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(9.36 am)

THE COMPETITIVE PRESSURES ON THE PRESS AND THE IMPACT ON JOURNALISM

INTRODUCTION

LORD JUSTICE LEVERSON: Good morning. On 28 July, when I first spoke publicly about this Inquiry, I explained that I intended to hold a series of seminars so that there could be a very early focus on the perspective of all those involved.

I said that the seminars would include the practice and pressures of journalism both from the broad sheet, mid-market and tabloid perspectives, the ethics of journalism and the issues of regulation.

I also made it clear that all these issues had to be considered in the context of supporting the integrity, freedom and independence of the press, while at the same time ensuring the highest ethical and professional standards. Plus the seminar this morning is entitled "The competitive pressures on the press and the impact on journalism", and the seminar this afternoon "The rights and responsibilities of the press". For each, there are speakers who will open up the issues from

different perspectives but then leave plenty of opportunity for others to take part and I hope that those in the audience will take part.

The purpose of the seminars is two-fold. First, I am keen to ensure that, from the outset, the Inquiry concentrates on the principal issues, and I hope that this process will begin the process of distilling those issues.

Those who have been called to provide evidence need not be concerned about speaking today. I will not be using the words used in this seminar or, indeed, in any of the seminars, to examine their considered evidence at any hearing of the Inquiry.

Second, and just as important, the seminars are intended to start a debate, which I hope will not only include those who have attended today, but extend to all who are interested in the subject and who are prepared to offer their views. This seminar and the further seminar next week will be placed on the website for the Inquiry, and we will also publish a summary. I invite anyone, journalist, academic, member of the public, who wishes to write to the Inquiry with evidence or opinion as to the possible ways forward to do so. If I consider it appropriate, I may then invite one or more to give evidence.

I add only this: the seminars will form part of the record of the Inquiry and formal evidence will be taken on oath when we to move that stage. Because today is only intended to set the scene, I shall not take part, although I will listen with interest throughout.

It only remains for me to thank those who have agreed to speak and also all of you who have attended and will take part for agreeing to ventilate your views in this public forum and so spark off the debate.

I hope everybody finds today of interest.

Thank you very much.

DAVID BELL: Thank you very much, Lord Justice Leveson, and thank you very much to everybody. I don't think a gathering like this has ever happened before and it's very great to see such a broad range of people here and we are very, very pleased.

I want to introduce myself very briefly. My name is David Bell. I have an unusual background. I was trained as a journalist on the Oxford Mail and worked for quite a long time as a journalist on the FT, before going to the commercial side of the paper eventually ending up as Chief Executive and then Chairman.

Our details are all in the pieces of paper which I think everybody has and with me are two of our other assessors, Elinor Goodman and George Jones. I don't

think any of them need introduction to anybody and the details are all on your pack, so I think that's really great. They're going to take part with me in chairing the discussion that we really want to have when the three presentations are finished.

A little bit of housekeeping. As the judge said, this whole event is being recorded and will be up on the website as quickly as we can get it on to the website. The broadcast networks will also have full access to what is happening today and there will be a transcript afterwards. We have coffee at 11 o'clock and we'll finish this session of the seminar at 1 o'clock for lunch.

As the judge said, what we really want to do is to have a wide array of contributions to the topics that we're going to be discussing. The more debate, the more intervention the better because we want this to be as broad and as representative as it possibly can be.

So this morning's session is on the competitive pressures on the press and their impact on journalists. We have three short presentations which are going to go one after the other and then we're going to have time then to pick up each of the issues that have been raised separately thereafter.

So we are going to start with Claire Enders who, as

you will see from your pack, has a very wide experience right across the whole media industry. Following her, Phil Hall, who has a long and distinguished record as editor in a variety of different places, then Richard Peppiatt, who will be talking from the point of view of a journalist at the sharp end, if you like.

Then, when they have finished, we are going to come back to each of the subjects.

Before the coffee we will focus on the economic pressures affecting all of us, then after the coffee the perspective of editors and of individual journalists.

Just to repeat what the judge said, we are very, very keen that anybody who feels they haven't had a chance to contribute today or would like to say more will write to us, there is a special part of the website waiting for these submissions so that we get the fullest possible contribution to the Inquiry.

Without any further ado, I would like to introduce Claire to make the first presentation. Thank you.

Presentation by CLAIRE ENDERS

CLAIRE ENDERS: Good morning. I'm going to talk you today about the competitive pressures of the press in relation to the economics of the press. How are we doing? Okay. I hope that's okay.

So first, my name is Claire Enders. I started

Enders Analysis in 1997 and this gives you some idea of the subjects that we cover, essentially disruptive effects of technology, and the entire media ecosystem in the UK, including Internet models, print, radio, TV, pay TV and search and a number of different network models, particularly fix line and mobile.

Our work is supported by over 150 organisations drawn from the financial sector, the Government, film and television and, indeed, we have listed on the left the companies in the press that support our work and which is a pretty comprehensive list. Now, I'm going to start with a view of the press in relation to other sectors.

Sorry, what's going on? (Pause)

So you can see that both TV and the Internet have grown well coming out of recession, that's not the case for the press. As you can see, the turnover of the press in 2010 was 8.2 billion, of which around 6 billion was the regional and national press and all forms of the press and the balance is magazines. To give you an idea of the extraordinary profusion of the press experience, around six and a half billion copies were sold or given away last year -- this is free newspapers and paid for newspapers -- and around a billion magazines, and so it is actually extraordinary that this mass profusion of

products, which is read by so many people in this country, is actually something that gives pleasure to so many and is such a significant industry.

That is also true of the fact that, actually, there is, in this country, a level of mediatisation, British people, on average, consume more media than any other people on the planet earth and, as a result, they are served by a very wide diversity of opinions and sources of news.

The fate of the newspapers in the digital age has been a varied one. On this slide, what I've shown is, really, the change in income from the hey-day of newspapers, which is roughly 2005, we're not absolutely the hey day, in terms of circulation, but certainly in terms of financial performance, that was a very good year and you can see that certain organisations have really suffered much more than others as a result of the digital transition, which I will cover in a following slide.

You can see that, in particular, the regional newspapers, Johnston Press, Trinity Mirror, Regional Division and North Click and ^ News Quest (?), have suffered from very, very significant falls in income, essentially £1 billion of classified was removed from the press industry from 2008 to the present and much of

that loss has been felt by the regional press.

In contrast, a number of the national newspapers have done very well, despite circulation falls. There has been a systematic increase in cover price, which consumers have weathered very well, and when you see the size of some of the newspapers, you can see that they give a lot of value for money for their price.

In particular, I would point you to the FT group, which is the great success story. Although, of course, it is a global brand, FT group also comprises 50 per cent of the Economist group which has grown its circulation very well, and the FT group operates a payroll strategy so it is not, as it were, subject to the fortunes of display advertising on-line, which is an extraordinary phenomenon but one which the newspapers have unfortunately not been able to take advantage of to any considerable degree.

So the composition of revenue is actually different according to whether the product is a quality national, a regional or a popular national. So you can see that copy sales revenue is extremely important in sustaining the quality nationals and the popular nationals, but display advertising and classified are the key areas for regionals and this is why the reduction in classified income has been such a factor of decline in the regional

press.

So the competition elements are much more acute since the take-up of the Internet by British people, and here on this slide you can see that I have actually set out the decline of circulation in four main periods, before Internet dial-up started, when the decline was very gentle, to the period after dial-up launched and before, actually "all you can eat" dial-up and then, subsequently, broadband was introduced. You can see that by 2005 the rate had accelerated a little bit but since 2005 the rate of decline has accelerated markedly and we are now in a further acceleration of decline, because smart phones have taken off to such a considerable degree that they are feeding a whole new appetite for on-line media.

This slide will actually give you and the Panel more details about the actual factors that have affected this but we've already covered them in the slide. So the (inaudible) compete for buyers through a high level of (inaudible) differentiation, really.

What we did here is we just picked a Monday and actually looked at each of the products within these different silos, in order to assess, really, how the content works. You can see that everybody is hitting all of the main points and you could say, well, actually

sports news and entertainment and lifestyle is news and that's actually true. I mean, the composition of the news agenda, what we call hard news and soft news, is something that everyone of the titles prosecutes differently and it does so in competition with enormous number of media.

