens, it was all
just all Clive Goodman", and then later, it was just
a few others.
They should have been the heroes of journalism but
actually, they're not. Rebekah Brooks and Andy Coulson,
they're the scum of journalism for trying to drop me and
my colleagues in it. If you look at what I've said,
I've never said anything bad about anyone who worked
with me or any one of my colleagues. Most of my

A. No. I never did then, but this is post-2006, so no.
Q. I'd now like to move to the question of the conversation
that you had with Mr Hugh Grant at your public house at
which he tape-recorded, and perhaps we could have up on
the screen, please, a document, the reference for which
ends 31111. We heard evidence about this document
carried in the Inquiry. On the page that's displayed on
the screen, on the left-hand column, about half of the
way down, you were asked some questions about the
Daily Mail.
A. Oh yeah.
Q. If I pick it up, there's a question which starts with Mr
Grant saying:
"And it wasn't just the News of the World; it was,
you know, the Mail?"
Then we see the conversation which follows. Are you
familiar with that?
A. Yeah, I remember that. I think that's a bit of
a misunderstanding. I was just trying to say that, you
know, two biggest-paying papers in Britain who always
had the best stories and therefore the highest
circulation were the News of the World and the Mail.
I didn't say that -- I wouldn't know if the Mail hacked
any phones. I never worked at the Mail, so -- I mean,

Page 53

Page 54

Page 55

Page 56
Day 9 - PM Leveson Inquiry 29 November 2011

Q. We'll come to that in a short moment. But having made clear your position on the Daily Mail, could I ask you first -- I think you wanted to make clear your position as to whether or not you had ever hacked Hugh Grant's phone?

A. Yes. I don't recall -- I don't remember having his number, and I don't recall having been in a situation where it would have been useful.

Q. Moving now to the question of the Tinglan story, since Mr Grant gave evidence to the Inquiry, you've been in contact with us to say that you know something about the source of the story about Tinglan's --

A. I just wanted to do Hugh Grant a favour, because he is actually quite a nice bloke, but he said -- and he refused to hand over the tapes to, I think, yourself and also to the police, in which I have sufficiently incriminated myself -- in fact, Hugh suggested at lunch for me to go into prison, possibly. So thanks very much, Hugh, but you should also have overruled him by ordering him to give them under a section 21 as well, in that he could go to prison; is that right? Or do I not

Page 57

Q. Perhaps I can steer you back to the Tinglan story.

A. All right.

Q. Mr McMullan, it's your job to answer the questions.

A. No, indeed, yeah. I mean, it was something that you would do it -- I mean, you'd want to tip the technician off that, wasn't the result of any phone hacking?

A. No, it's just one of his mates getting up to mischief, really.

Q. Mr Grant gave evidence to the Inquiry, you've been in contact with us to say that you know something about the source of the story, so far as you're aware, it wasn't the result of any phone hacking?

A. Oh, I think I was just -- I meant in the context of the extreme lengths that we had to go to get a story. Is that what you mean?

Q. I'm asking you whether you've told Mr Campbell it was the tip of the iceberg.

A. No, indeed, yeah. I mean, it was something that you wouldn't do at the start of an investigation because the last thing you do is you want to tip someone off that, you know, there is someone pretending to be someone who wouldn't ordinarily think because they've had a weird phone call. So that's where the News of the World went wrong, in the sense that that became the first port of call instead of a last ditch one, and I'd put that down to the inexperience of Andy Coulson, who didn't have a sure editorial hand, so -- you know, the first thing an editor asks when someone brings in a story is: "How do you know and where did you get it?" And you go: "Well, actually I got it from a phone hack. Do you want to have a listen?"

So if you can actually play that tape that says, you know: "Meet me at midnight, we will have --" or, in the case of one of these stories, "I will rugby-tackle you into the ground and have my way with you" -- if you can actually hear that from the horse's mouth himself, you know that that you're not going to get sued.

If you remember, Elton John took the Sun for a million pounds and basically your job as an editor is on the line if you don't absolutely know that you're not going to get sued for a story that you run, so I would put Mr Coulson's inexperience at requiring that degree

Page 58

Q. Mr McMullan, it's your job to answer the questions.

A. No, indeed, yeah. I mean, it was something that you wouldn't do at the start of an investigation because the last thing you do is you want to tip someone off that, you know, there is someone pretending to be someone who wouldn't ordinarily think because they've had a weird phone call. So that's where the News of the World went wrong, in the sense that that became the first port of call instead of a last ditch one, and I'd put that down to the inexperience of Andy Coulson, who didn't have a sure editorial hand, so -- you know, the first thing an editor asks when someone brings in a story is: "How do you know and where did you get it?" And you go: "Well, actually I got it from a phone hack. Do you want to have a listen?"

So if you can actually play that tape that says, you know: "Meet me at midnight, we will have --" or, in the case of one of these stories, "I will rugby-tackle you into the ground and have my way with you" -- if you can actually hear that from the horse's mouth himself, you know that that you're not going to get sued.

If you remember, Elton John took the Sun for a million pounds and basically your job as an editor is on the line if you don't absolutely know that you're not going to get sued for a story that you run, so I would put Mr Coulson's inexperience at requiring that degree

Page 59

Q. Perhaps I can steer you back to the Tinglan story.

A. No, no, I remember it well.

Q. You had provided us with a letter. The technician should have a redacted copy of it letter. My solicitor has it and it's going to be passed up to the technician now to be displayed on the screen in redacted form.

A. I just wanted to say: Hugh, thanks for that, thanks for not wanting to send me to prison. You did your revenge number, as you said. I just wanted to say: well, in return, the Tinglan -- your friends appear to refer to her as it "Ting Ting". Anyway, Tinglan -- maybe that's the nickname -- that was -- it didn't come from a phone hacking; it came from one of your friends. They wrote me a letter at the Castle Inn in Dover, saying -- well, you can read a bit of it there, but basically, you know, that you'd got her pregnant and maybe I'd like to stick a surveillance van outside and get a good set of pictures. And that was on April 12, two weeks before the News of the World broke the story, and something which I immediately sold to the Mail on Sunday, although there was a technical mix-up on that.

