25 Q. Thank you. You make it clear, Sir John, in paragraph 5 that you did not engage closely with the Maxwell press, centre or centrist left titles and didn't seek a close relationship with any part of the media, and you describe that as quixotic. What do you mean precisely by that? We know what the term means but what do you mean by that?

A. Of course, there are natural -- there's a natural symmetry between the press and politicians. The politicians -- all of them, myself included -- would like to have a supportive press. The press have a quite different objective: they need stories, and they wish to sell their newspapers.

So it was quixotic for me not to be close to the press. I wasn't able to seek to influence, in the way perhaps others had been, editorial support in particular. I didn't do that (a) because I thought I wouldn't do it very well -- in fact, I'm sure I wouldn't have done it very well -- but secondly, I did think it was rather undignified. I think there is a different role for the press and the government. The role for the government and politicians is to, as best as they can, run the country and determine what legislation is correct for it. The role of the press, it seems to me, is to hold the government to account. They may do that fairly or unfairly, but I think once particularly appealed to them. I think there were common aims in terms of things like trade union reform, where there was a clear meeting of minds between proprietors and the then Conservative government led by Mrs Thatcher. There were common attitudes to business.

I think there was a similar attitude towards the European Union -- not exactly the same, because the parody that one often gets of Mrs Thatcher's relationship with the European Union is far from the reality one actually saw at close quarters at the time -- and, of course, she became pretty iconic after the Falklands, and I think it was an amalgamation of those things that produced the very high level of admiration and support for Mrs Thatcher that came from the right of centre press.

In her turn, I think she admired buccaneering businessmen who were prepared to take risks and that certainly applied to the proprietors of newspapers. So I think it was that meshing of those particular aspects that produced the strong level of support for her, and when I say I didn't inherit it, I hadn't been Prime Minister at the time of the Falklands, I hadn't introduced the trade union legislation. Plainly, it was different.

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you begin to meld those roles, then I think neither the politicians nor the press are doing the job properly that they are best fitted for. And so I thought -- and this may well have been quixotic; most people will tell me it was -- I thought a relative distance between the press and the government, and particularly myself, was a good idea.

Now, it would be easy to misunderstand that and to say that indicated a hostility between me and the press. I wasn't hostile to the press. Indeed, when I first became Prime Minister, I tried to -- I didn't try; I did get the Guardian and the Independent back in the lobby, from which I think they'd excluded themselves, if I remember correctly. I did appoint a press secretary who I thought would serve the press well, be uncontroversial, and would be able to speak in a manner that the press would accept as being authoritative.

So I was keen to build a good relationship -- let me not pretend anything otherwise -- but I thought too close a personal relationship was probably not for me.

Q. One of your colleagues, Lord Patten, used the word "demeaning" in this context. Is that a term which you would associate yourself with?

A. I prefer "undignified". I don't think it's the role of the Prime Minister to court the press, and I think it isPage 5

a little undignified if it is done too obviously, if it is done. But if it is done obviously, I think there are clear downsides to that over time.

Q. You identify in paragraph 6 that your lack of close relationship with any part of the media may have been a contributory factor to -- and then you list three aspects: hostile media your government often received, mistaken judgments the media made about you and then the very close relationship with the media sought by your immediate successors. Would you agree it's difficult to disentangle cause and effect in relation to those matters?

A. It's very difficult to disentangle cause and effect, and it was partly my own fault that the relationship with the press was not very close. I've just indicated why I thought it ought not to be, and clearly that wasn't very amenable to some sections of the press. But if I may, I'd like to make clear: I haven't come here to complain about my press coverage 15 to 20 years ago. That's long since gone. I've long since moved on from that. I don't want to waste my time or yours complaining about that.

I think I can explain why it was more hostile. I think, firstly, I didn't inherit the naturally close affinity that my predecessor had earned with the press over a long period of time. I hadn't earned it.

I didn't have it. It was self-efficiently different. And on a human level, I think from the point of view of the press, if they have a prime minister they don't know and a prime minister who seems to them to be keeping his distance more than they believe perhaps he ought, it's perfectly understandable that it is easier to be hostile about people you don't know than it is about people you know well. I think that is a basic human emotion and I think that was one of the reasons why they were, in my judgment, less well informed about some of the things we thought and we did at that time, and it worsened after 1992.

In the early 1990 to 1992 period, I certainly wouldn't claim the press were especially hostile. I don't think they were especially supportive, but neither were they hostile. They observed a more even position, the sort of position that I think is probably correct at all times.

Q. You refer to your disengagement in the first sentence of paragraph 7. Would it be fair to say, though, Sir John, that you were very sensitive about what was written about you by the press?

A. It certainly would be, yes. I wouldn't deny that at all in retrospect. It's certainly true. I was much too sensitive from time to time about what the press wrote.

God knows, in retrospect, why I was, but I was. I think you can explain that in human terms. If you pick up the papers each day and read a caricature of what you believe you are doing and what you believe you are, then I suppose it is a basic human emotion to get a bit ratty about it, and from time to time in private I did, and friends who heard that in private were kind enough to carry it out in public so that it became more widely known.

It is an old chestnut, but it is not something I deny in retrospect. I was too sensitive. If I may put it in context, the press to me at the time was a source of wonder. I woke up each morning and I opened the morning papers and I learned what I thought that I didn't think, what I said that I hadn't said, what I was about to do that I wasn't about to do.

LORD JUSTICE LEVESON: I've had that same experience.

A. Well, it's very interesting. It goes on for quite a long time.

LORD JUSTICE LEVESON: It won't go on for me for a long time.

A. I do hope not. I wish you every success in it not going on for too long. But it is a bit wearying and I freely confess that I probably overreacted to that.
My overreaction was principally a human overreaction, but of course, as Prime Minister, you do need to know what is being written, because people believe it and you need to try and counter it, and most crucially of all, you are likely to be asked about it at Prime Minister's Questions. In those days, we had them twice a week, not once, albeit for a shorter period, and what appears in the media generally, and the written press particularly, is likely to be staple fodder for the questions you will get at Prime Minister's Question Time.

So there was a practical need to know what was going on but did I read them too much? Yes, I did. Was it hurtful sometimes? Yes, it was. Did I think it was malicious? I think that's for others to make a judgment about.

MR JAY: I've been asked to raise this with you: did you phone Mr McKenzie after Black Monday to ascertain the Sun's response?

A. I did. Very bad mistake. The only time I ever telephoned him. I hadn't done so before and I was certainly never going to do so again. It wasn't a very successful phonecall and it has assumed an air of mythology, which no doubt you wish to debunk.

Q. Not necessarily, Sir John, only if you wish to debunk the myth.

A. I have read the substance of the alleged conversation with a degree of wonder and surprise. If the conversation has proceeded as I read it proceeded, then I do not think I would have forgotten it, neither do I think Mr McKenzie would have been invited to Downing Street 12 months later, as he was, on one occasion.

So perhaps my memory is very faulty indeed, but certainly don't recollect the same conversation that has been circulated from time to time.

LORD JUSTICE LEVESON: I think that might be quite useful, if you could give me your recollection, for quite different purposes.

A. Yes, well, my recollection is quite plain as to what the substance was. It was on the day of Black Wednesday, when things had gone horribly wrong. There are more myths about Black Wednesday than the Greeks ever created, and I was very conscious towards the end of that day that it was going to be so, and I was -- it was suggested to me -- and I can't recall whether it was my press secretary or my principal private secretary -- that I might phone up one or two editors to see how they had viewed it from the outside. And one of the names suggested was that of the editor of the Sun, because plainly they had a mass audience, they were the biggest circulation newspaper. I phoned up Mr McKenzie, first to explain to him what lay behind what had happened and secondly to see what his perspective of it was.

Now, as to the conversation itself, I frankly can't recall it in any detail. I would have recalled the bit that has entered mythology. I'm sure I would not have forgotten that, but I don't actually recall it.

I phoned a lot of people, from Her Majesty the Queen onwards, to Parliamentary colleagues, senior Cabinet ministers, and on one and only occasion, Mr McKenzie.

So I dare say it wasn't an especially productive call.

MR JAY: I've been asked to raise this with you: do you feel that you were harmed politically by the way that you were parodied in some sections of the press, or do you think the electorate saw through that?

A. If the electorate are fed a particular image day after day, it sticks. I think that is undoubtedly true. But because it sticks does not necessarily mean that that is the public's only perception of you. I was always struck, when I went away from the chattering circle of Whitehall and Westminster, how different was the attitude of people away from that. And so I must confess, I never found anything but a considerable degree of friendliness whenever I went around the country, even in difficult times. Not invariably, but generally.

But I think the caricature did have an effect, as it has done upon other people, but that isn't new. Robert Walpole actually introduced legislation because of the caricature of him by various satirists at the time, so there's nothing particularly new about that. It's been a part of press coverage that politicians have to live with for a very long time.

Q. Thank you. Paragraph 8 now, Sir John. The second sentence in particular:

"Some parts of the print media apply journalistic standards that fall far short of what should be expected."

You make the same point at page 359 of your book, which I put to Mr Rupert Murdoch on the second day of his evidence. Can I ask you to elaborate on that, please?

A. The British press is very like a curate's egg. There are some very good parts of the press and there are some parts which are not very good at all. I'm referring here in terms of the parts that fall short of high standards.