This slide will actually show you that, on the left, all UK adults spent about 7 per cent of their leisure time reading print media, which includes magazines; and they are also very systematic TV viewers, which is the top medium; they also communicate with voice and SMS; the Internet takes about 22 per cent of the average leisure time of the Brit; radio 14 per cent; other audio, music about 5 per cent.

When you come to young people, of course, you see a very different picture. There, the TV is much less significant but voice and SMS and the Internet, above all, and the conversational elements of the Internet are about around 30 per cent of leisure time.

So you can see that, actually, the picture of the newspaper reader is a person aged 40 plus, who is actually politically active and very engaged with other media. The radio segment of all UK adults, that is comprised of things like Radio 4, and so on, so there is mass consumption of all kinds of different media in this

country, which I hope will convince you that this country is, in fact, the most mediatised nation.

But there are substantial shifts in the young and that is fed by a very, very large consumption of news and entertainment and other specialised sites on line.

As you can see here, we're looking at a situation where the amount of time spent and the number of unique users is simply just huge numbers, so I picked out the blue circle, that is 39 million UK unique users visited news and information sites in August and spent an average of 2 minutes 20 seconds per day. In contrast, someone who reads a newspaper will actually read that newspaper for around 40 minutes a day.

So the absorption rate and the differential, in terms of experiences, is very, very significant. People who are reading newspapers are reading words, they are not skimming, they're taking things in, and they also use a plethora of other sites and everybody in this country, pretty much, is actually engaged, at some level, in one or other on-line phenomenon, whether its search, or it's recruitment, or it's health, or -- the XXX is pornography -- conversational, which is the biggest segment, we've sized these two, the actual experience of people on a daily basis, conversational includes Facebook and all the other social networks.

Search and entertainment are also very, very big of the activity on-line.

So you can see that there is just a mass of highly differentiated offers on-line which are competing with traditional newspapers.

Now, the way that all media industries have confronted the digital age is with an effort to digitalise their offerings and to develop new business models and here we are showing a version of the adage coined in America, that analogue dollars become digital pennies. Actually, this is not an example of pennies, this is an example of relatively successful transitions on-line for very high quality papers that people will wish to subscribe to, because they are essential.

This is, in particular, the Wall Street Journal and the FT, are key business publications worldwide, and people subscribe to them on a global basis but, even so, you look at the quality daily, the amount of revenue that can be gained from copy sales and from advertising revenue, from the Times of £462 per reader, compared to the rather smaller £134 per reader of the Times on-line.

The FT on-line, which has a much higher revenue, does so because it is a very selective and highly priced audience and it is essentially rather small.

So what we see is that the paid for models have

really not been enough to save the industry from the decline in its circulation.

The other websites, from newspapers and others, compete for display advertising on-line which is the blue line, which, as you can see, was around £1 billion last year and which has grown at a steady rate and we are forecasting to continue at a steady rate.

Now, Internet time is growing at an unbelievable speed. To give you an example, in the last year the amount of data on smart phones doubled, essentially, so this is a massive increase in activity and also the (inaudible) time on line is continuing to grow at a very, very fast rate as the older population goes on line.

What you see here is a situation in which the amount of income that is available is actually dwarfed by the number of mouths to feed. This is Facebook, this is all the sites that you can think of, and, as a result, you don't see newspapers, even the most successful ones, like the Guardian on-line and the Mail on line, you don't see that these phenomena are actually able to survive on the basis of digital revenues alone. This is -- the mass of time spent on line is actually not monetising well.

So, in relation to the regionals, you have really

quite a different picture there. You have a picture of very substantial decline in advertising revenue and they have been the ones that have been worst affected by the pressures of the digital age and, actually, the popular nationals have held up pretty well. So, actually, in some, the economic pressures of the industry of the last five years have really, primarily been felt by the originals who have actually lost around 40 per cent of their work forces in this time, compared to the nationals that have actually lost only around 10 per cent.

So the final slide here is one in which I showed that, essentially, these phenomena are very well entrenched and will continue to trend in the direction that has already been well established and, here, you can see that we continue to feel that the pressure of classified is going to continue to decline, this is primarily going to continue to affect the regionals, and while we expect Internet classified and press classified to continue to be on very, very different trajectories.

So I hope that I have been able to explain to you the pressures on the press which are ones in which the press have to compete, as they always have with a much wider variety of entertainment. That level of entertainment and different sources of news is growing

all the time. The number of devices that people can use is actually growing all the time and so, as a result, we live in an extraordinary mediatised nation, but within that, actually, the newspaper reader is one who is blessed with very high quality products across the board and, given the extraordinary range of products, as I said, the, sort of, 7 billion printed products, let alone the millions and millions of blogs, it is actually quite extraordinary that, actually, the public is so satisfied overall with the quality and the range and differentiation of the products that are available to them.

Thank you.

DAVID BELL: Thank you very much, indeed, Claire. We wanted to start with where we all are and where we're going and, now, our second speaker is Phil Hall who was an editor from 1974-2003 with background in local newspapers, the Sunday People, the Sunday Express and the News of the World. So Phil, over to you.

Presentation by PHIL HALL

PHIL HALL: I'd like to have been editor for 30 years but I was actually a journalist for 30 years, not an editor. Ten minutes is not a great deal of time to discuss, in my view, the active pressures facing journalists, so forgive me if I get straight to the point.

When I started in this industry nearly 40 years ago the pressure was mostly of a competitive nature because newspapers were vying for readers in markets where many publications were neck and neck in terms of their circulation figures.

When I became editor of the News of the World in 1995, the landscape had changed. The newspaper was selling 4.7 million copies and in my first conversation with Rupert Murdoch he asked what I expected to sell in five-years' time. I optimistically and maybe naively suggested 5 million. His response was "You will be selling 4 million or maybe 4.1." He knew full well the circulation trends of the newspapers, as Claire indicated just now, and what he did in that conversation was to explain there was no pressure to achieve the unachievable. The pressure was to deliver a great campaigning newspaper.

A 20 per cent circulation fall, as he had indicated, could mean staff reductions and budget cuts but it does not mean editors can justify 20 per cent drop in the quality of their newspaper. That would be a circular argument that could only end with the demise of the newspaper.

So it is true, pressure has increased as circulations dwindle.

15 years ago national newspapers, with one or two exceptions, owned their own markets. The News of the World was so dominant, the circulation figures were the same as its two main rivals put together. The Mail group was equally pre-eminent likewise The Sunday Times. It was, therefore, not expedient to look for sensationalist stories purely to win a circulation war. We were fortunate during my editorship to publish many groundbreaking stories with investigations into subjects as far ranging as gun running, paedophilia, drug racketeering and illegal immigration gangs. Many of them ended with jail sentences. We campaigned over miscarriages of justice and solved an unsolved murder.

There are great competitive pressures to produce the best possible newspapers but there are also significant challenges to get it right because of the libel laws, being fair because of the PCC Code of Conduct and justifying publication because of the human rights and privacy rulings.

The publish and be damned attitude has long been confined to the history books of Fleet Street. I am sure the public believe big stories deliver big circulation increases and, thus, editors are under pressure to deliver a major scoop on a weekly if not daily basis. That is a simplistic view and not the

case.

Some of our biggest stories, the Jeffrey Archer case, for example, delivered no increase in circulation. In my opinion, what sold the News of the World was the strength of the package. The sport, for instance, went from 10 pages to 48 pages, the columnists, the features, the pagination of the paper grew. In fact, it almost doubled in the space of ten years.

Yes, we broke big stories but it was not the be all and end all of the operation. The pressures are nothing more than personal professional pride, in my view. There was no bonuses or propriety pressures, as has been suggested, to push the boundaries beyond what is reasonable. But, as an editor, I did demand high standards and I did expect journalists to produce agenda setting stories. Is that any different to a business leader in any other industry? I don't think so and those who suggest, and imply that phone hacking has arisen because of the pressures to deliver big stories are, in my view, wrong.

It has happened because a group of people have indulged in illegal activity and the checks and balances that should be in place in any newsroom or any business, for that matter, have failed. I sincerely hope we will discover why by the end of the Lord Leveson Inquiry.