Q. Do you know who sent this letter to you?

A. It was done anonymously, but it was done so swiftly after Hugh Grant published his tapes that it was -- I don't know. It was kind of hilarious, in a way, but no, it was great. How often does a story about a star not only drop into your lap, but literally the star comes around and then the next minute he's got this a girl pregnant. I was actually going to build a new toilet suite based on this.

Q. So the bottom line is that based on what you know about the source of this story, so far as you're aware, it wasn't the result of any phone hacking?

A. No. So the bottom line is that based on what you know about the source of this story, so far as you're aware, it wasn't the result of any phone hacking?

Page 58

Q. Can I move now to some evidence which the Inquiry is expecting to hear from Mr Alastair Campbell in his account. He says Paul McMullan, one of the few former journalists to have admitted the extent of illegal activity, has described hacking as the tip of the iceberg. Have you done that?

A. Oh, I think I was just -- I meant in the context of the extreme lengths that we had to go to get a story. Is that getting back to the paedophile priest? Is that what you mean?

Q. I'm asking you whether you've told Mr Campbell it was the tip of the iceberg.

A. Yes. I don't recall -- I don't remember having his number, and I don't recall having been in a situation where it would have been useful.

Q. Perhaps I can steer you back to the Tinglan story.

A. All right.

Q. Mr McMullan, it's your job to answer the questions.

A. No, no, I remember it well.

Q. You had provided us with a letter. The technician should have a redacted copy of it letter. My solicitor has it and it's going to be passed up to the technician now to be displayed on the screen in redacted form.

A. I just wanted to say: Hugh, thanks for that, thanks for not wanting to send me to prison. You did your revenge number, as you said. I just wanted to say: well, in return, the Tinglan -- your friends appear to refer to her as it "Ting Ting". Anyway, Tinglan -- maybe that's the nickname -- that was -- it didn't come from a phone hacking; it came from one of your friends. They wrote me a letter at the Castle Inn in Dover, saying -- well, you can read a bit of it there, but basically, you know, that you'd got her pregnant and maybe I'd like to stick a surveillance van outside and get a good set of pictures. And that was on April 12, two weeks before the News of the World broke the story, and something which I immediately sold to the Mail on Sunday, although there was a technical mix-up on that.

Q. Do you know who sent this letter to you?

A. It was done anonymously, but it was done so swiftly after Hugh Grant published his tapes that it was -- I don't know. It was kind of hilarious, in a way, but no, it was great. How often does a story about a star not only drop into your lap, but literally the star comes around and then the next minute he's got this a girl pregnant. I was actually going to build a new toilet suite based on this.

Q. So the bottom line is that based on what you know about the source of this story, so far as you're aware, it wasn't the result of any phone hacking?

A. No. So the bottom line is that based on what you know about the source of this story, so far as you're aware, it wasn't the result of any phone hacking?

Page 59

Q. Can I move now to some evidence which the Inquiry is expecting to hear from Mr Alastair Campbell in his account. He says Paul McMullan, one of the few former journalists to have admitted the extent of illegal activity, has described hacking as the tip of the iceberg. Have you done that?

A. Oh, I think I was just -- I meant in the context of the extreme lengths that we had to go to get a story. Is that getting back to the paedophile priest? Is that what you mean?

Q. I'm asking you whether you've told Mr Campbell it was the tip of the iceberg.

A. No, indeed, yeah. I mean, it was something that you wouldn't do at the start of an investigation because the last thing you do is you want to tip someone off that, you know, there is someone pretending to be someone who wouldn't ordinarily think because they've had a weird phone call. So that's where the News of the World went wrong, in the sense that that became the first port of call instead of a last ditch one, and I'd put that down to the inexperience of Andy Coulson, who didn't have a sure editorial hand, so -- you know, the first thing an editor asks when someone brings in a story is: "How do you know and where did you get it?" And you go: "Well, actually I got it from a phone hack. Do you want to have a listen?"

So if you can actually play that tape that says, you know: "Meet me at midnight, we will have --" or, in the case of one of these stories, "I will rugby-tackle you into the ground and have my way with you" -- if you can actually hear that from the horse's mouth himself, you know that that you're not going to get sued.

If you remember, Elton John took the Sun for a million pounds and basically your job as an editor is on the line if you don't absolutely know that you're not going to get sued for a story that you run, so I would put Mr Coulson's inexperience at requiring that degree
Day 9 - PM Leveson Inquiry 29 November 2011

1. of proof and not just letting a story run because he had
2. the experience to know that actually you probably
3. wouldn't get sued for that. So instead of -- it became
4. too commonplace and also too badly done.
5. Q. I see. He goes on, Mr Campbell, to say:
6. "When making a short film for the BBC1 show on phone
7. hacking, I interviewed Mr McMullan. Some of the remarks
8. he made were not broadcast on the advice of BBC lawyers.
9. They included his observations that phone hacking was
10. widespread across Fleet Street and not confined to the
11. News of the World ..."
12. Did you say that?
13. A. Probably, yeah. I mean, it was on video, yeah.
14. Q. "... when senior editors and executives at the News of
15. the World were aware that this and other illegal
16. practices were taking place, and on occasions listened
17. to some of the messages."
18. Did you say that?
19. A. Yes.
20. Q. Was the statement that you believed that phone hacking
21. was widespread across Fleet Street true?
22. A. Yeah. I thought the News of the World was one of the
23. least bad offenders. The others were much worse.
24. Q. And similarly, was your comment that senior editors and
25. executives at the News of the World on occasions

Page 61

Page 62

Page 63

Page 64
Day 9 - PM Leveson Inquiry 29 November 2011

Page 66

1  phones? You know, yes, but it's not necessarily all the
2  time.
3  Q. I'm asking you about blagging now. So was blagging
4  reserved for particular cases which were thought to
5  be --
6  A. Is that not a blag? Saying I'm a teenage rent boy is
7  not a blag?
8  Q. You're telling me you blagged your way into his presence
9  by pretending to be a rent boy?
10  A. Yes.
11
12  Q. What I'm asking is: was blagging a technique that was
13  reserved for certain cases or was it something that you
14  would consider deploying wherever you thought it might
15  get a result?
16  A. Absolutely, yes. You can't just say, "Hello, I work for
17  the News of the World, tell me all the criminal stuff
18  you've been getting up to." It doesn't work like that.
19  You have to be cleverer than the criminals.
20  Q. I'm going to move to a related area, but perhaps before
21  I do so, I should ask you: was blagging, to your
22  understanding, a methodology which was used widely
23  across the tabloid media?
24  A. Well, daily newspapers wouldn't have to use it half as
25  much as a Sunday which deals in exclusives. So, you