They don't report the news accurately. They tend to deal in caricatures. They tend to take a particular point and stretch it beyond what is reasonable. You may...
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<td>remember in the first film of Mr Chips, Mr Chips refers to a boy who was always exaggerating a nought to a ten in his examination results. The worst part of journalism does exactly that. It takes something that has a tiny kernel of truth in it, perhaps, and it stretches it beyond where it would naturally or honestly go, and I think that is very bad journalism. I suppose one message that I have had a lot of time to reflect upon over the years is you cannot see the British press as a single entity. Nobody should do that. It's not the case that every part of the British press misbehaves. It is the case, sadly, that some of it misbehaves, and what I hope will emerge from this Inquiry and thereafter is action that will take -- that will lift the worst of the press to the standards of the best of the press. Nobody wishes to restrain their natural freedom of comment. Nobody wishes to determine what they should put in their papers, but I think if what they do in their papers is grotesque, then I think there is a balance between the freedom of the press to print what they like and the liberty of the individual to be protected from things that are untrue, unfair or malicious, and we may come to that later.</td>
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Q. Thank you. Paragraph 9, Sir John. You cover this in paragraph 6, but the phrase "constructive tension" captures, in your view, the best relationship between the media and senior politicians. In paragraph 12, you deal with the risks inherent in too close a relationship. Can I just ask you, please, to develop paragraph 12? A. Well, if I can say a word about constructive tension. Constructive tension is what I was referring to before, the fact that the press and politicians have a quality different role, and if the two meld, it's not going to work properly. The press' great virtue, as I see it, is that they have a daily pulpit to hold the government and politicians to account. You cannot do that properly or fairly if there's an excessive degree of chumminess between politicians and the media. That is why I think you need a degree of distance between them. The best of journalists are scrupulously honest. We can't expect every journalist to be among the very best, but the best of them are very good, which is why I reiterate the point: one must draw a distinction between the good, the bad and the ugly when one comes to talk about journalism as a whole. In terms of the melding of news and comment, I think it has melded to a very great extent. I have quite a lot of sympathy with the press about this. Given the nature of modern communications and 24-hour satellite channels and television channels, there is actually a surprisingly small amount of news, in the classical sense, that it actually comes to the newspapers to launch upon an unsuspecting public. By the time people pick up their newspapers, the news has been absorbed in the early morning breakfast programmes, in the 24-hour satellite programmes. This presents, it seems to me, a problem for the media. They either reprint what is stale, or they find a new angle to it. Yes, something has happened, but why did it happen? Who was responsible? What is the impact upon people? They'll take an angle and stretch it, because that is all they can do, because the news is stale buns that has already been reported. So I have some sympathy for that. There is also the secondary point of the melding of comment as though it were news. Ideally, you would keep that apart, and it seems to me that comment in the press falls in several different layers. If I can restrict myself to political comment, which is clearly what I am most familiar with. Some of it, on both sides of the political fence, is excellent. It's very good. You may disagree with it but it's well thought out, well written and it's worth reading. |

Some of it -- there are a handful of columnists who are as much into self-promotion as anything else and I think their commentary is barely worth the name, but there is a lot of good comment in the British media, and it melds into news because I think newspapers have little choice but to let it do so. Year upon year, their readership levels seem to have fallen, and I suspect that trend is likely to continue, with more people reading newspapers online, for example, than actually buying them, and with the growing impact of 24-hour media channels. So here I have a good deal of sympathy for the dilemma that proprietors and editors face. Q. Paragraph 12, though, the perversion by self-interest context of a relationship which becomes too close. Particular trade-offs you identify there. A. Yes, I do. If you have too close a relationship -- well, let me firstly enter a caveat. There are genuine friendships between some politicians and some journalists. I can think of a number of journalists whom I would regard as friends and still do. But I think there is a danger with the artificial friendship that is struck up because of the mutuality of interest, when the politician wants good coverage and the press want inside stories, and I think you do see too much of
that, and you see it manifested with stories in the
media that are obviously leaks from within government.
Often they're quite malicious. Often they're focused on
denigration of another particular politician, more often
than not in the same party, and I think that does damage
politics.

Things are regarded as huge splits within government
when in fact they are the perfectly proper examination
of policy between ministers in terms of reaching
a position. It is a fallacy to believe in any political
party that there is one strand of thought. My own
party, the Conservative Party, is an amalgam of
different strands. We have a right wing, we have a left
wing, we have a centre. They are all equally
Conservative, but they are different sorts of
Conservative, and in determining policy, they will pitch
in with different ideas.

When someone starts leaking those private
determination of policy, it's easily presented as
a split. It's a scoop. There is a disagreement in
government between the Home Secretary and the Foreign
Secretary. Well, of course. You put an average Cabinet
size, 20 intelligent people together, they're going to
have different views. No point in having 21 if they all
think exactly the same way. And I think that
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perversion, that close relationship, whisks those
private discussions out in public, and worse, offers the
opportunity for those seeking favour of the press --
offers them the opportunity to offer inside stories to
the detriment either of their colleagues or of other
political parties.

We have seen a lot of that over the last -- over the
period I've been in Parliament.

Q. Thank you. In a related context, may I move forward to
paragraph 16, where you refer to the development of
party political appointees taking on the role of press
secretary to the Prime Minister.

A. Yes.

Q. You cover that there and you also cover that in
paragraphs 32 and 33, but in essence, what do you see as
the problems inherent in that?

A. This was an innovation in 1997. I think the background
to it is that the incoming government saw the
Conservative government 1992 to 1997 with civil servants
running the press offices right across Whitehall and
they thought there were opportunities to be gained in
the presentation of the news if those particular jobs
were held by people with a particular political opinion
rather than with the independence of the Civil Service.

That is the background.

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And in 1997, in Number 10 and across Whitehall,
political appointments were made to the information
service. I think that was a very retrograde step.
I disagree with it very strongly and I always have.
I think so for several reasons. Once you have
a political appointee rather than an independent civil
servant, the word of the government is no longer
unquestioned. With an independent civil servant, the
press lobby knew they were going to get, or should have
got, the unvarnished truth without any political gloss
or spin.

Now, we've had political spin forever. Every
politician since the dawn of time will put a gloss on
something to ensure that it is presented in the best
possible light. We've all done it. Everyone does that.
But I think there is a distinction between a gloss and
a deliberate attempt to deceive in the way in which the
news is presented, and my concern was that once you move
towards the politicisation of the government information
services, which is what it was, you did move into
a sphere where the news could be perverted rather than
presented accurately and without spin to the media at
large.

I think you also saw some other things which
journalists are better able to talk about than I, but

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that they've certainly mentioned to me: people being
given stories when other people weren't and presenting
them with a particular tilt, so that when the story hit
the public news, immediately it had a favourable tilt
for the government rather than a neutral or perhaps even
da deservedly unfavourable tilt. A whole range of things
like that, which I'm sure this Inquiry has heard about,
so I won't tediously run through them all.

But in short, I think the straightforward, clear cut
certainty of an honest presentation of policy from the
information service that was there when you had civil
servants presenting it on behalf of the government was
lost when you moved to a political information service.

Q. Your proposal in relation to that is set out in
paragraph 33 at our page 08443. Subparagraph (a):
"The government information service be once again
fully staffed by civil servants and (b) press lunches
and private contacts logged and published regularly."
Can we be clear what you mean by "private contacts"?
Are you intending to cover all social private meetings?

A. No. No, I was talking -- I had in my mind when I wrote
that the lunches that take place and the meetings that
take place. I wasn't thinking of private weekend
contacts. It had never occurred to me that they might
be -- well, I had assumed people had a private life as

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| well, and it had never occurred to me that they may be used in an unfavourable way, so I didn't have that in mind. | copy or political stunts. How do the politicians get to the public? They get to the public through television or radio. On television they may get a one-minute slot, if they're lucky. On the radio, a bit longer, but usually with an adversarial interview: "Why are you proposing this when ten years ago you said something mildly different?"

So the press are very important in carrying the message to the public, but if the message to the public is perverted, perverted by the particular editorial stance of the newspaper, or perverted because hard news is omitted in favour of stunts and rather wild speeches which are newsworthy but not really very serious, then the public are given much less than they ought to have in making up their mind at a General Election.

Now, I have no solution to that. I see that political reporting is coloured by the natural instincts of the newspapers, their proprietors and editors. I see also that politicians will use the newspapers that favour them to launch things that are particularly favourable to them or particularly damaging, more often than not, sadly, to their opponents. All of this is part of the game of politics, no doubt, but somewhere down the middle, what about the public? The public gets lost. It gets all these stories, but does it actually get the clearcut information of what a government proposes and what it would actually mean to people so that they may make up their mind at a general election? I honestly don't think they do, any more, and that they think that's a loss because it's a huge and important role the newspapers could play, should play and don't play. | paragraph 13. Can you elaborate on those, please?

A. I'm really looking for the personification of the ideal, but I think there is a difficulty. Over a long time, the press has become more politicised. Instinctively, we say a newspaper is allied to this or that philosophy. It may not be to a particular Prime Minister, but they're allied to a particular philosophy. If you pick up any of your daily papers -- well, I tend not to read them much so I'm not able to judge much, but when I was reading them regularly before 2 May 1997, you could pick up a whole range of papers and read quite different reports of the same subject, and that shows the extent to which newspapers had become politicised and, in a sense, part of the political process themselves. I think when you come to a general election, if the relationship between a political party or senior politicians and a section of the media is particularly close, there are some risks to the public interest. If I may define "the public interest", it is that the media report accurately, fairly and fully what the politicians are saying and what the impact would be on the public. That ideally is what I would like to see. What we do in fact see is that worthy factual news like that, which may be relatively unsexy in news terms, is pushed aside in favour of more newsworthy dramatic copy or political stunts. How do the politicians get to the public? They get to the public through television or radio. On television they may get a one-minute slot, if they're lucky. On the radio, a bit longer, but usually with an adversarial interview: "Why are you proposing this when ten years ago you said something mildly different?"