I think it relevant to point out that editors do have different pressures now to those I experienced. A media lawyer working in a newspaper told me recently he spent a huge proportion of his time dealing with issues around the Human Rights Act, in particular privacy issues. Many have used that Act to try to protect themselves from perfectly ethical investigations operated by tabloid and broadsheet papers alike. The news editor of my acquaintance claimed he would speak to the Press Complaints Commission two or three times a week to discuss issues around what is in the public interest and that is confusing.

Editors have long argued, certainly in the tabloid market, that it's in the public interest to reveal the truth about a misbehaving celebrity, who presents one image to the public but, in reality, behaves in a completely different way. For some years, privacy actions have blocked the publications of such stories. Yet only last week the judge ruled that the footballer Rio Ferdinand does have a duty to be consistent with the public image he presents and the way he behaves behind closed doors.

The confusion over what is in the public interest clearly puts a great deal of pressure on editors, particularly when they are working to tight deadlines,

with dwindling resources in an age when advertising revenues are challenging. What is in the public interest is one of the fundamental issues, in my view, that the Leveson Inquiry needs to address.

Inevitably, the Internet increases the pressure on a newspaper to be more creative and forward thinking in order to compete with the instant news platforms, but is there any more pressure than 40 years ago? In my view it is different, not greater. It does, however, increase the pressure to get it right, because the public, celebrities, almost anyone can respond instantly through social media and have their complaint taken up around the world.

Clearly, we are here because of the wider view that somehow the industry is broken, it needs fixing. I don't think it needs fixing. I do think it needs changing. The Press Complaints Commission has never been a regulatory body. In my view, it is a watchdog and it has made one fundamental error in that it has become invisible. It does do a great deal of positive work. As a Chairman of a large PR company, I regularly speak to the PCC when a client feels he or she is being treated wrongly by the press. In 90 per cent of the cases where the PCC have intervened, the story has been abandoned or a compromise negotiated.

The PCC works in preventing the publication of inaccurate, intrusive stories or pictures gathered in an improper way and it is my view it should be allowed to proactively investigate the behaviour of the media in big news stories like the disappearance of Madeleine McCann.

I believe another pressure on editors and journalists as a whole is the inconsistencies of the way the law is operated or the laws that affect journalism.

When Princess Diana was front page news, editors in the country were constantly being asked to refrain from publishing photographs, while their colleagues around the globe were free to do as they wished. Some editors did oblige and produced less attractive newspapers, others ignored it. The curious aspect of this situation is that Princess Diana was surrounded by bodyguards and yet the paparazzi that pursued her were not arrested for harassment nor for endangering her life through dangerous driving.

The Palace complained about how the pursuit of the Princess was overzealous. Editors should clearly have shown more restraint but why did the authorities not use the tools available to them to tackle the problem through the proper use of the law? I believe it would have stopped the practice overnight.

Likewise, the Regulatory and Investigatory Powers Act 2000 that governs phone hacking, are the sanctions for breaching it consistent with the public revulsion shown over the Milly Dowler affair? I doubt it. But isn't this a police matter rather than press regulation matter? Staff should not make the law whatever industry they are in, full stop. Why are private detectives who are used by law firms, financial institutions and newspapers not licensed when they work in such sensitive areas?

When I started 40 years ago, the news agenda in this country was largely provided by news agencies, as newspapers reduced their budgets, local papers folded and news agencies went out of business. The pool of stories was considerably reduced. That, of course, is a pressure for editors and news gatherers but, in my experience, there has been a benefit of the pressure to compete over fewer stories.

To secure an exclusive story these days, more than ever editors allowed the subjects of their stories to approve the account before publication. That does not mean they have control over the story but it does mean they can challenge inaccuracies and ensure absolute probity when they are quoted in an article.

I know there's a danger that, as a former editor,

I can be accused of looking at the press through rose-tinted glasses. Let me make it clear that, as a public relations operator, I'm very much on the other site of the fence, poacher turned gamekeeper, they say. But my experience is that 99 per cent of journalists do act professionally, they are impartial, thorough and work within the PCC Code of Conduct, and a vast majority of stories are accurate.

Are journalists sometimes rude, aggressive and unreasonable? Of course they are, but I've absolutely no idea how we legislate against human nature. One thing is clear, it is not possible to set up a truly independent regulatory authority appointed by the Government. If a newspaper were to criticise a government minister over a misdemeanour and he or she complained to the new regulatory authority and they found against the newspaper, will the public truly believe that body has been impartial? I think not. It will inevitably increase the pressures on editors to give governments a wide berth, when surely their role is to question and hold to account our leaders and politicians.

As I said, I do not want to paint a paint a hearts and flowers view of newspapers. It is tough, uncompromising, stressful and an extremely competitive

business. The laws of Government are inconsistent and the PCC needs more clarity, more clout in what it does and greater visibility when it does act, but none of the above pressures, in my view, explains or offers an excuse for illegal activity in the newsroom.

Thank you.

DAVID BELL: Thank you very much Phil.

Now, the third of our speaks is Richard Peppiatt, a former tabloid journalist who left the Daily Star last year in protest, I think, partly of what he regarded as the Islamophobia of the newspaper. He is now a freelance journalist, writer and campaigner on these issues. So, Richard, over to you.

Presentation by RICHARD PEPPIATT

RICHARD PEPPIATT: Hi there. Thanks for having the opportunity to be here today. I tried to consult widely with other journalists in the industry to get their opinions too on the question I've been asked.

I think that many people in the industry feel they can't speak openly about some of the things that are going wrong and I'm going to try and do that.

Perhaps, I state the obvious to say that a truth telling function is intrinsic to the very notion of journalism, yet one thing I learnt early on in my career is that telling the truth and not lying are very

distinct concepts. You can make true statements about events and issues without ever even orbiting the true account of what occurred.

In approximately 900 newspaper bylines, I can probably count on fingers and toes the amount of times I genuinely felt I was telling the truth, but only the same amount can I say were outright lies. This is because much of the skill of the journalist today is about finding facts, it is about knowing which ones to ignore. The job is about making the facts fit the story. This is because the story is almost pre-defined. Laid out before you is a canon of ideological and commercially driven narratives and it's your job to fulfil them. The newspaper appoints itself as moral arbiter and you must stamp their world view in all the journalism that you do.

A scientist is to announce that ecstasy, they have found, is safer than alcohol, I know that my job as a tabloid reporter is to portray this man as a quack and his research methods to be flawed. If a judge hands down a community sentence to a controversial offender, I know my job is to make him appear lily-livered and out of touch. Positive peer reviews are ignored. Sentencing guidelines are buried.

The ideological imperative comes before the

journalistic one. British justice is always soft, drugs are always bad. This ideological imperative is bound to a commercial one and it's founded on one premise. It is easier to sell people something that reinforces their beliefs and prejudices than to sell them something which challenges their beliefs and prejudices.

Your success as a reporter is determined by how well you apply this philosophy to your own news judgment. Pitch a story to your news desk about a peace conference in Wembley attended by thousands of Muslims, you probably will get more sneers than you will paragraphs in print. Pitch a story to them about three Muslim men standing outside a courtroom, shouting death to infidels, you will probably be handed the front page and bought a pint.

Typically, some of the worst excesses occur when stories are passed down the news chain rather than up. News editors often assign stories to their reporters to look into. News editors, keen to appease their superiors with eye-catching news list dump the onus on reporters to stand up, sometimes fantastical hunches (inaudible) and ill-informed assertions. The question is not: do you have a story on X? The question is: today we are saying this about X, make it appear so.

The ugliest manifestation of this culture comes when

a big news story breaks, think Madeleine McCann Joanna Yeates, Rebecca Leighton. News editors sitting hundreds of miles away are put under immense pressure to come up with copy selling exclusives. They whip up a feeding frenzy atmosphere around these crime scenes, where any information, however unverified, becomes fervently seized upon, in which victims' families are hounded day and night for quotes, in which suspects become tried in newsprint before they even set foot inside a police interview room.

The PCC claim they reined in many of these excesses. They must have been looking over the wrong Fleet Street. If editors really had no idea that the life-wrecking stories that they printed about the likes of Robert Murat and Chris Jefferies weren't grossly libellous, then reporters' heads would have rolled. Of course, they didn't because there's an unspoken contract that exists between newspaper and tabloid reporter. You tell us what we want to hear and we won't question too much the veracity of that information or your methods. If there's any come back, we'll protect you. It's a code of ammeter(?) and if you want to get on you abide by it.