Page 67

1  an absolute joy to bring them down. My favourite
2  example is the prison governor I've alluded to already.
3  My second example is -- if I may, is a Catholic priest
4  that we turned over. It just shows you the lengths that
5  we had to go to to get this picture. This is a picture
6  of the guy who stands up and gives sermons every Sunday
7  without any pants on, about to spank a rent boy in
8  a pair of boxer shorts.
9  Now, you don't just get into that situation without
10  being extremely devious and without inventing a persona,
11  as I did for myself -- you know, this is 15 years ago.
12  I pretended to be Brad the teenage rent boy and actually
13  got him to hire me. So -- and at the time, in order to
14  get the picture, I stripped down also to my boxer shorts
15  and at the allotted time, this rent boy, who we'd paid
16  £2,000 to, got some of the priest's own ampule -- I
17  think it's called GBH -- cracked it open, the priest
18  sniffed it and fell back in his seat, at which point
19  I got out my camera, took the picture and it was like:
20  "Got it; scarper."
21  So there's two of us, in our underpants, running
22  through a nunnery at midnight after getting the priest.
23  And it was such fun that -- that was under Piers Morgan.
24  So that was the kind of lengths you would have to go to
25  to get proof to run a story, and -- so would we hack

Page 68

1  slightly special story that will hold for a week, then
2  yes, blagging would be completely necessary.
3  Q. Moving now to stings. I think the story you've just
4  shown us would be an example of a sting.
5  A. I see; a blag is more like ringing up a hotel and
6  saying -- because some of the stars, obviously, I've
7  said didn't use mobiles but they'd check into hotels
8  instead, so make use of the hotel phone. Very wise,
9  except a blag might be: "Hello, I am Mr X's accountant,
10  could you please fax the bill", and then you get a list
11  of all the phone numbers that he's just rung and then
12  you ring them all up and you find the mistress he's just
13  rung.
14  Q. Without asking you who might have done that, do you know
15  whether that sort of thing went on?
16  A. Yeah, of course it did, yeah.
17  Q. Stings. You've explained the sting that you used with
18  the priest you've just shown us. Did you impersonate
19  others to run stings?
20  A. Yeah. No, Mazher was always the fake sheik, and I was
21  either a drug user, a drug dealer or a millionaire from
22  Cambridge were my -- I was only a rent boy once.
23  Hopefully I don't look too much like one, but you never
24  know.
25  Q. Can I ask you now about the question of photographs and

17 (Pages 65 to 68)
obtaining photographs. Was it ever considered an acceptable practice to steal a photograph of somebody to print in the News of the World?

A. Yes. Just looking for it now. That, by the way, is my surveillance van after I'd posed as a drug dealer.

6. Luckily I wasn't in it when it was torched, but I mean -- anyway, I'm saying it was a difficult job and a dangerous job. Hang on, I can't -- here we go,

7. I think this is what we're talking about.

8. Q. It's a little early for that, Mr McMullan.

A. It's the News of the World. It's a family paper.

9. Q. Perhaps you could tell us a little bit about how the News of the World got hold of that photograph.

A. Yeah, it came from a really obscure Paris fashion photographer who published in a really small, low circulation magazine just for the fashion world, and found it and I thought: "Wow, that's pretty good", and copied it with my camera and both of those are going back a wee while and -- I'm fairly sure Piers Morgan was the editor then, and I said, "Look, I've got this.

10. A. That's the president's wife of France without any clothes on.

11. Q. I think you may not wish to hold that one up.

A. That's the president's wife of France without any clothes on.

12. Q. Perhaps you could tell us a little bit about how the News of the World got hold of that photograph.

A. Yeah, it came from a really obscure Paris fashion photographer who published in a really small, low circulation magazine just for the fashion world, and found it and I thought: "Wow, that's pretty good", and copied it with my camera and both of those are going back a wee while and -- I'm fairly sure Piers Morgan was the editor then, and I said, "Look, I've got this.

13. Q. It's a little early for that, Mr McMullan.

A. It's the News of the World. It's a family paper.

14. Q. Perhaps you could tell us a little bit about how the News of the World got hold of that photograph.

A. Yeah, it came from a really obscure Paris fashion photographer who published in a really small, low circulation magazine just for the fashion world, and found it and I thought: "Wow, that's pretty good", and copied it with my camera and both of those are going back a wee while and -- I'm fairly sure Piers Morgan was the editor then, and I said, "Look, I've got this.

15. Q. It's a little early for that, Mr McMullan.

A. It's the News of the World. It's a family paper.

16. Q. Perhaps you could tell us a little bit about how the News of the World got hold of that photograph.

A. Yeah, it came from a really obscure Paris fashion photographer who published in a really small, low circulation magazine just for the fashion world, and found it and I thought: "Wow, that's pretty good", and copied it with my camera and both of those are going back a wee while and -- I'm fairly sure Piers Morgan was the editor then, and I said, "Look, I've got this.

17. A. Yeah, it came from a really obscure Paris fashion photographer who published in a really small, low circulation magazine just for the fashion world, and found it and I thought: "Wow, that's pretty good", and copied it with my camera and both of those are going back a wee while and -- I'm fairly sure Piers Morgan was the editor then, and I said, "Look, I've got this.

18. Q. Perhaps you could tell us a little bit about how the News of the World got hold of that photograph.

A. Yeah, it came from a really obscure Paris fashion photographer who published in a really small, low circulation magazine just for the fashion world, and found it and I thought: "Wow, that's pretty good", and copied it with my camera and both of those are going back a wee while and -- I'm fairly sure Piers Morgan was the editor then, and I said, "Look, I've got this.

19. A. Yeah. I mean I'm not -- I wasn't crime. I was kind of investigating, so I -- I have quite a -- I don't think much of the British police force. I think there are no Sherlock Holmes amongst them, there are quite a lot of Inspector Clouseaus and I would prefer to stick my surveillance van outside the home of a policeman and get some dirt on him, as a member of the establishment, to every few minutes.