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| 1. You think it's --
2. A. Not entirely. I'm sure he read his newspapers. I'm sure he read his newspapers and I would be very surprised if he wasn't aware in more than outline of the line taken by his newspapers.
3. From all I understand, he gave a good deal of degree more latitude to the Times, quite properly in my view, and the Sunday Times, than he did to the Sun, which was a sort of house pet, so I would be very surprised if he wasn't much more aware of what the Sun were actually printing than Gus O'Donnell suggested in his note.
4. But we did have some important things to discuss. If I can pick up some of those points you raised. On the day I became Prime Minister in 1990, interest rates were 14 per cent. They went up. When we entered the exchange rate mechanism, it was in order to bring interest rates down. Myth, repeated over years, has it that interest rates went up during the period we were in the exchange rate mechanism. In fact, they came down from 14 per cent on the day I became Prime Minister to 6 per cent when I left, and came rattling down during the period we were in the exchange rate mechanism, except for Black Wednesday when they went up and came down again the next day. So they came down consistently. |

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<td>Q. -- 19 August 1993 and 2 February 1997. Now, that last one we will come to in a moment.</td>
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<td>Mr Murdoch said he doesn't have much recollection of his meetings with you. What light can you throw, Sir John, on those first two meetings, if any?</td>
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<td>A. I don't have much recollection of my meeting with Mr Murdoch. They plainly were unmemorable to us both, which may be why there were so few of them. I have absolutely no recollection of the 1992 meeting. There are two diaries at Downing Street. There is one diary which lists the meetings that the Prime Minister is scheduled to have, and there's a second diary which lists the meetings that the Prime Minister did actually have. Things get cancelled, other things get shoehorned in. I have had this list compiled from the second of those diaries, the meetings that the Prime Minister actually had, so I'm assuming my meeting with Mr Murdoch on 14 May 1992 did actually go ahead. I have to say, I have absolutely no recollection of it whatsoever. Almost uniquely, there was a briefing note from my press secretary for me to raise with Mr Murdoch the nature of the coverage in his newspapers, and so it is a meeting I would have thought I would have remembered. I don't have any recollection of it at all, which makes me wonder whether in fact it went ahead. The diary said it did, at the beginning of August -- sorry, May, but I really don't recall it at all.</td>
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| Q. The briefing note is under your exhibit SJM5, which is tab 6 and our page 08188. We can see that it's dated 18 August 1993, which antedates the apparent meeting. |
| A. Yes. |

| Q. It's prepared by Mr O'Donnell and we can see what it says. First paragraph: |
| Mr Murdoch will be particularly keen to hear your views on the prospects for the UK economy. Given Murdoch's high level of debt, he is very keen to see interest rates as low as possible. I'm sure that applied to everybody. Overall, Murdoch's views are very much anti-union, pro-free markets and floating exchange rates. I was surprised to learn, given the worldwide scale of his business, that he phones Kelvin McKenzie most days to keep up to date on the British scene. This explains why Murdoch frequently obtains very biased views of what is happening here. It is also clear that Murdoch is aware, in outline terms at least, of the line taken by his papers. However, I very much doubt whether he reads them regularly. Do you associate yourself with that opinion or do you think it's -- |

| The message I wished to give to Mr Murdoch was actually the British economy actually started recovering -- and you can see this very plainly now in retrospect -- actually started recovering in the first quarter of 1992, when we were still in the exchange rate mechanism, and continued thereafter, and was so secure -- I don't think we make the point often enough. In 1997, we actually handed over an extremely good economy. I cannot think of when a better economy was handed over, and from the beginning of 1992 to about 2001, you had growth every single quarter, which is pretty unprecedented, and the message I was hoping to give to Mr Murdoch and may indeed have done, if the meeting took place, was that we were on track towards a recovery and it would accelerate. We were looking at how to leave the exchange rate mechanism. We never saw the exchange rate mechanism as a first step towards a single currency, and that must have been evident to everybody because I obtained an opt-out at Maastricht in 1991 to ensure that we did not enter the single currency. I was not in favour of the single currency. I was in favour of getting inflation down and I was in favour of it because I remember as a child what it is like when the money runs out before the week runs out, and that is what inflation did. So... |
I was prepared to take a great deal of political pain to keep interest rates in place to get inflation down, and I knew it was painful politically. More important, it was painful for people at the other end of those high interest rates, but when we had done it, we had over a decade of low interest rates and solid growth, and that's what it was about, because we had seen for generations governments run away from inflation. Inflation had come, interest rates had gone up, been a bit painful, they'd brought them down, and you'd had this constant curve of inflation going up, coming down, going up, and we wanted to kill it off.

That's what the exchange rate mechanism was about and that's what I was hoping to explain to Mr Murdoch, that we had started that recovery but there was still a long way to go. Whether I did, as I say, I can't remember.

Q. Yes. In point (e) on the next page, 08189 -- we don't know, of course, whether this message was communicated, but this was quite, if I may say so, a barbed line that Mr O'Donnell was inviting you to pursue with Mr Murdoch.

A. Yes, which is why he put it in square brackets. It's barbed because he knew I wouldn't deliver it and, if I had met Mr Murdoch, I wouldn't. It wouldn't have been the sort of thing a prime minister should say to a proprietor and I wouldn't have said it.

a proprietor and I wouldn't have said it.

Q. Because it might have been interpreted as a scarcely veiled threat, I suppose.

A. Well, it was. It is. Never mind "might have been interpreted". If I had said it, that is exactly what it would have been, and it wouldn't have been appropriate to say that, and I wouldn't have said it.

Q. Earlier that month --

A. And if I had said it, I'm sure Mr Murdoch would have remembered.

Q. Mm.

A. Would he not?

Q. Earlier that month, Sir John -- and we see this at SJM3 -- you and others were invited to a special celebration associated with launching new Sky TV channels. This is under your tab 4, our page 08182.

A. Oh yes.

Q. Mr O'Donnell on this occasion says, in his minute to you, at the end:

"Do you want me to discourage other Cabinet members from attending the launch?"

Whose handwriting is that with the double lines and the "Yes"?

A. That's me. That's me saying to Gus O'Donnell: yes, I would wish him to discourage Cabinet members from attending the launch.

As I recall, he used the word "we" when referring to his newspapers. He didn't make the usual nod towards editorial independence.

There was no question of me changing our policies.

We had had a great deal of this from Sir James Goldsmith, who had set up a political party, the Referendum Party, because he disagreed with our policy on 2 February 1997. Back to paragraph 21 of your statement.

A. Yes.

Q. Can I go now to the conversation which you recall having on 2 February 1997. Back to paragraph 21 of your statement.

A. Yes.

Q. Page 08438. This was a dinner. I think your wife was there as well, but in your own words, Sir John, could you tell us what happened insofar as it's material to our Inquiry?

A. Just before the 1997 election, it was suggested to me that I ought to try and make some effort to get closer to the Murdoch press and I agreed that I would invite Mr Murdoch to dinner. And I did invite him to dinner. We had a dinner in February 1997.

The dinner would have contained the usual amount of political gossip that these occasions tend to have.

Then, in the dinner, it became apparent in discussion that Mr Murdoch said that he really didn't like our European policies -- this was no surprise to me, that he didn't like our European policies -- and he wished me to change our European policies. If we couldn't change our European policies, his papers could not and would not support the Conservative government.
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<td>put to you --</td>
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<td>A. I haven’t talked about this conversation at any stage</td>
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<td>3</td>
<td>over the past 15 years, but I am now under oath and</td>
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<td>I was asked the question and I have answered the</td>
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<td>5</td>
<td>question. This was a private discussion. There was</td>
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<td>nobody else there except my wife and Elisabeth Murdoch,</td>
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<td>and so I thought in my autobiography it was appropriate</td>
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<td>to be a little more laconic. If I may say so, despite</td>
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<td>how frank I was in my autobiography, there were other</td>
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<td>areas where it was as well, from time to time.</td>
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<td>LORD JUSTICE LEVESON: But it clearly had an impact on you,</td>
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<td>because although you use the words “so far as I recall”,</td>
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<td>you’ve just said he didn’t make the usual nod towards</td>
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<td>editorial independence but referred to his papers as</td>
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<td>“we”, so reading between the lines, that’s something</td>
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<td>that struck you at the time and has remained in your</td>
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<td>memory.</td>
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<td>18</td>
<td>A. It’s not likely to be anything you would forget.</td>
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<td>LORD JUSTICE LEVESON: I understand.</td>
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<td>A. It is not very often someone sits in front of</td>
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<td>a prime minister and says to a prime minister: &quot;I would</td>
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<td>like you to change your policy, and if you don’t change</td>
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<td>your policy, my organisation cannot support you.” People</td>
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<td>may often think that, they may often react -- but it’s</td>
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<td>not often that point is directly put to a prime minister</td>
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<td>in that fashion, so it’s unlikely to have been something</td>
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<td>I would have forgotten.</td>
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<td>MR JAY: I’ve been asked to raise this with you in relation</td>
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<td>to the penultimate sentence of paragraph 21. You say</td>
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<td>there that Mr Murdoch’s titles did indeed oppose the</td>
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<td>Conservative Party. Apparently the Sunday Times</td>
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<td>continued to support the Conservative Party and the</td>
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<td>Times’ position was more equivocal, supporting anybody</td>
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<td>who happened to be anti-Europe.</td>
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<td>A. Well, may I please have a definition of ”support”? If</td>
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<td>you mean, did they perhaps write an editorial saying,</td>
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<td>“On balance, the least of all evils is the Conservative</td>
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<td>and you had better vote for them”, I think the answer is</td>
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<td>probably that they did. If you mean: was there news</td>
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<td>coverage day in, day out, morning after morning, weekend</td>
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<td>after weekend, hostile, then I would have to say to you</td>
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<td>that I think it was. So I think I would have preferred</td>
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<td>to have less of the editorial support and more of the</td>
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<td>equal news coverage.</td>
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<td>Q. The Sun's support for Labour, might it be said that that</td>
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<td>arose because Mr Murdoch likes to back winners?</td>
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<td>A. I don’t think there was any surprise about the Sun</td>
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<td>supporting -- I’m surprised the Sun have always been so</td>
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<td>embarrassed about it. I suppose it may be something</td>
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<td>they feel they ought to be embarrassed about in</td>
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was not a sensible jump to move from a prime minister that was opposed to the euro to a prime minister that was going to be in favour of the euro.