This is where the PCC has not only failed the public but journalists too. The majority of reporters aren't

comfortable with constantly walking this conceptual tightrope between telling the truth and not lying and certainly not with breaking the law. When the PCC won't even enforce the first point of their code -- the press must take care not to publish inaccurate, misleading or distorted information -- is it any surprise that newspapers push the boundaries, hacking phones, bribing police, pursuing their own commercial and ideological aims under the guise of journalism? Reporters are used as foot soldiers.

Newspapers are in decline and the job pool for journalists is ever shrinking. Those entering the industry can spend years working on casual contracts without any security. Tabloid newsrooms are often bullying and aggressive environments in which dissent is simply not tolerated. It's difficult to stand up and walk out the door, knowing another opportunity is unlikely to be waiting around the corner.

I'm not attempting to absolve myself or others of responsibility for our actions, I'm only trying to contextualise them. Journalists aren't, for the most part, bad people but like all humans they adjust to their environment and like in all competitive industry those who adjust best goes furthest. You do it long enough you even start to forget that the framework in

which you operate is intrinsically corrupted and dishonest.

There's no better example of this current cynical approach to journalism than my former employer the Daily Star and their sister Express titles. Few would disagree that beneath their masthead has occurred some of the worst journalism in recent years. The xenophobia, the misleading front pages the endemic cross promotion have set a new low bar for the industry, with papers such as the Daily Mail happily stooping to join them.

The Daily Start and Express do not have the worst journalists but Richard Desmond's chronic underinvestment in journalism has allowed a corrosive culture to fester. I remember there being one shift where there was just myself and two other reporters throughout the whole of this national newspaper. In that sort of situation, how can proper journalistic rigor occur?

News priorities are being warped to keep pace with the changing media landscape and this is radically transforming the required skill set for reporters. Instead of being balanced, the demand is to be partial and provocative. Instead of being accurate, the demand is to be first. You only need to look at how many

newspapers got their pants pulled down a bit with the Amanda Knox trial to see that this demand to be first is trumping accuracy.

The Daily Mail printed colour from the courtroom, saying that the tearful families -- and that Amanda Knox was led away, when none of this actually occurred. This was not the actions of a rogue reporter this was a decision taken by news executives who should know better. They abandoned their responsibilities to journalism and instead chose to knowingly publish fiction.

Capitalism, founded on self-interest, is trumping journalism, founded on public interest. Cold calculations are being made. It makes no commercial sense to have your reporters spend a week investigating a genuine public interest story when you can have them fill 10 times that space cannibalising from rivals and news wires. It makes no commercial sense to have your reporters writing about someone else's products or TV shows, when you can get free advertising from the writing about your own. It makes no commercial sense not to use your reporters to dig up dirt on people you don't like and to puff up people that you do.

The people caught in the cross fire here are the millions of readers who buy tabloid newspapers every day

in good faith, unaware of the commercial and ideological influences which are shaping what they read. Instead of being told the truth they deserve, they are being told whatever suits newspapers to tell them.

As much as I resigned from the Daily Star over I saw as Islamophobic news agenda, my conscience was troubled by another, perhaps more sinister, realisation. Their hate mongering wasn't even genuine, it was a crude morally deplorable play on the politics of fear in pursuit of profit. They may be the worst offenders, but they're not alone.

Beyond the headline grabbing revelations of phone hacking, this is the ethical rock which I urge the committee and Lord Justice Leveson look at, because it undermines real journalism, it perverts social debate, it divides communities, it makes victims of the many journalists and public alike to line the pockets of the few.

Thank you.

DAVID BELL: Thank you very much, indeed. We wanted to look at this issue of commercial competitive pressures from three different angles, which I think we've done and, before the coffee break, I would want us to come back, if we may, to the first presentation and hold the issues that were raised in the second and the third for the

second part of this morning.

So if we may concentrate between now and 11 on the competitive pressures that Claire Enders outlined and the implications for the present and the future, that's what we would like to do.

In order to make sure that everybody's contributions are captured for the web, we have microphones and, therefore, if anybody wants to speak, it would be a great help if they could signal that and we will take, if we may, the questions or comments in batches of three, which makes it easier to get the microphones around to everybody.

If anyone who speaks could possibly say, to begin with, who they are and who they represent, that would be a great help for us and also for the people who would be watching this on the web, and because we anticipate lots of comments, if we could all keep them to two or three minutes at the maximum I think that would enable us to encourage more people to talk.

So on this question of the commercial competitive pressures that Claire outlined, who would like to kick off?

DIANE COYLE: Thank you.

My name is Diane Coyle, I'm the Vice Chair of the BBC Trust and an economist who used to work on The

Independent for many years.
I just wanted to add to Claire's very interesting presentation the point that these pressures are both long-standing, not specific to the UK and not specific to the press or the tabloids.
As far back as the 1990s when I was working at The Independent the price war had put the broadsheets under commercial pressure and readers in this country had been used to very cheap papers for a very long time.
The pressure applied across the borders as well, it's happening in the US and France and also to commercial broadcasters as revenues are shifting on line. And the BBC, of course, is committed to impartial and accurate news and it is a strategic priority, but the commercial broadcasters too are required by OFCOM to deliver impartial and accurate news.
So I think the wider and longer perspective is very informative, showing that, actually, there has been a very wide range of responses by media organisations to these technical changes and the commercial pressures.
Thank you.
DAVID BELL: Who would like --
ELINOR GOODMAN: I think I would particularly be interested in hearing from the regional press. I just wondered whether Alan Edmunds from the Western Mail would like to

comment on this extremely pessimistic scenario which was forecast for the regional press, or indeed any of the other newspaper groups here who have a regional interest. I thought he was here. Great.
ALAN EDMUNDS: I think the challenges of the regional press were summed up well by --
ELINOR GOODMAN: Would you mind standing up?
ALAN EDMUNDS: Of course.
I think the challenges were summed up well by Claire, that the issues affecting the regions and from a business perspective have been tackled I think very well by most of the newspaper groups in the last five years, and we've built up a lot of traffic on-line. So the issue, really, in the regions is very similar, which is finding the best way to monetise that traffic.
ELINOR GOODMAN: I mean, do you think the -- the on-line activity is going to be the answer or are -- do you regard it essentially as having to deal with the devil?
ALAN EDMUNDS: No, not at all, I think it's finding the right balance between serving all the different media. So obviously there's a place for print and there's a place for on-line. And we're looking at the different alternatives, such as behavioural targeted advertising, for example, which we're not beginning to sell well, to replace the lost classified revenue.

ELINOR GOODMAN: And has it had a big impact on staffing levels?
ALAN EDMUNDS: Over time, of course it has, we've seen reductions in staffing; but I think still that we employ by far the largest amount, outside of the BBC, of journalists in our regions.
ELINOR GOODMAN: Thank you.
DAVID BELL: Yes.
IAN HARGREAVES: Thank you.
Ian Hargreaves, from Cardiff University.
Just to support what Alan was saying, I was struck in Claire's charts, as I always am when I see them, that this is a business and economic story of readers, consumers, moving around from one kind of product to another.
What Claire did not say was that the British public is losing interest in being informed or losing interest about joining in debates with strong opinions.
I think it's very, very important that the Leveson Inquiry does not in any sense reach for the argument that says the ethical issues which are the cause of this Inquiry can in some sense be attributed to the charts that Claire put on the screen.
ELINOR GOODMAN: Is that a broadly held view? It would be interesting to hear other peoples' views on that.

DAVID BELL: I wondered if James Harding, who is here, I think, because what The Times has been doing in terms of the web and print, whether you've any reflections you wanted to add to this competitive question.
JAMES HARDING: Thank you very much and thank you for bringing us all together today.
I thought it was a very interesting set of presentations this morning. I had two observations and I agree entirely with what Ian Hargreaves just said. The first is just to appreciate the pace of the change now we're dealing with. So we're all this morning digesting the death of Steve Jobs. The reality is that the iPad has transformed the possibilities of journalism, and that's something that has happened within the last 18 months. We're seeing the introduction of a whole new range of tablets, which means that, even in the course of the time that the Leveson Inquiry is sitting, what journalism means, what it can do and what the nature of a newspaper is will change at a phenomenal rate.
The only other thing I would like to just say, just in response to the Claire Enders presentation, which really struck me, was there's one thing to look at the way in which information is consumed. Of course, one of the things that we're really interested in as reporters

is where it originates from, how you get it and, when you look at some of those charts, they don't fully reflect where we get our information from, how we -- how we report it, how we gather news.