20. "Just saw Victoria Beckham walking into a doctor's surgery. I reckon she's pregnant. Can I have 10 grand?"

21. Well, that's not good enough.

22. "Hello, I'm the receptionist at a doctor's surgery.

23. Victoria Beckham is pregnant. Can I have 10 grand?"

24. You know, every few minutes. It is the British public that were supplying us with the vast majority of stories for money. It was what they wanted to read and what they gave to us to find a way of writing and get it in the paper.

25. Q. The next subject I'd liking to deal with is payments.

A. Yeah. I mean I'm not -- I wasn't crime. I was kind of investigating, so I -- I have quite a -- I don't think much of the British police force. I think there are no Sherlock Holmes amongst them, there are quite a lot of Inspector Clouseaus and I would prefer to stick my surveillance van outside the home of a policeman and get some dirt on him, as a member of the establishment, to every few minutes.
be ridiculed and knocked down than, you know, get into bed with the police. Whereas the crime guys, that's more their remit, and a couple of times I have been sent on stories that the crime guys have got from policemen who have -- you have to have a relationship for quite a long time with a copper for him to risk his career by giving you a story that's going to make him, again, two grand for a page lead, you know, 10, maybe, for a spread, and to -- yeah, I mean that's the risk.

I mean, some stories are worth a lot. For example, Diana's whereabouts was worth much more than that because that would be, you know, a front-page story. So maybe if one phonecall saying -- as indeed we got from one of Diana's bodyguards, that yes, they will be landing at Helsinki airport at 3 o'clock this afternoon. "Can I have £30,000, please? I need to pay my mortgage." Yes, no problem, because that was a defining story about -- as you know, Al Fayed married Miss Finland, hence the Helsinki link. So dangling a carrot of a lot of money was a very good way of getting the best stories, which the British public lapped up.

Q. You've told us in that answer about security guards. Could I rewind just for a moment to police. Do you have any feeling, based on your experience, for the extent to which police officers are prepared to accept money in return for information?

A. Yeah, not as much as they did in the 1980s, but now I think it would be very difficult to offer a policeman pretty much anything for anything. But certainly, as -- well, the 70s was a notoriously corrupt time, but then it got stamped on and got progressively harder to get information from the police unless it was in an official way.

But yeah, I mean a couple of stories. The one you might be referring to, Denholm Elliot's daughter, came from a policeman who was paid, and I wrote that story but it was the crime guy who facilitated the payment.

Q. We may come to that particular story in a little while. Can I ask you now: in your experience as a journalist, have health workers ever been paid for medically confidential information?

A. When I joined, about two years prior to that, there was a girl whose name I can't remember. She'd -- in about 1992, wasn't she jailed for selling -- or a PI who specialised in medical records.

There is a difference between you answering the phone to a receptionist at a doctor's who has just, for example, seen a positive pregnancy test of a big star --
I heard the tape because I thought: this is really going to get us into trouble. And what a lot of trouble it did get us into.

Q. What sort of trouble did you think the Hells Angel was going to get you into?

A. Well, he was so bad at it, he was being paid by us for doing a lot of unnecessary things that were a waste of money and no good could come of it. Much as I tried to rein it in and put a bit of a break on it, there were other parts of the newspaper, particularly on the side of news, who were pressing the accelerator. I lay the blame there with Andy Coulson.

Q. Can you give us some indication of the number of different private investigators that you were aware were being used?

A. Well, they sort of came and went. I remember one of my colleagues did a mailshot to nearly every private investigative firm in Britain. I spent an afternoon at a private investigators' conference just saying, "Listen, sometimes some of your clients are going to have stories that the wife might want to get revenge by also selling it to the News of the World, which, A, would be good for your client, and make them another £10,000", so we did actively recruit private investigators. And most private investigators will have...
they're almost certainly here. You drive to that and
They go, "We have this, the mother lives there, and
that in about ten minutes and it's just amazing. They
mother and then -- but a private investigator can do
husband -- you know, the maiden name and then go to the
Agency, we used to go to the records office, get
In the old days, when I worked for the Fleet Street News
Agency, we used to go to the records office, get
a marriage certificate, get the name of a first
husband -- you know, the maiden name and then go to the
mother and then -- but a private investigator can do
that in about ten minutes and it's just amazing. They
kind of triangulate where the most likely address is.
They go, "We have this, the mother lives there, and
they're almost certainly here." You drive to that and

Q. Turning to a new topic, that of pursuing celebrities.

Page 81

say, "Blimey, that's good." That's legal. That's using
computer technology you can buy off the shelf. It's
quite expensive, but -- and it's quite hard to operate
effectively, but the good, legitimate private
investigators can, you know, spin around an address in
a matter of minutes. And they're worth paying because
the deadline is going and someone else is going to get
there before you.

Q. You're giving the impression that it was for reasons of
efficiency. Would that be right?

A. Yes.

Q. As opposed to trying to find a method of obtaining
information that was perhaps at one step removed from
the journalist and therefore deniable to some extent?

A. You're going to have to be more specific.

Q. Was there any sense that if you -- and I use "you" as
the News of the World -- if News of the World
commissioned a private investigator to do something,
that if dodgy means were used --

A. Oh yeah.

Q. -- it could be blamed on the investigator and not on the
journalist?

A. Yeah, I can see that being one step away from it.
I mean, yeah. I came across that, but equally I think
there was a -- that was a mistake that some of my

Page 82

Page 83
motorbike. I mean, his wife gave him a Ducati for his birthday present. He would come out -- invariably outside Brad Pitt's house, be it in the South of France or LA, there would be about 15 paps. That is his status as the number one star, and he's not one to complain about it. Sienna Miller should be cock a hoop there are 15 paps outside her house, because who's she?

Occasionally he'd come out on his big chopper, "Hey, guys, let's go", and they'd just have a laugh going around LA and then he'd home again, and that was his sport for the evening. So I think he had a very positive attitude towards that aspect of the job, which was a whole lot of fun.

Q. Before pursuing a celebrity, was any thought given to ethics and whether it was a proper thing to do?
A. No. I think it was just great fun from both sides.

Q. Binnology. Do you have any experience --
A. Oh, yeah.

Q. -- of journalists searching through people's rubbish in order to find information for stories?
A. Yeah. Probably ought to ask advice on whether or not this was legal at any point.