So I don’t think their change had a great deal to do with European policy. I think it may have had a great deal to do with their embarrassment of supporting us after what they had said about us and it may have been something to do with the position we had taken on Calcutt, which I think we will come to later, or the Broadcasting Act, which we may come to later, but I don’t think in retrospect that it can possible -- not logically, anyway -- have been because of our European policies per se.

Q. We asked you to deal with the 1992 election and you have indeed, at paragraphs 23 and following. I’ll ask you to deal with it in your own words, but you were clearly of the view -- and you've expressed this in your book -- that contrary to the view expressed by commentators that the Conservatives were likely to lose that election, your view at the time was otherwise; is that right?

A. It always was. I mean, I -- I disliked the sort of politicking that was done from television studios and from radio studios and through the columns of the newspaper. It cut you off. You were cut off from the public at large, and it was for that reason that I went out to start holding public meetings again, even on a soapbox, during that particular election. And the response was such that I simply could not believe that we were going to lose that particular election. The opinion polls said we were going to lose it. The wise heads said we were going to lose it. A fourth successive election victory seemed very unlikely, hadn't been done for a very, very, very long time. All that suggested we were going to lose it, but it didn't feel that way. It didn't feel that way to me. It felt that way out on the streets, that there was a warmth that suggested to me that we were going to win that election.

The only occasion I wavered in that was one night flying back from -- I think it might have been Birmingham, but I can't be certain, with Chris Patten when the opinion polls the next morning all had us 7 or 8 per cent behind and Chris had early copies. That's the only time I wavered, but only very briefly then, because the next day, out among the crowds, it was a quite different feel.

So I may have been delusional, but I thought all the way through that we were going to win that election.

I was as clearcut about that as I was about knowing we were going to be in difficulty in 1997. Not impossible, but I thought it was going to be very difficult in 1997.

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So as far as your recollection goes, you can remember no express lobbying of you on media issues; is that right?

A. No, no. I honestly don't believe there were any. I mean, I've listed my contacts with the media. Such lobbying would only have come from proprietors or editors, and as you will have seen, the number of meetings with them was relatively limited over a seven-year period, and I don't -- I don't recall any lobbying of any sort from them. No improper lobbying, no perfectly legitimate lobbying. They expressed their views in the columns of their newspapers and of course we saw that, and to the extent that it was relevant, it was taken into account. But no, there was no direct lobbying.

Q. Outside media policy through campaigns and editorials, it goes without saying that the media did seek to influence your policies?

A. Well, it's perfectly proper for them to express their views. Nothing wrong with that. I mean, if they were going to be affected by legislation, they have a right to express their view, and they may well have expressed their view in the consultation period that we had over Calcutt and things of that sort. I'm sure they did.

And it is perfectly proper for them to express their view in their newspapers. I have no problem in that at all. I think that's what they should do.

Q. In paragraph 50, though, you identify one instance where, as you say about eight lines down that paragraph, opposition to the peace process often crossed the boundary of fair comment, but where exactly is that boundary, if in general the media are entitled to express a view?

A. This is what I mean by tilted reporting. I think most people would agree in retrospect that if we hadn't begun the peace process in Northern Ireland in the early 1990s working with Albert Reynolds and others, and if Mr Blair hadn't carried it on after I left office, there would not have been the present peaceful situation that has existed for the past few years in Northern Ireland. It's very different from the Northern Ireland that existed in the 1970s and the 1980s.

When we began the Northern Ireland peace process, when Albert Reynolds and I began it, there was a lot of opposition to it for different reasons. Some people were opposed to it because they thought it was going to be a sell-out to a united Ireland. Other people politically were opposed to it because they thought it was a fool's game and that we would be sucked into something, we would then be let down and the government would be made to look very foolish. There were a number of very senior members of government who thought that and thought we ought not to go down the route of the peace process because it would end in tears and it would damage.

But we did go down, and we began to make real progress with the Downing Street declaration in 1993, I think, with John Bruton, then the Irish Prime Minister, and the frameworks agreement -- sorry, with Albert Reynolds, and then the frameworks agreement with John Bruton.

The framework document was leaked to the Times from a very hostile unionist source. I'm pretty sure I know who it is but not absolutely certain, but let me simply say it came from a source that was very hostile to the Northern Irish peace process, and very late in the day, the Times rang up the Downing Street press office and said, "We are about to run this story. Do you have any comments?" And they contacted me and I said, "This story is -- they've got hold of a draft of the frameworks document, but the narrative that has gone with it is entirely wrong. It gives entirely the wrong impression, and it will really feed into a problem that could break up the peace process." It was always fragile. It was always like playing with a multifaceted rubric cube, to keep all the different component parts together, and I said, "It could be very damaging if this is printed", and we said to the Times: "Look, this story, firstly, it's wrong. Secondly, it's come from a biased source, and thirdly, if you print it as you apparently propose to print it, you could do very great harm to the peace process. Please don't do it." And they went ahead and printed it, as they had planned, with a tiny little bit, because they came to us very late for comment, simply saying it wasn't accurate.

It caused, that night when the first editions came in, absolute mayhem in the House of Commons. I remember a midnight meeting in my room in the House of Commons packed with angry Conservative Members of Parliament who were instinctively pro-unionist and thought, as a result of that, that we were selling out the union, and that meeting was saved by several things: the assurances we gave to them that evening, backed, I may say, not just by me but by the assurances given to them by Patrick Mayhew, whom they liked and respected, who was the Northern Ireland secretary, and also Lord Cranborne, who was then the leader of the House of Lords, known to be a very strong unionist, who made it clear to colleagues that the story was wrong and that we were acting in good faith and we were not selling out the union; we were
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<td>trying to stop people killing one another in Northern Ireland. And it helped.</td>
<td>isn't easy. The easy decisions were taken generations ago. Every group of politicians coming into office are now finding it more difficult, in our multifaceted world, to produce policy than their predecessors.</td>
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<td>Then a few days later, some of the Northern Ireland churchmen, if I remember correctly -- I think this was the occasion -- also saw me and obtained my personal assurance and then went back and said to their own communities that they should trust us on continuing with the Northern Ireland process.</td>
<td>I don't have any envy for the people trying to govern now or in the next few years because it is so complex, and if only one side of a complex argument is presented, it takes root in the public mind, and as I say, there are many reasons to be opposed to the European Union, but over the last 20 years or so, the diet of negativity that has been served up, day after day after day, month after month, year after year, has presented only one side of a complex argument.</td>
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<td>Now, I think that was irresponsible and that's what I meant in my comment here. I think it was irresponsible, on an issue like this, where people's lives were at stake, to print a story when the government had flatly said to them -- and not a government, I may say, that was generally thought to be untruthful. The government had actually said to them: &quot;Don't do it. This is wrong.&quot; So that was the sort of thing I -- it was a very rare occurrence, this, but it actually concerned me a lot at the time.</td>
<td>One forgets, for example, the one reason the European Union was formed was at the end of the Second World War, the European nations were bankrupt, all of them, and they looked around the world and they saw the power of the United States, they foresaw the power of Asia and China, and they said to themselves, &quot;If we don't act together economically, we are going to be pygmies in a world of economic giants&quot;, and until things went badly wrong because of overspending, they were beginning to show a good return to that.</td>
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<td>Q. Thank you. Moving from the particular to the general again, I wanted to ask you a particular point you make in the third sentence of paragraph 51, if I may, Sir John -- this is our page 0841 -- where you draw a distinction between the media's role in reflecting public opinion, which we understand, and the use of its power to pursue either narrow self-interest or only one side of a complex argument. Could you elaborate, please, on those second and third points, in particular the third?</td>
<td>The other point is, I suppose, for a thousand years, the European nations had been at war. They are so closely enmeshed now that this generation and the next generation and our grandchildren need never fear the concept of a war starting in Europe. You don't find that sort of balancing factor anywhere in the scales when people talk about the European Union. That's the sort of imbalance that has come about after so many years of negative publicity.</td>
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<td>A. Presenting only one side of a complex argument. I suppose the most obvious illustration is the reporting, across a wide range of newspapers, of the European Union over a long period of time. We have heard every sort of daft story, from the Commission demanding we had square bananas to all sorts of things. There are many things about the European Union that I don't like. I think at the moment it's in a very great mess, but this is not the occasion to talk about it. I didn't want us to go into the euro, as I've already said. But there were many things about the European Union that were in the interests of the United Kingdom. Very few of those actually found their way into proper news reports. The things that were wrong with it found their way into news reports day after day after day and into editorials day after day after day. Now, I am not a Europhiliac. As I say, I see lots of things wrong with it, more now than one might have imagined in the past. But it was unbalanced reporting, and it is very complex. Europe isn't easy. Government, these days,</td>
<td>A. Absolutely. Q. -- many of us remember. You feel that that was unfairly reported. A. Can I read what I actually said about &quot;back to basics&quot;? May I do that?</td>
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<td>A. &quot;Back to basics&quot; was launched at a Conservative Party conference in 1993. What I actually said, and I quote -- it's in my evidence: &quot;We must get back to basics. We want our children to be taught the best; our public service to give the best; our British industry to be the best. And the Conservative Party will lead the country back to these basics right across the board: sound money; free trade; traditional teaching; respect for the family and the</td>
<td>LORD JUSTICE LEVESON: Please. A. &quot;Back to basics&quot; was launched at a Conservative Party conference in 1993. What I actually said, and I quote -- it's in my evidence: &quot;We must get back to basics. We want our children to be taught the best; our public service to give the best; our British industry to be the best. And the Conservative Party will lead the country back to these basics right across the board: sound money; free trade; traditional teaching; respect for the family and the</td>
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1 law, and above all, lead a new campaign to defeat the cancer that is crime."
2 That is what back to basics was about. It wasn't a puritanical moral crusade at any time, and for the first two or three months, it was treated exactly as I had put it and had a huge amount of actually support from large parts of the media.
3 And then it became treated as though it was a moral crusade, with a great degree of hurt to many people, the publicity for whose misdemeanours were accelerated because it was tied to the alleged hypocrisy of a government trying to get back to basics, and it was a totally false position from the start, and anybody who had gone back to the source of what I had said would have known that it was false.
4 MR JAY: Wasn't it in part, though, the fault of a Mr Tim Collins, who was either special adviser or press officer, who agreed that it was a return to a government trying to get back to basics, and it was because it was tied to the alleged hypocrisy of the Prime Minister, not the government itself, had actually incorporated in that were some proposals on cross-media ownership, and there was a limitation, if I remember correctly, written into the bill that papers that had over 20 per cent of circulation should be restricted to 20 per cent of terrestrial television, by which we meant at the time ITV and Channel 5, and that was actually incorporated in the legislation, and I should have included it in my evidence and I did not.
5 Q. Did anybody lobby against that, to your recollection? I mean, from the media.
6 A. I don't recall so. I mean, in terms of expressing their views in the paper, yes. By lobby, you mean directly to me? No. Did they make their views known to ministers? I'm sure that they did, and there was certainly a good deal written about it in editorials and elsewhere, perfectly properly. I think there's no objection to that. It was going to affect some people and it's perfectly proper of them to make their views known, but there was no backstage lobbying of which I'm aware.