Clearly, in her charts, she talked at some length about the way in which the FT Group has moved on to a pay wall strategy. As you know, The Times has done the same thing, and it has transformed the fortunes and the prospects of the newspaper, for the first time in the better part of a decade we see ourselves moving into growth because people have the opportunity to buy us not just in print but on screen.

And so I just hope that the Leveson Inquiry, as it looks at newspaper behaviour, understands that it is working with a very fast changing market.

Thank you.

DAVID BELL: I don't think there's anybody here this morning from Associated Newspapers, is there? Yes, I would be very interested in your take on that because the Daily Mail website, I think, has been growing very fast too, hasn't it?

PETER WRIGHT: Yes, I am Peter Wright, the editor of the Mail on Sunday.

Our website has grown exponentially and I think is currently the second biggest newspaper website in the

world.

We've taken a completely different approach from News International. We don't have a pay wall, we don't intend to have a pay wall, and we are hoping that by getting very substantial critical mass, the advertising will follow.

And I was gratified to see in Claire's charts that it was up by something like 30/40 per cent this year on last year.

GEORGE JONES: And I think we -- we have two editors here from the Telegraph Group. I don't know whether Ian MacGregor would like to speak or tell us how The Telegraph has been very successful, I think, you know, from my experience, they were one of the first to move into putting stuff on-line, and how you think you can cope. I mean, do you think you're now going to be bringing more and more on-line? Where do you think the balance is now coming down?

IAN MACGREGOR: Hello, George, thank you for this opportunity.

I think this is an opportunity for us all, but may I just go back to the earlier point, and I'll come back to your point in one second. As others have mentioned, clearly the industry is facing great commercial pressures. We are selling less papers, generally

speaking. But I think, as Ian Hargreaves and James Harding have just said, clearly from Claire's analysis peoples' interest in news is still huge: people want news, whether it's from newspapers, magazines, the Internet, the radio or the TV, that demand for the news is still absolutely huge. If you look at the tube any morning and you see the number of people reading the free newspapers, even when they've allegedly heard all the news already on the Internet or the TV or read other forms of information, then I think that just is another indication of how people are every enthusiastic about the news industry.

So, to answer your point, George, I think that we see at the Telegraph a fantastic opportunity on the web, because we can get more and more people to access our brand; but at the same time the big challenge is how to get people to pay for that.

So we've moved away from a pay wall idea, and we are focusing very much on a choice. So if you are a subscriber you can get -- as well as your newspapers you can actually get the content of the web for free. If you don't want to pay for the newspapers, you are being asked to pay for the website. So we're offering a choice of opportunities and that's the way we see things going.

Going back to Ian Hargreaves' opening point, although there are great commercial pressures, I think also we shouldn't confuse that with the ethics of the point of the debate. I don't think anyone here would ever make an excuse that commercial pressures are changing the way we operate in terms of our integrity, in terms of our focus on accuracy, or getting things right, because people want to believe -- I feel very passionately about this -- and that what we produce is accurate and true. That is what we stand for and we'll go find every way possible to ensure that we maintain that.

Does that answer your question?

GEORGE JONES: Yes, it does.

There's one other point I'd like. As an editor of a newspaper you operate in a very kind of regulated environment, with the PCC, you're now also operating on the web, which is, you know, exponential growth, under pressure from bloggers and other sources. I mean, how do you view that in trying to kind of manage those two streams? And do you find it much more difficult, as it were, to kind of control things on the web or the competition and the pressures you're up against compared to working in the more traditional newspaper industry?

IAN MACGREGOR: You know the industry as well as anyone,

George, you worked for the Telegraph for a long time, fantastic reputation. You know that the sources of news these days are almost infinite, so that, for us, is a great opportunity because we have more and more ideas coming in. Equally, as you imply, we've got to be very, very careful about how we use those sources of information, and how we have to check that information. So I see that as genuinely an opportunity -- but you're right, we have to be very, very rigorous, we must never lose that attention to detail, it's crucial that we find ways of filtering out those sources of information, filtering out that news and making sure that what we print is right. And that applies to the website as well as to the newspapers.

Of course, there is the comment issues as well. As you yourself know from the world of politics, it's important to have a free and honest debate and that's another side of this whole issue, which I could rabbit on about for a long time, but maybe --

GEORGE JONES: But it's this point about the fact that you are kind of operating by a -- sorry, I don't want to put you too much on the spot -- but any further editors we have, some of you, that you're operating in a -- or by a certain degree of standards, but when you get onto the web, which we know from Claire Enders, and that whole

likely to take place, is be encouraged by the Government, and I think the Leveson Inquiry has to look at what the Secretary of State's plans for local news services is going to mean, for instance, to local newspapers, to the BBC, for instance, and what difference that might make to the news environment because they will be looking for advertising revenue too.

ELINOR GOODMAN: I was interested, obviously, that there's a sort of agreement of views has come across that the competitive pressures aren't leading to a reduction in standards and that it shouldn't be an excuse for the kind of abuses we've seen. And particularly interested in what Ian Hargreaves said, because I've seen research quoted from Cardiff University -- and I don't know how genuine it was which suggests how -- which indicates how much more pressure there is on journalists in terms of just the fact there are less of them producing more stories.

Is that something you recognise, or is that just sort of one of the theories that goes around? I mean, perhaps you'd like to come back on that, Ian, and then it will be interesting to hear an editor's perspective on that.

IAN HARGREAVES: If it was from the Cardiff University, it

electronic form is going to be a much bigger part of your role, how frustrated are you that you are playing by sort of one set of rules but then there is a whole field which doesn't appear to be constrained by any rules? Is that difficult for you and difficult for, as it were, the editors of newspapers who are now developing their web content?

IAN MACGREGOR: It's not difficult for me because I pay personally and I know our group pays as much attention to what goes on the web as goes on the papers, and that accuracy and focus on accuracy is absolutely crucial. Clearly, as in all newspapers, if mistakes are made we can get quickly back to the website or indeed the papers and correct those mistakes. It's very important, on the rare occasions that might ever happen, we do so.

Does that answer your point?

DAVID BELL: Just there.

MIKE JEMPSON: Mike Jempson from MediaWise.

The issue of convergence has been brought up now, and I think it's really important that the Inquiry considers that. The Internet is supposed to be regulated by the PCC, according to the PCC, on line newspapers; but we're also talking about companies that are weathering a storm across all the platforms. And I think one of the things, one of the changes that is

follows that it was certainly accurate --

ELINOR GOODMAN: -- the person who had done it.

IAN HARGREAVES: It may have been misquoted in the telling, of course, but you can't control the whole supply chain in these matters.

I think there are, without question, pressures that are falling on journalists as a result of the change in the economic and business context of journalism. It would be crazy to deny that. I think Phil Hall put that well. The pressures are different. There have always been a lot of pressures, they're different.

I think that the issue for me is that Richard Peppiatt, who sort of strayed onto an agenda of a later session in what however I thought was a compelling account of his own experience and those he knows in the part of the newspaper business that he has worked in. I think that that account is an account which has been familiar to me throughout the whole of my time in journalism which is, you know, several decades; but I've never worked in the middle of it because I chose not to, I'd have been hopeless at it.

ELINOR GOODMAN: My question was really the sort of theories one has seen advanced in all the speculation about the hacking is one of the things that has been put around that this is not (inaudible) subscribe to. But I'm

interested in peoples' views on it, is that the financial pressures means that reporters just simply haven't got the same time they used to have to research stories, and therefore the veracity of them is more questionable.

Does your research suggest that is true? And is the experience of editors here that that is so?

UNKNOWN SPEAKER: Well, I'm not aware of research that shows that is true in the way that you make that point, which is not to deny that those kinds of pressures exist and that they take new forms as new technological opportunities arise through which to challenge your dishonesty.