Q. There's no need to tell us about your own involvement.
A. No, I must admit after I -- my closest near-death experience at the hand of a group of asylum seekers, I just backed away. I thought: I'm not getting paid enough to do this, you know, to get killed for people who don't really care.

Q. Covert surveillance. Was covert surveillance used?
A. No, I think most journalists, me included, would find the contents of people's bins incredibly interesting. I can only -- I mean, it gives you such a great starting point, much better, actually, than hacking a phone because that almost tips them off that you're looking. But is it illegal to go through someone's rubbish? Is he saying that it is, even if the 1990s?

Q. What I'm saying is there's no need for you to say what you did. What would I like to know is whether bins were rifled for information, to the best of your knowledge?
A. Yeah.

Q. Covert surveillance. Was covert surveillance used?
A. No, yeah, I just showed you a picture of my burned-out surveillance van. I was trying to break a cocaine smuggling ring and I remember I got to know the cocaine smugglers quite well. I remember sitting amongst them.

In the old days, you didn't have these tiny little cameras or -- in phones and I had a big tape recorder. Sometimes you'd have a battery pack strapped to your back and a wire going up here to the video, and sitting with two guys who, you know, would knife me at the drop of a hat. It was a very dangerous job, and I had someone backing me up outside in that particular van, and I remember I was getting close to the end of the tape and I knew I'd been there for about 45 minutes and

I thought, "Hang on, did I put in a 90 or a 45?" I was just waiting for the click and I had to get out of there, and I don't know if I should carry on, but it was like a test and I remember they rolled a big joint and put a lot of cocaine in it because I'd bought from them 3 grammes and when they weighed it, it was about 2 and a half left, and then, "As a sign that you're not a copper, there you go, smoke that".

You know, I was in an extreme state of anxiety and indeed panic that, A, the machine was about to click off, and I was being tested, and that's the kind of pressure you're under when you're doing investigation.

It's not easy. You just can't go up to someone and say, "You know, do you smuggle a lot of cocaine through Dover?" You can't. You have to be cleverer than that.

Q. We can understand the need for covert activity in those circumstances. Was covert surveillance ever used in relation to celebrities, to your knowledge?
A. Yes. Well, I mean, obviously it was.

Q. Presumably without the same threat to life and limb?
A. No. I think it was just great fun from both sides.

Q. When engaging in covert surveillance of celebrities, was there any consideration as to whether or not it was an ethically proper thing to do?
A. Oh no, absolutely, it's nothing -- it's just nonsense. I mean Hugh Grant, what's he do? He puts on a bit of make up, prances about in front of a camera and then complains about it. Stephen Coogan says, "Oh, I'm a serious actor, you know, and a writer and I want to talk about my privacy on telly", you know. Sienna Miller, Suri Cruise... I mean Hugh Grant.

Q. Before pursuing a celebrity, was any thought given to circumstances. Was covert surveillance ever used in relation to celebrities, to your knowledge?
A. Yes. Well, I mean, obviously it was.

Q. Presumably without the same threat to life and limb?
A. No. I think it was just great fun from both sides.

Q. When engaging in covert surveillance of celebrities, was there any consideration as to whether or not it was an ethically proper thing to do?
A. Oh no, absolutely, it's nothing -- it's just nonsense. I mean Hugh Grant, what's he do? He puts on a bit of make up, prances about in front of a camera and then complains about it. Stephen Coogan says, "Oh, I'm a serious actor, you know, and a writer and I want to talk about my privacy on telly", you know. Sienna Miller, Suri Cruise... I mean Hugh Grant.
what does she do? She's got a crummy film out and, "Oh, here I am with Rhys Ifans -- oh, you're interfering with my privacy." She's got another one out: "Oh, here's me with Puff Diddy -- oh no, you've caught me."

I did a series of articles for the Enquirer on Robert Pattinson and, you know, I couldn't believe it there was Sienna Miller. It's like, "What are you doing there? Go away. I'm actually not going to do you this time."

So there's no -- the joke actually I made to Hugh Grant when he walked in is, "blah di blah, I'm writing a book, the title is, 'I'd never heard of Sienna Miller until she started going on about her privacy"", and it's actually the same with Hugh Grant.

I mean, the guy hasn't made a film for two years. The pictures I took of him were quite a hard sell. If I had been his publicist I might have advised him, "Why don't you go banging on about your privacy? You know, your career will do that." All of a sudden, ten times photographers are outside his house than ever there were before, so I have a huge amount of cynicism for both Hugh Grant and Steve Coogan who have really done rather well with their careers by banging on about their privacy.

Q.  Certainly --

A.  You don't need to do that. All you have to do is jump off the stage for five minutes and people lose interest in you very, very quickly. It doesn't take long. But if you jump back on the stage -- and it happens all the time. It happens with Katie Price. I missed her once going to a hairdressers and she knew that I'd missed her, because she had a brolly down, she was being too good of pretending not to like the paparazzi, which is what -- I was wearing my paparazzi hat that day because I saw her going to a hairdressers. I was like, "Come on, Katie, be nice." She came out of the hairdressers and she gave me the finger through the hairdresser's door and I went, "Aw, thanks, love", and I sold it for 2 grand. And she knew exactly what she was doing, that I'd missed her and she knew that, "Oh, damn, I've actually gone to the hairdressers without being papped, what a disaster", so she came out and gave me the bird, which I won't do because it's 4 o'clock or whatever it is. And I'll give you another example involving Katie --

Q.  Perhaps I could just stop you there and ask you this, so that we can understand that. Are you telling us that in your view there should be no such thing as privacy?

A.  Yeah. In 21 years of invading people's privacy I've never actually come across anyone who's been doing any good. The only people I think need privacy are people who do bad things. Privacy is the space bad people need to do bad things in. Privacy is particularly good for paedophiles, and if you keep that in mind, privacy is for paedos, fundamental, no one else needs it, privacy is evil. It brings out the worst qualities in people. It brings out hypocrisy. It allows them to do bad things. And no, once the British public wise up to the true perils of privacy, which, you know, one spin-off -- for example, if there is a privacy law, your secrets are going to be much more valuable than they were before.