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1 the media this thought that was the case, they might have put that point to me at some stage. They didn't.
2 Q. May I move forward, please, Sir John, to paragraph 56, which is page 08453.
3 A. Yes.
4 Q. This is the point that you wished to develop --
5 A. Yes.
6 Q. -- and I think bring in the Broadcasting Act of 1996, which, of course, is quite a complex provision. Can I ask you to expand on that?
7 LORD JUSTICE LEVESON: Do you want to do that now, Mr Jay?
8 MR JAY: We can pause.
9 LORD JUSTICE LEVESON: We have a break for the shorthand writer, Sir John, so rather than embark upon a complex issue, let's take that break now. Thank you.
10 (11.13 am) (A short break)
11 (11.22 am)
12 MR JAY: Sir John, we're on the Broadcasting Act of 1996, which does deal, as you rightly say, with cross-media ownership. Could you tell us, please, about that?
13 A. In my evidence, I said in paragraph 56 that I didn't recall any policy discussions during my period in office concerning cross-media ownership. I should add: I wrote most of my evidence travelling in Singapore, Japan,
14

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1 paragraph 57, you set out your current view of these matters and you do propose two prescriptions. Can I ask you, please, to deal with those?
2 A. Well, I think it's very desirable that there should be a plurality of the media. I think the media is so influential in so many ways, particularly in the way it impacts upon public opinion and the democratic system, that there needs to be a proper plurality of it, and so I do take the view that Parliament should set a limit on the percentage of the written press and the percentage of the electronic media that can be under the ownership of either one individual or one company.
3 And I think collectively they also need to take a view -- Parliament needs to take a view on the sum total of cross-media ownership, by which I mean media ownership of all the different media outlets. There should be a limit beyond which, in the interests of plurality, no individual or single company should be permitted to go.
4 Now, it's very difficult to set that limit, because what one does not want to do is to, in the interests of plurality, set the limit so low that you actually inhibit the capital necessary to make sure that the media continues so develop, and so my instinct has always been that the cross-media limit should be in the

13 (Pages 49 to 52)
15 to 20 per cent bracket. But I freely confess that
that is an instinct. Parliament would need to look at
it much closer than that, and I think Parliament should
reach a view, and it may be a quite different view from
the one I have set out here, and I would be perfectly
happy with that. But I think we do need to have some
clear indication of what the limit is to ensure that
there are a collective number of voices representing
media opinion.

Q. Is your 15 to 20 per cent related to (a) or (b) of
paragraph 57, Sir John?
A. I think it's related to both of them. 20 per cent of
the press and 20 per cent collectively -- the whole of
the media, press, electronic, is a much bigger element,
so 20 per cent of the larger element, and individual
20 per cents of the smaller elements. But I put that
down as a dipstick sample. I don't put that down as
a finely wrought conclusion after a lot of examination.
The media has changed an awful lot since I was in
government, and I freely confess I may be well out of
date with some of the things that are happening within
the media. So I put that down as an instinct, as an
illustration, but I think it's really for Parliament to
look at and make a judgment in the light of modern
circumstances.

Q. Thank you. May I move to a wholly different topic now,
paragraph 60 of your statement, at the bottom of 0845,
where you deal with some examples of personal intrusion
over the years.
A. Mm.
Q. Can I ask you, please, to tell us about those? We can
probably take (a) as read, the unsuccessful attempts to
access your bank accounts. If I may say so, you're not
the only one. We heard yesterday some evidence about
that.
A. It wouldn't have been very exciting if they'd gone
there.
Q. But the other examples on that page. Can I ask you to
tell us about those?
A. Yes.
Q. On one occasion, my office received a telephone call
that purported to be from the Accident & Emergency
department of a hospital, and the caller explained that
my son's then girlfriend had been involved in an
accident and that emergency surgery was necessary but
before this could be carried out, it was necessary to
know whether or not she was pregnant.
We made a pretty routine check pretty quickly and
the girl concerned was working happily in her office at
a meeting, and for the record, she was not pregnant. So
that was an illustration of what was tried.
On another occasion, my son was followed -- then
a very young man, was followed repeatedly by an
individual on a motorbike with a long piece of equipment
attached to his motorbike. This was at a time when
concern about the IRA was a good deal higher than it is
now and he, like the children of many senior
politicians, had been given instructions on what to do.
Seeing that he was being followed repeatedly, he
veered off his route, he stopped off to get petrol, he
stopped to have a coffee, and every time it happened, he
got back in his car and he was followed.
Eventually, when he realised this wasn't a casual
accident after the first couple of times and it was
happening regularly, he phoned the Cambridgeshire Armed
Response Unit, who flagged over the motorbike and it
turned out that the motorcycle rider was a photographer
from the News of the World, the equipment that he
thought was a rifle or gun was a long range telephoto
lens, and the motorcyclist had been instructed to follow
my son day and night until he got a story. That is
a further illustration.
A. A more mundane one --

LORD JUSTICE LEVESON: How old was your son then?
A. My son was 20.
| 1 | the photograph as it originally was, alongside the photograph that they printed, and explain to their readers why they had done that. And if I think that happened once or twice, then the newspapers would stop doing it. It doesn’t involve hefty fines, it doesn’t infringe the freedom of the press, but it actually stops deceiving their readers and is as good as an apology to the person who’s been affronted. So I think it’s perfectly simply. They should be instructed by whatever body replaces the PCC to print the photograph as it was, on the same page, in the same position, alongside the photograph that they printed, with an explanation of why they did it. |
| 2 | Q. You passed over point (b), Sir John, which is a conversation your wife had with -- |
| 3 | A. Oh yes. We arrived for a family holiday in Portugal, and when we arrived there, we learned from the maid, who didn’t speak English, but we learned via a sort of broken conversation with an interpreter that the Sun newspaper had arrived before we did and either talked or bribed their way into the holiday home, re-arranged the furniture, took photographs and published a story. They subsequently printed a story with the photographs, the detail of which I can no longer remember. |
| 4 | My wife, who is fairly tolerant of these things, was having excessive influence over editorial lines, and we |
| 5 | not at all tolerant when it comes to dealing with our children and our family life, and she phoned up the editor, Mr McKenzie, to ask for an explanation, and during the course of the conversation was told by Mr McKenzie that she and I had, I quote, "no right to any privacy". After further exchanges, I believe he hung up on her. |
| 6 | Q. Thank you. Paragraph 61 now, Sir John. We were referring there, in our request of you, to conversations you had, I think, with Mr Mullin MP, which were noted in his diaries. In one of these, on 5 December 2000, you were recorded as having said that you were provoked by the continual attacks on you by the Murdoch press and in the Telegraph. You set out in paragraph 61 your recollection of that conversation, but more importantly, your view of Mr Murdoch generally. Can I ask you, please, to address that? |
| 7 | A. Well, I don't remember the conversation with Chris Mullin, but he's a pretty honest guy and what he writes that I said sounds very much to me as though I might have said it to him. Although he sat the other side of the political fence, he was something of a distant friend. I don't mean a friend in the sense that he stayed at my house, but he had a puritanical cast of mind which I rather admired, so I did talk to Mr Mullin. I think it's entirely likely that I said what he reports me saying. I'm sorry he reported it, it was a private conversation, but I think it is probably entirely accurate. |
| 8 | As to my view of Mr Murdoch, I was not an especial admirer of Mr Murdoch's activities as a proprietor. I did recognise his enormous skill as a businessman, that he'd built up Sky, that he'd rescued the Times and the Sunday Times when they'd possibly faced a very bleak future, that his Sky channel offered a very diverse -- a variety of very high quality programmes. I think their sports programmes and their wildlife programmes are very high quality, and so is a good deal of their political coverage. So I recognise that. |
| 9 | I wasn't an admirer of many of the things Mr Murdoch did but I think my criticism of Mr Murdoch should be set against my acknowledgment that in that respect, his saving those newspapers and setting up that alternative television channel was a very substantial contribution to our national life. |
| 10 | Q. In terms of the aspects of his activities as a proprietor which you did not admire, we can see at least one of them from paragraph 64. You refer to him having excessive influence over editorial lines, and we |
| 11 | understand that. Are there any other aspects which you would throw into the mix? |
| 12 | A. I think the principal concern I would have is I do think parts of his press -- and I do not enter this charge against all elements of his press -- I think parts of his media empire have lowered the general quality of the British media. I think that is a loss. I think it is evident which newspaper I'm referring to. I think they have lowered the tone. I think the interaction that there has been with politicians has done no good either to the press or to the politicians. |
| 13 | I think the sheer scale of the influence he is believed to have, whether he exercises it or not, is an unattractive facet in British national life, and it does seem to me an oddity that in a nation which prides itself on one man, one vote, we should have one man who can't vote with a large collection of newspapers and a large share of the electronic media outlet. |
| 14 | I don't think you could or should, in a sort of diverse world in which we live, actually do anything about that, but it does strike me as slightly odd that that actually is the position. |
| 15 | Q. Thank you. The matters you cover in paragraphs 65 to 71 |
| 16 | Page 58 |
| 17 | Page 59 |
| 18 | Page 60 |
relevant to the future. It's 08460, Mr Mullin's reference in his diaries to your suggestion that a two-party alliance would be necessary to deal with the influence of Mr Murdoch on British politics:

"... is certainly something I believed to be true."
You knew you had no hope of securing such a consensus with Mr Blair and so could not realistically pursue this option. But putting aside the past now, Sir John, is this something which you think is still necessary, looking forward?