DAVID BELL: Over there.

JAMES CURRAN: I think the research you're --

DAVID BELL: Forgive me, could you just introduce yourself?

JAMES CURRAN: James Curran, Goldsmiths University of London.

I think the research you refer to came not from Cardiff but from the Goldsmiths Human Research Centre. And what we found, after interviewing over 150 journalists and doing ethnographies is that, because there are fewer journalists, they are under pressure to be more productive. And this is leading them, firstly, to lift stories from rival websites and, secondly, to

turn to tried and tested sources as a way of increasing productivity and, thirdly, is leading to more office-bound scissors and paste journalism.

ELINOR GOODMAN: When you say "try and tested sources", what do you mean by that?

JAMES CURRAN: The argument often is that the web has created an enormous plenitude of alternative sources, and we found that counter-intuitively, because of the effect of lost advertising, reduction and staff, journalists are turning to sources they know can deliver good copy. So they are tending to turn to mainstream sources rather than alternative sources.

DAVID BELL: I wonder whether Richard Wallace or Tina Weaver would like to add to this debate. From the Mirror family. Yes.

RICHARD WALLACE: I'm Richard Wallace. Good morning.

Commercial pressures. Absolutely. The days when we had 30-odd reporters sitting on the ramp waiting for something to happen have gone, but part of the role as an editor and a manager of newspapers these days is to ensure that the quality and above all the integrity of the titles and the traditions that we value and cherish are maintained.

Now, I must just say that Richard's presentation earlier might be a description of the Daily Star news

room, but it's certainly not ours and I believe it's not the Sun's or the Daily Mail's, so I completely reject that view.

That having been said, yes, there's been great pressures, the last 15 years have been about disruption as technology moves in pace and increases its changes in our industry. And that has been the big pressure for the editors now. Yes, there's pressure to get good stories and sell the paper, but the main pressure is managing your business as all these changes are happening around you, maintaining its profitability; but, also, as I go back to, maintaining the integrity of the newspaper.

Because again, to the point that Ian was making earlier, in this great new landscape where anything goes on the Internet, I believe there is an opportunity for established long-standing brands, whether it's The Times or The Sun or the Daily Mirror to actually be a place where people can go where there is still information that is trusted, so that you can go to one of our sites or have it delivered to your phone, or however which way you want to choose to consume your media and know what we are saying is the truth.

I think that, as the consumer becomes more sophisticated in choosing his and her lines of media,

that that will be a great opportunity for us.

To be honest it's about holding on at the moment, as far as our business is concerned, until we can find ways of, you know, aggressively monetising these new opportunities.

ELINOR GOODMAN: Can I pick you up on something you said. You mentioned brand loyalty there. Is there less brand loyalty now than there used to be to the main titles amongst themselves, and does that in turn increase the pressure to use your front page to grab the sales that you can get?

RICHARD WALLACE: No,no I think -- don't quote me on this one -- but I think the opportunity to grab readers in the mornings, there's about sort of 3 per cent movement in the market that us and The Sun and The Mail are fighting about. So, yes, by and large people -- I mean, newspapers still touch half the population in some way, shape or form every day. Now, that's a pretty significant number of people that are still interacting with us, who still come to us for news and increasingly for opinion and analysis.

So -- I'm sorry, I've forgotten your question now.

ELINOR GOODMAN: It was that 3 per cent figure.

RICHARD WALLACE: As, I said so there's a great brand loyalty, and I think because people, especially in

a digital world, they're looking at new brands, you know, and Wikipedia, can you trust that? Google, can you trust that? All those kind of new, groovy brands that I think certainly for the mainstream audience they're very unsure of these and they keep reading and hearing things, "Have I got my information?" There's an uncertainty. Whereas The Sun, The Mirror, The Times, The Mail, you know, very mature, established brands where you know whether you like them or you don't like them and you know where you are with them and you can continue to choose to use them.

ELINOR GOODMAN: You mentioned strong opinions. Do you think that's going to be an increasing trend of the future?

RICHARD WALLACE: I think it is now. That's why we have a such a rumbustious press, why we have -- I think the highest number of newspaper readers in the world. Because, again, when you read the Daily Mirror you know where we're coming from. Ditto with The Sun and the Daily Mail and, you know, that's part of the richness of the industry that we have and it gives the consumer, above all, choice. So if they come for a point of view they know that there's something there to serve them. And the thing is, we're not shy about saying that.

ELINOR GOODMAN: Do you think that where the future is going to be more opinionated newspapers?

RICHARD WALLACE: I think so, because often, if something terrible happened today, the television and the radio can tell us "plane crashes, 50 dead, and here's some great pictures of it". What newspapers provide and will continue to provide is why did that happen as the analysis and sort of the back story on the whole thing.

Certainly, as far as opinion is concerned, you know, certainly sometimes when I speak to readers they say, "Well, I bought your paper today." And I said, "Why?" And he said, "I wanted to know what to think about X."

Because what we can do is help formulate their views. And, as I said, if you have a certain world view you can pick it from The Mirror, you can pick it from The Sun, you can pick it from a whole plethora of places. And that is very healthy.

ELINOR GOODMAN: At the risk of anticipating the discussion on Richard Peppiatt's thing though, if you're helping to formulate views doesn't that mean you're inevitably taking an increasingly selective view of the facts because --

RICHARD WALLACE: No, again, because I think, as always, the reader, the consumer (or whatever we call them these days) is massively underestimated. We seem to think that they are somehow led like sheep down a particular road. You know, they are bright, intelligent people, by

and large, who understand -- for instance, if they are buying the Daily Star they are not buying it as a paper of record.

DAVID BELL: I think there is a question there.

STEVEN BARNETT: Thanks. I'm Steve Barnett, University of Westminster, and also the House of Lords Communications Committee, but this is in my personal capacity.

I wonder if it might be useful to try and think about a longer historical perspective, perhaps even longer than Claire's charts, really, it took us back to 2002, and ask the question whether there hasn't always been intense commercial pressure, in particular on the country's press industry.

We have, I think I'm right in saying, sort of one of the most, if not the most, competitive National Press markets in the world, and have done for decades, not just for the last ten years. So the pressure on particular -- and especially print journalists -- has always been there. And I would like to urge the Inquiry to look not just at commercial pressures, but at newsroom cultures, and to ask whether there has been any change there.

Now, like Ian, I wouldn't -- certainly wouldn't want to excuse any unethical or illegal acts on the basis of whether they are commercial or news room pressures; but

I do think it's important to ask the question: what is it about this country, and perhaps the journalistic culture of this country, in tabloid newspapers in particular, that produces a certain kind of journalism and a certain kind of journalist? And how different has that been over the years? Now, I'm on the Editorial Board of the British Journalism Review, I have three eminent colleagues around me. We have very robust discussions at some of those editorial meetings about the extent to which this is a historic tradition in British journalism. And can be divorced from the commercial pressures. And that, I think, is something that is worth looking at.

I would also very much recommend a site which some old stages have started to call "gentlemen ranters.com", which is a wonderful litany of some of the things that old Fleet Street hacks got up to in the 1940s, 50s and 60s, and might lead some of you to think that actually not much has changed.

GEORGE JONES: I think James Cussack -- if I pronounced the name right -- from The Independent would like to make a point.

JAMES CUSSACK: This is a slightly unusual request. It's a bit like a Court Reporter reporting, asking the judge if he can interrupt, and that's what I feel at the moment.

It's just a point that Ian Hargreaves made. I'm in the middle of doing, as a reporter, actually reporting on this particular story, the phone hacking story. And when the Leveson Inquiry was announced it was a case of, well, I'm currently looking at a newspaper newsroom out of control, ethics all over the place, police involved, (inaudible) underworld, and I think there's a danger that, if this Inquiry gets sidetracked away from that point, then you're using commercial pressures or economic pressures to miss the point. I think when Leveson advances it goes into months, loads of months of Inquiry, that you'll find that the economics doesn't play a major role, it's actually the ethics of that newsroom. And I would advise the Inquiry Board at the beginning not to miss that point. That's it.

DAVID BELL: Well, thank you for that.

We've chosen the topics for these seminars over today and next week absolutely bearing that point in mind, that we're not trying to suggest any particular thing, we just want to get as broad a view as we can.