So I think of an example of somebody who lives in a free and open society who, for example, I gave this example at a lecture, wants to abort a child. Now, currently in Britain you can do that privately, but if that person goes on to get a part in Eastenders, that becomes a very valuable commodity and also gives a lot of power to the person who has that secret. Whereas if you live in a society where, yes, you can have an abortion but you must do it openly and you cannot have any privacy, in the same way as legalising heroin will get rid of the drug dealers, privacy will have some really bad consequences, not just for democracy but in a whole host of ways I don't think many people have bothered to think about yet.

Q.  Could I test that against the article you wrote about Jennifer Elliott? Jennifer Elliott was the daughter of Denholm Elliott, wasn't she?

A.  Yes.

Q.  You wrote a story about her in 1995, didn't you?

A.  Yeah.

Q.  And the theme of the story was that Ms Elliott was begging and was working part-time as a prostitute?

A.  She wasn't doing the second bit, but yes: although I --

Q.  Perhaps the first part of the story was that Ms Elliott had been on the street for years, was it?

A.  Yeah.

Q.  And she was, as far as you were aware, living with a HIV-positive boyfriend?

A.  Yeah.

Q.  And she had been convicted of stealing something in 1994?

A.  Yeah.

Q.  And the theme of the story was that Ms Elliott was suffering from AIDS at the time?

A.  Yeah.

Q.  And the theme of the story was that Ms Elliott was stealing to support her drug habit?

A.  Yeah.

Q.  And the theme of the story was that Ms Elliott was putting herself in harm's way to make money?

A.  Yeah.

Q.  And the theme of the story was that Ms Elliott was putting herself in harm's way to support her drug habit?

A.  Yeah.

Q.  And the theme of the story was that Ms Elliott was going to overdose after an article that absolutely killed herself, I think, as well, and Jennifer Elliott was going on to overdose after an article that absolutely humiliated her and it was unnecessary and I really regret it because I got to know her fairly well and I quite liked her and she was in a very vulnerable position. Her father had just died of AIDS and she had taken two -- she was on a methadone script, which I knew about, and she also -- there were heroin needles in her bin -- God knows how I knew that -- and also there were notes with the phone numbers of her drug dealers in her bin.
<table>
<thead>
<tr>
<th>Page</th>
<th>Text</th>
</tr>
</thead>
<tbody>
<tr>
<td>93</td>
<td>So I knew exactly where she was at, and the fact that she was begging outside Chalk Farm station came to our crime reporter from a police officer, who was surprised, when he told me to move on, who he had told to move on, because in fact Denholm Elliott had been in Trading Places and had been had millionaire and, instead, his daughter lived in a really nice flat in Camden, but she actually didn't have any money to get a £10 bag or whatever it was she needed, and, yeah, I went too far on that story. She was someone crying out for help, not crying out to meet a News of the World reporter, and I--yeah, and I said, &quot;Well, here's a couple of quid begging, and if I gave you 50, would you come back to my place and would you have sex for £50?&quot; You know, tape recorder's running, photographer's hiding in a bush. And she went, &quot;Oh, yeah, all right.&quot; And so was she a prostitute? It gets worse, but I don't need to go into the really sordid details of it because it's not something children should be listening to, but no. I then took her back to her flat and took a load of pictures of her topless, it turns out, and then I think--she was a bit obviously in the grips of an addiction, and when she went on GMTV after, on the Monday morning, she said--she described me as her boyfriend, so I had befriended her--I mean I'd never gone anywhere near her in a sexual way, but I did actually really want to help her, but I was driven primarily to write the best story I could. The best story I could was: here is the golden girl on the red carpet as her dad goes to pick up a Golden Globe and he used to take his daughter with him--and she was really pretty, and here she is with dreadlocks and covered in dirt begging at a tube station offering passers-by sex for--in return for money. Also, a police officer had come across her and possibly should have helped her as well instead of ringing up the News of the World and getting paid for that. And then, when--she did briefly beat drugs, but then when I heard a few years later that she'd killed herself, I did think, yeah, that was one that I really regret. But there's not many.</td>
</tr>
<tr>
<td>94</td>
<td>Q. Does that experience make you think that in fact there ought to be some form of protection for privacy? A. No, because the News of the World readership didn't decline after that. It didn't put anyone off buying it. But this particular--the judge and jury of our readership were okay with that. And I just don't think, if you want to live in a free society, you can argue that you're not allowed to read this. I thinking that people should have freedom of speech and people should be able to use their own judgments about whether or not they want to buy something, no matter how distasteful it is, and that is distasteful to me and I wrote it. But would I have bought it? Tell you what, sometimes I wouldn't have bought the News of the World even though I was working for it, but the British public carried on. Q. Can I ask you now about prior notice? I understand that there was an occasion when you gave prior notice of a story to Jefferson King? A. Oh, yeah. Q. When you gave prior notice, and in that case, what was your objective? A. He was a gladiator in a big show, Gladiators, and he had in his contract that if he ever had any problems with drugs, as it was a children's show and he was a role model, he'd be instantly fired. The Sunday Mirror had set up a sting to catch him buying coke and we had a mole inside the Sunday Mirror who would tell us exactly what they were up to, so we knew that he'd been done trying to buy coke so I rung him up and said, &quot;you're in big trouble because you've been caught buying cocaine, but, you know, damage limitation exercise, tell me all about it and I'll turn you into how--you know, 'Kids don't follow my route,' do it like this.&quot; And he went--he wasn't very bright, and he said, &quot;Thanks very much.&quot; So we immediately rang up ITV and got him the sack and he hasn't really worked since. Q. Did you consider that ethical? A. Yeah, I think people who buy class A drugs are responsible for a lot of misery around the world, so yes. Q. Legal oversight. How much legal oversight was there of the work you did when you were working for the tabloid press? A. Well, I said already, absolutely everything you read in my cuttings book is on tape, but you would not be allowed to get--it was a sacking offence not to do an interview that wasn't recorded, and if there was any, you know, point of problem with it, if the editor was a bit concerned, he would make you sit down and transcribe it. Tedium. It would take three hours to transcribe an hour's tape. And then Tom Crone would want to either listen to the transcript or--sorry, listen to the tape or read the transcript.</td>
</tr>
</tbody>
</table>

Merrill Legal Solutions
(+44) 207 404 1400
www.merrillcorp/MLS.com
8th Floor 165 Fleet Street
London EC4A 2DY
Q. Did you get the impression that the judgments that were being made prior to publication were aimed at ensuring compliance with the law or were they based upon a judgment of how much profit would be made from publishing the story weighed against possible financial consequences of legal action?