A. I think it's probably necessary and certainly desirable. I have no idea what this Inquiry will recommend, but if it makes recommendations that require action, then I think it is infinitely more likely that that action will be carried into legislation if it has the support of the major parties. If it does not, if one party breaks off and decides it's going to seek future favour with powerful proprietors and press barons by opposing it, then it will be very difficult for it to be carried into law, and I think that is something that is very important.

So I think there is an especial responsibility on the leaders of the three major parties. 20-odd years ago -- 23 years ago, I think -- a senior minister said the press were drinking in the last-chance saloon.

I think on this occasion it's the politicians who are in the last-chance saloon. If, at the end of this Inquiry, with the recommendations that may be made -- and I don't seek to forecast what they may be, but if the recommendations that are made are not enacted and nothing is done, it is difficult to see how this matter could be returned to in any reasonable period of time, and those parts of the press which have behaved badly will continue to behave badly and put at a disadvantage those parts of the press that do not behave badly.

I reiterate: I think the underlying purpose is to eliminate the bad behaviour and bring the bad up to the level of the good, and the bad is just a cancer in the journalistic body. It isn't the journalistic body as a whole. And I think in the interests of the best form of journalism, it is important that whatever is recommended is taken seriously by Parliament, and it is infinitely more likely to be enacted if neither of the major parties decides to play partisan short-term party politics with it by seeking to court the favour of an important media baron who may not like what is proposed.

So I think what I said to Mr Mullin many years ago, that a two-party consensus is necessary, remains, in my view, the case.

Q. We'll come to the future towards the end of your evidence, Sir John, but may I deal with a separate chapter, if I can put it in those terms, and that's the Calcutt report issue, which you take up first of all at paragraph 72 of your statement.

A. Yes.

Q. Can we seek to set the background in this way: that the first Calcutt report was dated June 1990, which was four or five months before you became Prime Minister, and as you say, it recommended that the Press Council be replaced by the PCC but there be an 18-month period to demonstrate that non-statutory and self-regulation could be made to work effectively. The PCC was set up on 1 January 1991 and Calcutt 2 reported in January 1993. Can I go then to paragraph 76, which is Calcutt 2, and the overall assessment was that it was not an effective regulator of the press, it did not hold the balance fairly between the press and the individual, et cetera. It was a damning assessment of the PCC with which you agreed.

To what extent, though, Sir John, was this an issue which you left with your responsible Secretary of State, who was then the Secretary of State for national heritage, and to what extent did you, as it were, acquire direct ownership of the issue?

A. Well, I didn't acquire direct ownership of the issue, certainly not. It was one of 20 or 30 -- there are 30 to 40 issues a day that cross a Prime Minister's desk. The fact of the matter is he or she can almost never have direct ownership of an issue. It has to be subcontracted to the appropriate Secretary of State and the appropriate Cabinet Committee, and that is what happened with the Calcutt report.

I think my view that the Calcutt report was necessary was well-known and understood and was the subject of correspondence, but the day-to-day detail of examination, of what is a very complex matter -- it is not nearly as simple as it looks, as we found out, dealing with Calcutt, to actually address these particular problems, but it was predominantly in the hands of the Secretary of State, although when things were snarled up, they were reported back to me and I became sucked in, in terms of expressing an opinion and inviting people to go back and look at something again or recognising that it wouldn't work.

But largely, it was subcontracted.

Q. The initial response of government -- and you refer to this in paragraph 78 -- was to accept the Calcutt 2 recommendations in relation to new criminal offences and also that further consideration be given to the introduction of a new tort of infringements of privacy;
is that right?

A. That's correct.

Q. Can I ask you, though, about paragraph 79. You say: "Although the government agreed that the PCC had shown itself to be an ineffective regulator of the press, it stated from the outset that it was extremely reluctant, on grounds of principle, to go down the statutory tribunal route without further reflection."

Now, what were the grounds of principle which were bearing on this issue?

A. Well, the grounds of principle we had in mind was the freedom of the press to comment. That was why we regarded the idea of a statutory tribunal as very much a very last resort and something that were not at the time attracted to.

There is a very difficult balance to be kept that I think has become crystallised between early 1990s, when we looked at Calcutt 2, and today. There is the extremely important principle of the freedom of the press. Government cannot/should not dictate to the press what it should print. That is off the scale, not possible, and certainly not desirable. I don't know of any politician who would contemplate doing that.

But what we are seeing is that there are counterbalancing requirements. One is the freedom of

the press. The other actually is the liberty of the individual who may have been maligned by the press.

You invited me a moment ago to set out some of the relatively trivial things that had happened to my family over the years. Well, there are many others who have given evidence to this Inquiry, or have not, who could cite far worse illustrations than that, and it isn't practical to say they can always go to law against the long pockets of the proprietors. It isn't practical. And in fact, without a privacy law, many of the elements of problems that they faced are simply not credible to take to court.

So when we talk of the freedom of the press, with which I agree, we do have to balance it with the rights of the individual, and when we come to what I propose, that is where I have made an attempt to do so, but I think at an early stage that balance needs to be recognised. Freedom of the press by all means, but do not forget the liberty of the individual. Freedom of the press must not mean a licence for the press to do whatever it wishes without let or hindrance.

Q. I think the thinking in 1993 was that a statutory tribunal route, on grounds of principle, might impinge on the freedom of the press in an unacceptable way. Is that the gist of that sentence?

A. I think that was the concern, yes.

Q. Do you feel that it was a valid concern then, regardless of the fact that your position now may be different?

A. It's interesting when you talk to people about freedom of the press. They actually have more than one thing in mind. When some people talk about freedom of the press, they actually have in their mind the fear that the government would actually regulate the content of what the press would publish. Wholly unacceptable. Other people take a lesser view of what the freedom of the press might mean.

I think the press should be free to comment in any way it wishes on whatever it wishes at any time it wishes, but I do think there must then be in place a credible mechanism to hold them responsible for what they have printed to ensure that irresponsibility and unfairness does not then creep into the reporting with a belief that they are immune from responsibility for what they say and do.

Q. Taking the chronology forward in 1993, in paragraph 80, you remain us that the National Heritage Select Committee on privacy and media intrusion reported on 23 March 1993. It rejected the Calcutt recommendation for a statutory tribunal but recommended a statutory press ombudsman might be set up, but also recommended
became apparent in the deliberations of the Cabinet subcommittee was that there was a very substantial philosophical difference within the Conservative Party, within ministers, as to the desirability of a tort of privacy. Some thought it would be very difficult to frame and might only be unfairly framed, and that would be unfair on the media. Others thought it would provoke such hostility that it would dwarf everything else that the government were doing. To that extent, some of them were very wary. Others were simply philosophically unsure that it was the right time and right place to actually go down that route. So people fell into quite different groups about the tort. There were several different reasons why people were opposed to it. Curiously, some of the lawyers were much more attracted to a tort of privacy than to the criminal offences. Our information was that the press were not relaxed but not very concerned about the risk of the criminal offences for things like intrusion, but they were very concerned about the tort of privacy, presumably because it could bring a huge raft of civil actions against them on a regular basis. I asked the then Secretary of State why he felt that you already had a range of --

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LORD JUSTICE LEVESON: The risk is that the balance then gets out of kilter. A. It does push the balance out of kilter. The balance then is out of kilter. It is exactly why I regarded it as important, if action is taken, that there is a two-party consensus at least, and a three-party consensus. So although they should not have known that and probably did not know that, they did have a number of people who took the same view inside the subcommittee dealing with the Calcutt recommendations.

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A. Yes. In that case, I think he and I would be in agreement about that. Certainly there was a universality of opposition to the tort in particular and it was a universality of opposition that we thought would spill out beyond opposition to that into opposition on wider areas of policy as well. The government, in effect, would become tainted. I think some colleagues felt that and there would be a general opposition to what the government were doing, not just an opposition focused on that particular piece of legislation and that particular provision. That was the concern that some colleagues had.

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A. Here we were talking about something that directly affected the press, and it was for that reason I think that it was potentially likely to be so serious. I think there are many occasions where you follow policies that the press don't like --

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LORD JUSTICE LEVESON: Yes, I think Mr Blair was also talking about policies that directly affected the press.

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A. It wasn't the factor. It was probably a factor with some of our colleagues but it's very difficult to know what is in someone's mind. You know what comes out of their mouth, but what the motivating force is that causes it to come out of their mouth is not clear. It may be an instinctive philosophical view of their own or they may have been influenced by what they have read. I can't judge that; I simply observe that there were a number of colleagues who argued the same case as the press in the subcommittee.