CLAIRE ENDERS: I just wanted to echo very much the point just made and which has been made repeatedly, which is that the commercial pressures vary on titles, and indeed the profitability of titles is highly variable as well. And you see no correlation at all between ethical or

unethical behaviour and profitability. In fact, the most ethical publications appear to be the ones who lose the most money. And the ones that make the most money produce the most complaints to the PCC.

GEORGE JONES: Would that be an opportunity for the editor of the Guardian (inaudible) to give us his views?

ALAN RUSBRIDGER: I think this is a period of great pressure, and I think what we haven't quite captured so far is the pressure comes from having to invest in a newspaper even though we know the newspaper is under great pressure. You've seen all Claire's slides about what seems to be the inexorable pattern in print, but that's where most of the revenue still comes from. So 80 per cent of the Guardian's revenue is still coming from print. And yet we, in common with the rest of the market, are declining at 8-10 per cent here; that seems to be the pattern across the developed world.

So at the same time as maintaining that print presence you have to invest in the future, otherwise we're all sunk. And so that, I think, is what makes it different from previous generations, that there is this entirely new medium that is building up that requires relentless investment in human resources and in money.

Just one or two other things just to sort of tease out what's happened so far this morning. Which -- one

is the point about pay walls, which is -- I think it's a mistake to try and use the FT and the Wall Street Journal, which are sources of financial information, and to imagine that that is going to be true generally of general news sources, which are in this huge commoditised world of information. And that, of course, is the other thing that makes the obvious difference from previous generations of Guardian editors, is that there is this huge thing called the Internet in which anybody can publish and which is in direct competition with us. So, you know, when people used to say 10-15 years ago, "We're all going to be in competition with Google and Facebook", and when three years ago people said, "Twitter is going to do a better job of the news than you can possibly do", these were easy things to dismiss, but which are true in some respects.

And the other thing to bear in mind is that the market, the national newspaper market, is a very odd market, it's not a proper market at all. There are people who want to blame the BBC for all this, but the BBC is an undeniable factor that is there in the midst of us all. There is the subsidised bit of this, so that the Guardian is subsidised by the Scott Trust, other investments; but that really just gets us on to the playing field with The Times and The Sunday Times, which

are subsidised by Rupert Murdoch, God bless him, and the Independent, which is subsidised by a Russian Oligarch, God bless him. But this is not a normal market, and I think it's important to bear that in mind.

And I think that's all I want to say at the moment.

DAVID BELL: Yes.

RICHARD PEPPIATT: I'd just like to respond to Richard Wallace. I'm sorry to break it to you, Richard, but I did actually speak to reporters in your newsroom as well as The Sun, as well as the Daily Mail. You know, I admit that the Daily Star and The Express may be the worst example, but there's no good jettisoning them off and saying "But we're all fine" because, you know, I'd like to get Chris Jefferies up here to stand and see what he thinks of your newsroom standards.

You know, I think that everyone's got a problem. I've seen the pressure that your reporters, The Sun, The Mail, have been on on jobs; I've seen them on the phone being screamed at left, right and centre, under pressure to come up with things out of nothing. So it's not a problem for the Daily Star or The Express, it's a problem for all of the tabloid industry and your reporters and other reporters feel that way, but feel unable to say it.

DAVID BELL: I think we're jumping ahead, actually, to the

next subject after coffee, really.
ELINOR GOODMAN: On the commercial pressures, there was a fleeting reference to "free newspapers". How much, I wondered, has that put pressures on the standard of journalism within them, in the sense that, you know, someone mentioned going on the tube. Well, my experience of going on the tube is -- and I count it every time now -- is sort of 9 out of 10 people are reading free newspapers rather than bought newspapers, and often it seems to me they are just straight lifts from the papers, the morning papers, and presumably very little checking or first-hand journalism goes into that.
How does that affect the sort of profitability model, again? Claire.
CLAIRE ENDERS: Free newspapers were introduced some time ago, around 10/12 years ago. Metro is a very significant title, and of course the Evening Standard went free when the Lebadev Foundation took it over.
The free newspapers have had a paradoxical effect. On the one hand it is very salutary to know that the young like free newspapers and will read them, but what the young don't like to do is pay for anything, whether it's music or newspapers. So free newspapers have in fact continued to accustom our young to the core act of reading which they will find so helpful in their careers

and in their lives. Whereas, they have actually put quite a lot of pressure on display advertising revenues for the nationals, and of course they have absorbed readership; but I'm not really entirely clear that they have, as it were, cannibalised readership, I think actually in a positive sense they have continued to introduce the young to reading, and in fact those young would not be buying -- would not be spending a pound a day on newspapers anyway.
Many of those newspapers, Evening Standard and the Metro, are the ones I know best, are extremely high quality newspapers and they do in fact back-check and so on. So it's very much to the point made by Mr Wallace, which is that there is a lot less competition than you think. Of course, you know, newspaper proprietors would like to believe that they can increase their market share and so on, but actually there is a lot of self-definition in the readership segments and there is a lot of differentiation between the newspapers and their ethical stances, and their views on privacy, and their views on the relationship between politics and the press. And I completely agree with him when he says that people actually who read the newspapers actually understand this, because to a large degree people who read newspapers, pay for newspapers, are likely to be

voters or politically active. So these people are very smart.
Actually, a very good example of that is the fact that so few readers have been swept away by the systematic campaigns against the BBC, for instance. Actually, a very large number of readers of quality dailies adore the BBC and listen to Radio 4. So actually they haven't been put off by, you know, the BBC campaigns.
So there's actually quite a lot less influence than the newspaper proprietors might hope, but actually it's the politicians who are significantly influenced by these phenomena.
ELINOR GOODMAN: Just a point of information. What has actually happened to the circulation of the News of the World? Has it -- to what extent --
CLAIRE ENDERS: That's a very good question. It -- the circulation of the News of the World has actually vanished entirely to about a third, so that's about 700,000 readers dropped out completely; but that is so far. I mean, we may see that -- for instance, the Daily Mail and -- I'm sorry -- the Mail on Sunday and the Star on Sunday did actually gain hundreds of thousands of those readers for a brief period, but were unable to sustain them, and in fact found in their

research undoubtedly that they were too wordy and too boring to keep the interest of the former News of the World reader. I mean, the Mirror has done better and we'll see, but it's very much to the point that there's quite a lot of differentiation. And, indeed, in the regionals, in fact regional newspaper readers tend to drop out and actually they don't read another title. So we do have a loss of readership, but I will dispute what Mr Hargreaves said, I don't think the British public ceases to wish to be informed. On the contrary, anyone who saw my slides about reader consumption will say that the British public spends most of its time staying informed.
DAVID BELL: I think there is one question there and we probably need to finish for coffee. In the middle. I think that is Ian. Yes, there's a microphone just coming there.
IAN MACGREGOR: So sorry. Sorry to have two answers today, but just very, very quickly. Obviously, as the editor of the Sunday Telegraph and a huge passionate fan of paid for newspaper, just going to your point about Metro, I was lucky enough to be appointed the launch editor for the Metro going back, as you say -- and I can't quite remember, it might be 13 or 14 or 15 years ago -- and I think it's very, very important to say

that, I'm sure it's the same now, but there was huge emphasis on the accuracy of everything that appeared in that paper. And I am sure everyone here who's an active practising journalist or editor knows it's not a glamorous job, we spend half our time checking facts and just sitting there reading bits of copy after bits of copy and bits or headline and every picture. And the idea -- and I'm sure it's the same now -- the idea that things are just cut and pasted or just thrown in or not checked is not true.

And I think as most of the people here have said -- like Richard or Ian or James -- I think there's a danger that this emphasis on competitive pressures might lead to suggest that a short cut has been taken with some sort of accuracy.

I think there's big issues to discuss about what is in the public interest, but I'm a passionate believer, as I think most journalists are, in accuracy and just a point of clarity, as you mentioned, with the best of intentions Metro, as the person who started it, we took a great pride in what we did at that time.