A. No. It was to make sure we didn't get sued. The editor would want every story that was possible to go in the paper and it was Tom Crone's job to make sure that any attempt to sue us would be headed off at the pass by being able to say, "Actually, here's the video" or "Here's the tape". Nearly everyone -- not every story I wrote, but at least once a month someone would try it on and attempt to sue over a story I'd written because simply it was a way of making a lot of money, and they would deny it, they would deny everything they'd said, and then you'd turn around and say, "Actually, do you want to listen?" Or, "Do you want the transcript?" and they'd back away. In seven years -- and actually, I know my byline count, I think I ended up writing about 300 stories for the News of the World, I didn't lose anyone.

Q. The question of expenses. Can you tell us a little bit, again without any personal examples, of the culture in the tabloid newspapers that you worked for in relation to expenses. First of all, the News of the World. How would you describe the attitude to expenses at the News of the World?

A. In some regards, we weren't that well paid. My leaving salary as the deputy features editor was only 60,000 a year, and as a way to bump up salaries, we were given a certain amount of leeway. So I'd claim, I don't know, another 15, 20 a year, of which about 3 was legitimate. Is that what you mean? Is that legal? It's not.

I mean, that was just the general ethos. That was the way -- you know, for example, one guy was letting the side down by -- because he didn't leave the office very much and the features editor said, "Listen, you got to start making up trips to Manchester so your expenses match the rest of us."

So it was almost a direction from above: "You will claim at least 400 quid a week or you're letting the side down." So it's not illegal. We weren't fooling anyone.

Q. Without telling us what you personally did, was it a case of people putting in excessive expenses claims that did not match the actual expenditure?

A. Well, yeah. You could be slightly creative. But also, if they didn't like it, that was one way they'd get rid of you, as well. For example, I remember trying to get back from Kosovo. We just couldn't get out of there, so the only way out was -- Swiss Air were flying the last planes and they were charging so much money for that flight and I was just -- for one time in my life, Stuart Kuttner actually put his hand in his pocket and he gave us a five star hotel in Greece and a first class Swiss Air flight because he knew that actually, that particular week, a German photographer and his reporter had gone out with us, we'd gone to that checkpoint, they'd gone to that checkpoint, they'd been shot in the head by Albanians and we'd met the Serbs, who shot at us with machine guns but missed. So we said, "We want to get out now", and yeah, you were allowed a lot of leeway if -- you know, there's a bit of give and take. You're not being paid a huge amount of money to be there, but you know: "That's great, put in for two or three grands' worth of expenses as a thank you."

Q. Can I ask you now a question which I've been asked to put to you. It's about the relationship between the News of the World and the police. Are you aware of whether any sticks and carrots were provided by the newspaper to the police to turn a blind eye to anything which the newspaper was doing?

A. Well, you'd have to say that the way the whole -- the way it developed, from the first time that Margaret Thatcher wanted to get elected in the 70s and tapped up Murdoch and said, "Will you back me?" and he did, and then the next time when Tony Blair flew to Sydney, when it was his turn to ask Murdoch: "Will you back me?" and he did, and you know, the Sun backs Blair and so on, and he won the election. And then it comes to Cameron's turn and he does the same but Murdoch's getting on a bit. But for the previous 21 years, you've got the political parties -- at least the Prime Minister saying, "We have a lot to owe, so we are going to turn a blind eye to whatever illegality they might be getting up to", so the police in turn are going to say, "Well, if that's the way of viewing News of the World and the activities of News International from our political masters, then equally, this is the way we will view it too."

And so that's why we get to a point where David Cameron wants to become Prime Minister and he ends up with Murdoch lite, James, and Rebekah Brooks. And so for the 21 years, you have a culture of illegality of phone hacking and fiddling your expenses, if you like, that's gone on under Rebekah Brooks, and so what we have is a future Prime Minister cosying up and being moulded by, you know, the arch-criminal, Rebekah Brooks, the criminal-in-chief. The association -- Cameron's
You don't need to regulate the press. The press will meet each other, hanging around outside their houses. A. Yeah. I mean, I spent a while in the Cotswolds going

between various politicians and the Murdochs. Is that something you have direct knowledge of or not?

Q. You've explained what you think was the relationship had been hacked, and here we are today.

and how they might have behaved towards the

police officers and I prefer to come at that question from that angle than saying -- you know, I would rarely

cosy up to a police officer.

Q. Can I ask you now about the PCC. Do you have any

opinion, through your experience as a journalist, about how effective the PCC has been as a regulator of the

press?

Page 101

Page 102

Page 103

Page 104
of Inspector Clouseaus, that the hacking of
Milly Dowler's phone was not a bad thing for
a journalist, a well-meaning journalist who is only
trying to help find the girl to do.

I did a World Service phone-in a little while ago
and from Mexico City to Nairobi, the people there just
instantly assumed that the police are corrupt and more
likely to commit a murder than actually solve one. So
they were with me and they said how lucky it was the
dowlers had bright, enthusiastic, well-meaning
journalists on their side also looking for Milly, and
how annoying it must be for PC Plod as his inept
colleagues to hide away information and, you know, it's
not such a bad thing.

There's a number of articles that I wrote on
Milly Dowler. I'll show you one. I was the first
journalist to put a link to a railway that may have
been -- that's my Daily Mail link to vice girls,
a career-ending story -- that -- so our intentions were
good. We were doing
our best to find the little girl, and the police are
utterly incompetent and should be ashamed that the man
who killed her was allowed to carry on, and there are
other mothers now without their children because of the
police's incompetence, and I felt the same emotions at
losing a child that I imagine Mrs Dowler must have felt,
and you must put that aside and say, actually, the press
and a free press and a press that strays into a grey
area is a good thing for the country and a good thing
for democracy and that's all.