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<td>consensus if possible. Something may be right, but it may not be possible to enact. One of the reasons -- the principal reason, at the end of the day -- not the only reason, but the principal reason, at the end of the day, why we were unable to enact Calcutt is that we could not have got it through the House of Commons. If you cannot get something through the House of Commons, you are powerless. That is the difference between -- a government with a large majority can force something through. A government with a small majority -- and in the 1990s, we had a small majority to start with and it shrank to a majority of one -- makes you very dependent upon the whims and fancies of a handful of Members of Parliament in your own party, quite apart from the opposition you can expect from parties other than your own. And so it isn't something -- in the real world of politics, the political position and whether you can carry something isn't something you can lightly brush aside. If you advance on doing it and you are defeated, then the government just looks weak and incapable of carrying its legislation, and the truth of the matter, it is, in the literal sense, weak, because it doesn't have the votes. That is always the problem with no majority, and we, at the time, had no workable majority.</td>
<td>That was aspirational, wasn't it? A. Very. Very aspirational. Q. And in events which happened, we know that the new statutory tort of privacy and the new criminal offences were not introduced, were they? A. They were not. They were not introduced. They were not introduced because of the philosophical differences. They were not introduced, at the end of the day, because there was concern among the lawyers within government as to the drafting of those particular clauses, and they were not introduced ultimately -- the ultimate reason nothing was done was that we simply could not have been certain of getting it through the House of Commons. There was sufficient opposition within Cabinet to be certain there would be a larger degree of opposition within the Parliamentary party, and since there was no credible way I could have relied on opposition parties to pass legislation like that, I simply did not have a majority to do it, so it couldn't be done. Q. Can I ask you, please, about the appointment of Lord Wakeham, which was on 1 January 1995, paragraph 91 of your statement. A. Yes. Q. Overall, do you think that that was a positive step in terms of what he was able to do over the time he was chair of the PCC? A. I think if you wanted someone who could guide the PCC to a better code of behaviour, it would have been difficult at the time to find anyone better than John Wakeham or more capable of being able to do it. Certainly he made some efforts to do it, but I think at the end John would concede there was more perhaps needed to be done than he was able to do. But it was perfectly credible to believe that he would achieve more than almost anyone in doing it. Q. You tell us the by-product of this, last sentence of paragraph 91, was that his appointment made it even less likely that Conservative Members of Parliament would support statutory regulation. A. Self-evidently. I mean, those who were at all queasy about it would then say, &quot;Look, here is one of our own, a very respected former Cabinet Minister who is actually chairing the PCC. Therefore, why don't we wait and see how well he gets on? Why rush ahead with legislation?&quot; So his appointment did have a material effect upon views in the Parliamentary party. Q. In terms of the development of the tort, or rather the explanation that was given to it, maybe if we just look at four documents quite briefly. The first is under tab 22, which is a minute that was written to you by the</td>
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A. I’m struggling to find it. I will find it in a second, I’m sure. (Pause) I have it.

Q. The package he was proposing, the second bullet point:
   “The White Paper should announce that the government
   has no plans to introduce a tort of invasion of privacy.
   I am not attracted to seeking (by presenting the tort as
   a continuing threat) to retain the rhetoric of the
   last-chance saloon. We shall not shot convince -- we
   shall simply appear indecisive.”
   By saying “we shall not convince”, who was he
   referring to would not be convinced?

   I don’t think it would have convinced ourselves, let
   alone anybody else.

Q. He elaborates on that, to be fair, on the next page, 03950, the second bullet point towards the top. He
   refers to “fierce resistance to the introduction of
   a new tort”. That would include resistance within the
   press itself, presumably, wouldn’t it?

A. Yes.

Q. And in the absence of legal aid -- you’ve touched on
   this point -- it would be seen as a measure which
   protected the rich and powerful.

A. It was a point that we were aware of all the time, that
   we were concerned about all the time. It wouldn’t have
   applied if there had been the capacity to offer legal
   aid to everybody. It wouldn’t have applied in that
   fashion, though it would have thrown up different
   problems about whether you’d get all sorts of frivolous
   claims.

LORD JUSTICE LEVESON: And also, why should you have legal
   aid for this if you didn’t get legal aid for other
   things? All sorts of issues.

A. Indeed, sir. It throws up all sorts of problems, and
   the Lord Chancellor, although he was amenable to some
   form of legal aid in limited circumstances, threw up all
   those problems and realised that it wasn’t practical to
   make it widespread.

MR JAY: The Secretary of State also makes it clear that
   he’d been engaged in detailed discussions with
   Lord Wakeham on this issue. This was just after,
   I think, Lord Wakeham had been appointed chair of the
   PCC. We can see in the middle of the page, the
   paragraph:
   “John [that’s Wakeham, not you] is very conscious of
   the need to persuade the public that self-regulation has
   teeth.”
   Possibly a somewhat forlorn aspiration as well,

   "The tort would be the wrong thing at the wrong
   time. Most importantly, it would mean a major row with
   the press."
   There’s reference to the Daily Mail piece which we
   have at 03968, which you probably don't need to turn up.
   You can imagine what it might say.
   “It’s a good indication of the strength of feeling.”
   So concerns about press reaction were part of the
   mix here, weren’t they?

A. Yes, they were. And more so than they normally would
   have been because it actually related to the press. It
   wasn’t a question of the press making a fuss about
   a policy that was distant from their natural
   self-interest. This was a policy that was very germane
to their natural self-interest, and I think that is why
   Stephen Dorrell has written as he had. It would have
   meant a major row but we knew that from the outset. We
   knew that when we started to go ahead. So that was
   a factor, but I do not believe in most people’s mind it
   was the factor which determined us not to be able to
   proceed.

Q. At the top of the next page, we can see Mr Dorrell’s
   thinking:
   “We must not exhaust all our armoury at once. Even
   given John Wakeham’s more robust approach, a future
A. The core of it was, the business managers were clear, we couldn't carry anything through Parliament, and at the time, I think we had a majority of -- I think our majority had fallen to single figures by then. So we were talking of a majority of nine and arguably the most contentious piece of legislation that anyone would have seen for quite a long time. So the business managers were robust in their view that we couldn't carry the legislation and that actually, at the end of the day in Parliament, is the end of the argument. It may not win the moral argument, it doesn't, but it's a very practical argument. If you can't do it -- if you don't have the votes, you can't do it.

Q. I think that takes the story as far as it need be taken.

A. Well, I do. I do feel that. I think many of the things that have happened subsequently that have led to this Inquiry may not have happened if we had been able to enact, and I think in the interest of the good majority of the press, the press wouldn't have fallen into the disrepute in which the criminal activities have laid it. If these changes had been made, I don't think many of the things that subsequently happened would have happened. So in that sense it was a missed opportunity.

But it was a missed opportunity that was unavoidable. It wasn't a missed opportunity just because we shirked it. It was a missed opportunity because we couldn't do it. It's the votes point again. We did not have the votes to do it. In addition to that, of course, there were the general philosophical differences and the problems of drafting. But the underlying problem -- cut away all the extraneous stuff; we couldn't have carried it through Parliament. So it was a missed opportunity, but it wasn't one, in the event, that could have been taken.

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But it was a missed opportunity that was unavoidable. It wasn't a missed opportunity just because we shirked it. It was a missed opportunity because we couldn't do it. It's the votes point again. We did not have the votes to do it. In addition to that, of course, there were the general philosophical differences and the problems of drafting. But the underlying problem -- cut away all the extraneous stuff; we couldn't have carried it through Parliament. So it was a missed opportunity, but it wasn't one, in the event, that could have been taken.

A. The core of it was, the business managers were clear, we couldn't carry anything through Parliament, and at the time, I think we had a majority of -- I think our majority had fallen to single figures by then. So we were talking of a majority of nine and arguably the most contentious piece of legislation that anyone would have seen for quite a long time. So the business managers were robust in their view that we couldn't carry the legislation and that actually, at the end of the day in Parliament, is the end of the argument. It may not win the moral argument, it doesn't, but it's a very practical argument. If you can't do it -- if you don't have the votes, you can't do it.

A. Well, I do. I do feel that. I think many of the things that have happened subsequently that have led to this Inquiry may not have happened if we had been able to enact, and I think in the interest of the good majority of the press, the press wouldn't have fallen into the disrepute in which the criminal activities have laid it. If these changes had been made, I don't think many of the things that subsequently happened would have happened. So in that sense it was a missed opportunity.

But it was a missed opportunity that was unavoidable. It wasn't a missed opportunity just because we shirked it. It was a missed opportunity because we couldn't do it. It's the votes point again. We did not have the votes to do it. In addition to that, of course, there were the general philosophical differences and the problems of drafting. But the underlying problem -- cut away all the extraneous stuff; we couldn't have carried it through Parliament. So it was a missed opportunity, but it wasn't one, in the event, that could have been taken.
I remember even a couple of years later getting memos from my then press secretary saying if we were robust, there's a big public opinion out there that would support us. So I think public opinion was supportive. By the time we went out to consultation on the tort, public opinion was beginning to shift and the responses to the consultation document put out by the Lord Chancellor and the Secretary of State for Scotland, I believe, on the tort produced a response that was very mixed. And yet you would have thought the tort was the thing of most interest to the public at large, and yet they split almost in three ways in terms of being in favour of it or not in favour of it.

Now, whether that was simply that press malpractice wasn't at the forefront of their mind at the time, whether it was because by then they were reading in the press of the perils and evils of what the government proposed to do or whether they had sat back and reflected and thought, "Well, I don't think this is a route down which we should go", I cannot know, but I do know that the public mood had changed between 1992/3 and 1995/6, to a much more equable position than I had been the case the moment Calcutt was published.

They would want the freedom of the press and they would also want protection against those sort of activities, and that, if I may say so, is the difficult balance that needs to be kept in terms of how one goes ahead and deals with this particular problem.

I think you err on the side of the minimum amount of direction and control but I don't think it is credible any longer for the phrase "the freedom of the press" to be interpreted as though it were a licence to do anything. I think there is a need to offer some protection in the interests of the liberty of the individual, and the extremely difficult balancing trick will be to find out exactly what can be done and finding a way in which you can frame that that genuinely does not harm legitimate investigative reporting. There is a genuine argument to be had there and I don't pretend for one second that it is clearcut or easy to find a way through that.

Q. Before we come to the future, though, and your developed thoughts at paragraph 41 and following of your first statement, can I just ask you, please, to deal with your second statement, which is under tab 12. It starts at page 14266. You draw to our attention at SJ M11 a letter you wrote, I think, to Lord O'Donnell on 30 June 2008; is that correct?

A. Yes, I think that was the date.

Q. It starts at 14269.

A. Yes, that's correct, that's correct.

Q. In your own words, please, why did you write this letter?

A. There had been a number of occasions, two of which I mentioned in this letter, when I think there had been briefing from people close either to the then chancellor or to the Prime Minister that were totally dishonest and untrue and potentially damaging. The first of them was in 2005, when I got off a plane from overseas to find banner headlines saying that Norman Lamont and I were blocking the publication of papers relating to Black Wednesday. It was utterly and totally untrue. Nobody had asked us to release papers on Black Wednesday and had we been asked, since the papers showed a much better situation than many people had reported, we would have been quite in favour of it.

It was said for years that we lost 16 billion on Black Wednesday. Actually, the answer is it wasn't even a fraction -- it was a tiny fraction of that. So we had no reason to object to the publication of those papers. But for reasons of their own, the then chancellor's advisers had briefed the press that that's what we were doing. Both Mr Lamont and I were very angry and we
1. complained at that time. We put out a statement immediately and we complained at that time to the Cabinet Secretary.

2. Then immediately prior to the letter, there were stories put about that the reason Mr Mugabe had not had his knighthood withdrawn was because of representations from me saying Mr Mugabe's knighthood should not be withdrawn, and not only that but I had entered into some fierce row with David Cameron about it. Utterly and totally untrue.

3. On this occasion, we were given by -- my office was given, by a reporter, the name of the person who had rung around and spread that particular story, and it was one of the advisers working for the then Prime Minister, and it was on that occasion that I wrote to the Prime Minister, making it absolutely clear to him that if anything of this sort happened again in the future, I would go public immediately and I would name the adviser concerned and I would take the matter further, and that is the letter that you have from me to Gus O'Donnell dated 31 June.

4. I regarded the behaviour that Norman Lamont and I, in the first instance, and me in the second, had suffered as being absolutely dishonest and dishonourable, and I suppose we're big enough to take it.

5. It was blatantly untrue. It was a fiction from start to finish, pedalled for whatever reason. I can only make a judgment as to what the reason might be.

6. Q. Thank you. May we go back to paragraph 41 of your statement, where you do address the future. It's our page 08446.

7. A. Yes.

8. Q. Your starting point is the PCC is no longer a credible regulatory body. It does not and would not command confidence. Was it ever really a regulator, in your view?

9. A. I don't think so, in any real sense. I think the second Calcutt report summed up what it was very eloquently and dismissively. I don't think it was ever a credible regulator, nor would be, if reconstituted.

10. Q. At paragraph 43, you've already made the points you've addressed in paragraph 42. You recommend five options. Can you take us through those, please?

11. A. Certainly. I think in terms of -- the purpose of this is not to be punitive to the press but to stop malpractice. That is the purpose, I think, that we are engaged in. I think if people produce an article that is blatantly wrong and an independent body determines it is blatantly wrong, I think rather than going in for large damages or reparation, an apology in a position of equal prominence to the original article would be appropriate. I think any body established should be in a position to insist on that with the press.

12. Q. Secondly, there might be occasions for a nominal cash payment to the aggrieved party, but I do not favour large sums of compensation, provided a credible apology is offered in a credible position in the newspapers.

13. A. Yes.

14. Q. At paragraph 43, you've already made the points you've addressed in paragraph 42. You recommend five options. Can you take us through those, please?

15. A. The Cabinet Secretary said he would take it up with the Prime Minister.

16. Q. And that's where it was left, was it?

17. A. That is where it was left.

18. Actually, I'm re-reading my letter, and actually my office, not me -- my office learned from two entirely independent sources the identity of the spokesman concerned who had spread the rumour, which had caused some confusion in Mr Cameron's office because it was untrue, and a considerable amount of confusion and annoyance in my office because it was utterly and blatantly untrue. It was a fiction from start to finish, pedalled for whatever reason. I can only make a judgment as to what the reason might be.

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26. A. Yes.
1 newspapers who had behaved properly. These are all
2 below-the-line options I think should be considered.
3 The other option I think should be considered is
4 making proprietors and editors personally liable for the
5 content of what appears in their titles. That may
6 appear severe, but I would like to make a general point
7 about that.
8 We only have this Inquiry because proprietors and
9 editors have not instructed their reporters to behave in
10 a way which 99 per cent of our public would require as
11 proper. If Mr Murdoch, Mr Black, Lord Rothermere and
12 the others had said at some stage: "You will not hack
13 phones, you will not use long lens cameras, you will not
14 pursue children on motorbikes, you will not do ..." all
15 the things that this Inquiry has heard that have been
16 wrong -- if they had set out to their reporters that
17 they shall not do that, we would have had no need
18 whatsoever for this Inquiry and no need for any
19 discussion about sanctions of any sort, let alone
20 statutory bodies.
21 The only reason we have this discussion and we have
22 this Inquiry is because proprietors and, to a lesser
23 extent editors, have failed in their duty to hand that
24 responsibility down to their reporters. The reporters
25 operate within a culture, it seems to me. They have to

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| provide stories or they're in difficulties. The way in
1 which they've obtained their stories -- I find it very
difficult to accept, as a lay onlooker, that editors and
proprietors do not know how their reporters obtain
stories. I find it very difficult to accept that when
1 they get cash expenses of a significant size because
2 they paid for something that they don't ask, "What
3 that's from? What's that for?" It defies credibility
4 that they actually don't know what is happening, and
5 I think the "I had no idea what was going on below me"
6 argument is one that I find extremely difficult to
7 accept.
8 And since they could set a climate simply by sending
9 an instruction out to their reporters, I think to
10 encourage them to do that, I think the prospect of
11 reporting in their titles is something that might
12 encourage better behaviour.
13 A defence to that? I think a perfect defence to
14 that would be clear written instructions from the
15 proprietor or the editor as to the things that are
16 unsavoury that their reporters should not do. If their
17 reporters are in receipt of written instructions to that
18 effect, then I would argue that in any legislation that
19 should be a classic defence on behalf of the proprietor

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| trying to put one of the propositions that has indeed
1 been advanced to the Inquiry, where I've been given
2 comprehensive employment records which make it
3 abundantly clear that journalists must behave in this
4 way or that way and they mustn't do the other.
5 A. The plain fact of the matter is if one or two
6 journalists misbehaved and lost their jobs, others
7 wouldn't misbehave. It is in the hands of the employer
8 to make sure things are done properly in the media, as
9 it is in every other business and every other part of
10 life. It can be done. People at the top cannot just
11 wash their hands in Pontius Pilate fashion of what has
12 been done in their name.
13 There is a culture of getting stories. If that
14 culture leads to wrongdoing, then the culture needs to
15 be looked at and the culture needs to be changed and it
16 can be changed by the people at the top. Whether my
17 prescriptions are right or wrong -- I'm entirely
18 prepared to believe that they may be wholly misguided or
19 wrong, but I don't think the fundamental point is wrong:
20 that it lies in the hands of those who own and control
21 and run the newspapers to ensure that they do not
22 infringe the individual legitimate liberties of the
23 citizen. And then one has to find a balance between
24 legitimate investigative journalism and the sort of

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malpractice that this Inquiry has heard of so often.

Not easy, but I think necessary.


A. Yes.

Q. You say:

"The state cannot regulate the content of the media
or press, but I do not see why it cannot frame a law to
back up a credible system to hold the media to account."

So are you saying there the existence of a statutory
architecture or underpinning would not impinge on the
first principle, which is the state cannot regulate the
content of the --

A. What I'm suggesting is there ought to be a statutory
enforcement mechanism, rather than a voluntary
enforcement mechanism, but that the code of practice
that would call this statutory body into being ought to
be voluntarily agreed with the press. I think it would
be possible to agree proper behaviour with the press.
I would like the body that has a responsibility for
enforcement to agree with the press what is proper and
what is not. It may not achieve all we would like but
it is better to do that on a voluntary basis than to
have to do it in statutory fashion, which I would be
disinclined to do. I think we should try and do it on a
voluntary basis, but once that has happened, the

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... of this Inquiry it is very important that we finally put
this subject to bed and we put it to bed by having
a system that is acceptable. If nothing happens at the
end of this Inquiry, if Parliament is unable to reach
a conclusion and nothing happens, then I'm not entirely
sure of the signal that sends out. I don't know how
fair that is to the honest and honourable majority of
the press, who lose out because they don't often have
salacious stories because they don't go out and get them
in the way the less respectable press do. So I think we
need to curb the worst to protect the best, and I think
that is what I hope will be the outcome of this Inquiry
in due course.

LORD JUSTICE LEVESON: Sir John, could I just pick up one of
the points you made, and then make an offer to you.
One of the examples you gave concerned the way in
which the framework agreement had been leaked and then
reported in the Times. You were understandably critical
of the way in which it had been presented in the Times,
given the concerns that you, through your offices, had
expressed and the risks that would thereby be run to the
peace process. I understand that entirely, but I'm not
quite sure how one would fit some mechanism for redress
into that, while entirely respecting the ultimate
freedom of the press, which sometimes may indeed include...
a freedom to behave irresponsibly.

A. You can't. I was very disappointed, but I don't think you can. At the end of the day, much of what is printed -- when it actually infringes direct liberties of individuals, you can have criminal actions or whatever, but on something like that, I don't think you can. You rely on the personal standards of the editor and of the newspaper concerned, and sometimes they will take a different judgment from you and print, as they did on this occasion. I think it was wholly wrong. They probably think it was wholly right because they thought the policy was misguided.

I was worried because I had seen, in a very direct fashion, what happened as a result of there being no successful peace process in terms of the people who were being killed on a regular basis, so I felt very, very strongly about that particular issue. But I don't think there is a legislative way you can cope with it and I wouldn't suggest there is.

LORD JUSTICE LEVESON: I didn't think so --

A. It depends ultimately upon the judgment and standards of the individual newspaper.

LORD JUSTICE LEVESON: I didn't think so, but I felt I wanted to give you the opportunity just to elaborate your thinking on that.
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