A. Yeah. I have shifted for a number of different
newspapers and I've -- we all move around. You know,
I was offered a job at the People about ten years ago.
I did a few shifts at the Sunday Mirror. And, you know,
the news editor of Sunday Mirror one day then switches
over to the News of the World and it's quite a small
little community. So it's a bit -- one guy knows that
this is a really great way of getting a story and that's
why he's been headhunted to go and work for another
newspaper. Is he going to leave it behind?
But no, I'm not going to say anything about any
other newspapers because I'm pretty unemployable as it
is, so I'd better not carry on down that route.
Q. Is there anything you would like to say to Lord Justice
Leveson to assist him in making recommendations for the
future regulation of the press?
A. Yes. This all came about due to the phone hacking of
Milly Dowler's phone. I don't think anyone gives two
hoots about the celebrities, a lot of whom are being
paid by the same companies who paid me. You know, 20th
Century Fox and News International. But last summer --
I have a two-year-old son who went missing out of our
back garden. He only went missing for about 20 minutes
and I was -- I felt the emotion that I imagine that
Mrs Dowler felt when her own child went missing, and
it's one of the most powerful emotions you can feel.
I remember sprinting up and down the high street and out
to the park thinking -- you know, I'd left the side gate
of the garden open.
Now, it's clear that Glenn Mulcaire appears to have
furnished the information to allow the hacking of
Milly Dowler's phone and it is my -- it's very difficult
for me to say that actually, because I know how corrupt
the police can be and how actually, it's run by a bunch

Merrill Legal Solutions
(+44) 207 404 1400  www.merrillcorp/mls.com
8th Floor 165 Fleet Street
London EC4A 2DY
<table>
<thead>
<tr>
<th>Page 109</th>
<th>Page 110</th>
<th>Page 111</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>25</strong></td>
<td>I was hoping it would be dealt with rather more</td>
<td>struck me as probably important to deal with all of</td>
</tr>
<tr>
<td>24</td>
<td>week, ie the end of last week, and you quite rightly, in</td>
<td>apiece.</td>
</tr>
<tr>
<td>23</td>
<td>was raised that there would be further discussions this</td>
<td>When I said I wanted it resolved quickly, I was</td>
</tr>
<tr>
<td>22</td>
<td>online edition and I've not forgotten about it.</td>
<td>hoping that some decisions would be made about what</td>
</tr>
<tr>
<td>21</td>
<td>MR SHERBORNE: Sir, Jay, you'll recall, said when this</td>
<td>could be proved and what couldn't be proved so that we</td>
</tr>
<tr>
<td>20</td>
<td>was removed from their Associated newspaper article</td>
<td>could know what the position is, but I wasn't</td>
</tr>
<tr>
<td>19</td>
<td>because witnesses are arranged, plans are made and there</td>
<td>necessarily saying I'd be calling evidence immediately</td>
</tr>
<tr>
<td>18</td>
<td>it is. I'm very conscious that the line in the</td>
<td>thereafter.</td>
</tr>
<tr>
<td>17</td>
<td>Associated newspaper article was removed from their</td>
<td>MR SHERBORNE: Sir, I understand that, but of course it was</td>
</tr>
<tr>
<td>16</td>
<td>online edition and I've not forgotten about it.</td>
<td>the &quot; mendacious smears &quot; line which you asked for an</td>
</tr>
<tr>
<td>15</td>
<td>MR SHERBORNE: Sir, Jay, you'll recall, said when this</td>
<td>explanation about, given that this goes well beyond</td>
</tr>
<tr>
<td>14</td>
<td>was raised that there would be further discussions this</td>
<td>suggesting that Mr Grant may have been mistaken or</td>
</tr>
</tbody>
</table>
| 13 | week, ie the end of last week, and you quite rightly, in | wrong --
| 12 | my submission, said: | LORD JUSTICE LEVESON: I understand that and you will |
| 11 | "I was hoping it would be dealt with rather more | remember what I said to Mr Caplan and you remember how |
| 10 | | Mr Caplan responded to me. Doubtless that's part of the |
| 9 | | transcript to which you wish to refer me. |
| 8 | | MR SHERBORNE: It is, and that's why I'm asking whether |
| 7 | | Mr Caplan's clients intend to say anything at all, and |
| 6 | | if they don't, then I would rather they said that |
| 5 | | because then, of course, consideration will need to be |
| 4 | | given as to what the next step is. |
| 3 | | LORD JUSTICE LEVESON: Yes. I hear what you say, |
| 2 | | Mr Sherborne. It is not a matter that is unimportant. |
| 1 | | I'm not suggesting it is. It is relevant for all sorts |

<table>
<thead>
<tr>
<th>Page 110</th>
<th>Page 111</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong></td>
<td>of reasons to what I am doing, even if I'm not going to</td>
</tr>
<tr>
<td>2</td>
<td>make a finding of fact specifically, unless I am</td>
</tr>
<tr>
<td>3</td>
<td>required to do so for other reasons. I am not sure</td>
</tr>
<tr>
<td>4</td>
<td>that -- well, let me just take it step at a time.</td>
</tr>
<tr>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td></td>
</tr>
</tbody>
</table>

28 (Pages 109 to 112)
will. I think that's the better way in the first brush
of dealing with. Mr Sherborne, I've not forgotten.
I understand the point and I understand the significance
of it to you and, more particularly, to your client.
MR SHERBORNE: Sir, I appreciate that. Can I just say this:
the matter was left very much in Mr Caplan's hands.
LORD JUSTICE LEVESON: Yes.
MR SHERBORNE: That's why I've raised it, given that there's
been a silence, and it is a matter that I have raised
with the Inquiry over previous days, as you're well
aware.
LORD JUSTICE LEVESON: I understand that. Equally, I'm
conscious that although it's obviously important, there
are a wide range of issues that have to be thought about
under some pressure of time. I understand your point,
and I don't object to you raising it with me. You've
heard how we've dealt with it.
MR SHERBORNE: Sir, I'm grateful.
LORD JUSTICE LEVESON: Thank you very much.
(4.49 pm)
(The hearing adjourned until 10 o'clock the following day)

ÍNDICE

MR RICHARD PEPPIATT (affirmed) .......................1
Questions from MR JAY .........................1

Page 113

MR NICK DAVIES (affirmed) .........................57
Questions from MR JAY .........................57

MR PAUL McMULLAN (sworn) .........................148
Questions from MR BARR .........................148
Discussion ........................................227

Page 114
null