ELINOR GOODMAN: The fact it was free must have meant that you had to have lower costs and that therefore -- I mean, you couldn't afford to have the same number of journalists and putting the same amount of time into the

stories if --

IAN MACGREGOR: Completely, but again, horses for courses, so I take great pride in the fact that in this campaigning... but you are asking me as an editor of a campaigning newspaper which believes in breaking stories and great attention to detail and great comment, we spend all our time working on that during the week. If you are a free newspaper working on a daily basis, clearly you will have reporters who are mainly focused on rewriting agency copying; but if you are on a 20-minute read for the tube and you don't pretend to be anything else, and you are telling people what's going on in a non-political way, and people know you are using PA copy or Reuters copy, I don't see there's anything wrong with that, you're providing a service. So you're not pretending to be producing prize-winning journalism; if you are producing quality for that kind of niche audience, then fine.

ELINOR GOODMAN: Can I just ask, the person from the Western Mail, whether he would like to comment on how he sees the role of free newspapers in the provinces.

ALAN EDMUNDS: Metro has been very successful in most cases. Metro is partnered with the regional papers to work together and they suit very different audiences. The audience for Metro in the morning tends to be very

different from the audience, say, for the Western Mail and that has been a very successful relationship.

DAVID BELL: Seeing as we are more or less out of time for this thing, I think George had one quick question he would like to ask Claire.

GEORGE JONES: I was just struck by Phil Hall saying that when they had a big exclusive on Jeffrey Archer it didn't move sales at all.

In terms of the competitive pressures, have you had any research on the impact of exclusives? What percentage of a newspaper-reading audience is there available to say, "I'm not going to get the Times today, I'm going to get the Guardian because I like their headline." Or is it they buy it because there's a free DVD, which seems to attract people, particularly at weekends.

CLAIRE ENDERS: I think your question has two parts. The first is to what degree are titles actually competitive and I think the answer is to a limited degree. However, I would say that major events do sell newspapers. For instance, the Telegraph's exclusive on MPs' expenses was widely taken up by the press and actually caused a great deal of buoyancy in sales. Actually, the phone hacking scandal caused people to take to reading the press again on a grand scale; people really wanted to know what was

going on and they were absolutely gripped by this story for about six weeks, across TV and so on. So this was a very, very big story. So actually all stories help all the media to be vibrant, and certainly very powerful stories, like the Telegraph exclusive on MPs' expenses, do lift all boats. Everyone wants the take, and it might be that it's the regional press's take on the MPs' expenses, but people want that take.

So actually all events of a major assessment quality, I mean Arab Spring was another one which also helped to sell newspapers, people want to be engaged. And so great stories do help with overall engagement with the media overall engagement with the world.

I'm not entirely sure -- and I agree with Mr Wallace again -- that there is that much substitution of fact or cannibalisation of facts actually possible at any one time. And you know, people who read the FT, if they don't find the FT they are not going to switch to the Sun. It's very much a very segmented audience, and so it's very much a horses for courses thing.

So definitely we see some segmentation along each of these pools of readership, around these titles, around their opinions and their ways of being, and then we also see that great news events lift all media.

ELINOR GOODMAN: Thank you very much. Forgive me, we are

going to be coming back at 11.30. There is a lot to talk about from the two presentations that were not about the competitive pressures but were about what they were about. So I look forward very much to a very spirited debate about those.

The coffee is where everybody had coffee before we started this morning, which is called the Caxton Lounge, which is on level 2, and we are going to start here again, if we may, at half past eleven.

Thank you very much.

(11.07 pm)

(A short break)

(11.38 am)

QUESTIONS FROM THE FLOOR

DAVID BELL: Welcome back. Thank you very much. The next session we will finish at 1 o'clock an then lunch is going to be downstairs where we just had coffee.

I think I wanted to thank Claire very much for her commercial presentation and those slides we're going to make available on the website but also, if anybody wants hard copies, I'm sure we can provide them too because I think they were really very interesting.

But we're going to shift the focus now a little bit to the second half of the subject of this morning's seminar, which is what exactly -- in a way this is

perhaps more for the people watching this on the web than for everybody in the room because in this room you will understand it more -- what is the culture of the newsroom, if you like? What is driving the way in which news agendas are set? Has it changed? What is it?

I think that would be a good subject to kick off this second session, and Professor Roy Greenslade, who of course has a lot of experience right at the sharp end of our business, but also is now a little bit stood back from it as a commentator, is going to just kick this session off. Roy.

ROY GREENSLADE: Do you want me to --

DAVID BELL: No, no, I think the microphone will be fine.

ROY GREENSLADE: I want to say, I didn't know this until -- it's awful to be pushed into the limelight in such an august audience. Also, someone mentioned earlier the gentlemen ranters.com website and it is true, if you read that, you will see that we have been up to pretty bad behaviour throughout history. But it was fun, it's always fun when it's 40 years ago, 30 years ago, and so on.

But the first thing one ought to say straightaway is that -- and this is something which I think, when you listen to Alan Rusbridger or James Harding and if you were to listen to Lionel Barber, there are two presses

in this country. Let's never forget that. What goes on in the serious press, what used to be called the broadsheet press, is very different from what goes on in popular newspapers and I know that because I worked at the Sun and I worked with the Daily Mirror and I worked at The Sunday Times, and watched the culture -- observed and enjoyed the culture, I ought to say, (inaudible) Alan and I did, really, in the Guardian.

So these are very different kinds of attitude that -- and therefore different cultures. That's -- the first thing to grasp is the culture in a popular newspaper is different. Closer to the kind of thing you've heard from Richard Peppiatt, closer to the kind of thing you've heard from Phil Hall and I'll try and join those two together, as quickly as I can.

It is the case that we shouldn't deny that newspapers work on a very ridged hierarchy. I'm talking popular newspapers now. The word of the editor is absolute. What the editor wants the editor gets. But, of course, on that way up that sticky pole towards editorship myself, I fondly believed that the editors word would be law. It is, but only in the newsroom because above the editor is the proprietor and there is no doubt -- mind you, I had a pretty dodgy proprietor -- there is no doubt that the editor is the creature, to

a large extent, of the proprietor. No editor, working editor, will ever want to tell you that, of course, because it's a kind of, I suppose, agreement, unwritten, unspoken agreement, that you don't ever say that when you are a serving editor.

Now, within the hierarchy, therefore, what the proprietor wants then comes down to the editor. This can be very general, it can be very specific, but most importantly then, within the newsroom, the editor has his sway and within his newspaper are many hierarchies in which the news editor is a key player, perhaps the features editor, perhaps some executive editor or associate editor, someone holds the key to everything and answers to the editor, and the reporters who are (inaudible) and the subs -- very important, by the way, the subs, in fiction making, in popular newspapers -- these people are all answerable to the people above them. They are answerable to the editor and, therefore, the ship rolls down and the ship gets pushed up and that's the important thing, that's -- never let that drift away, that's where Richard Peppiatt is right.

Now, let's look -- okay, that's fine, we understand that goes on and, in generality, that doesn't necessarily cause -- necessarily cause any ethical problems and we ought to see this in perspective when we

talk about ethics. Most of the content -- most of the content of most popular newspapers on most days is unremarkable in terms of how it's obtained, the methodology, and in terms of the content. But there are moments and perhaps these -- this is something we can discuss about whether it's grown worse, I think it has -- there are moments when these things come to the fore in certain stories, and the McCann story is a very good example, once you get a feeding frenzy, once the Joanne Yeates murder happened and the feeding frenzy on poor Chris Jefferies, the Angel of Death description of poor Rebecca Leighton, this leaping to judgment, which by the way, of course, is also against the spirit and the letter of the law of contempt, these things do happen.

Why do they happen? Why do they happen? Because in spite of the fact that I agree that the odds, the great splash or scoop doesn't really move that many copies, it is still a case of intense internal competition within Fleet Street, and a competition which means you must be first and you must be fast nowadays, and you, therefore, get these kinds of pressures. Now, that's all been the case it was always the case that there was that kind of pressure, but it's grown more intense, especially in a world in which you don't know if your exclusive is

going to be tweeted before you have the chance to put it out.

The other big change, I think, is that we have become much, much more hooked on celebrity, popular newspapers, and this has been taken up to an extent by the serious press too, that every story, major story, should be told in some way through a celebrity or that celebrities themselves, just their personas, their characters, can get you extra sales, their pictures, stories about them, and it seems to be that the story that is worst about them that puts them in a worst possible light or involves a great drama is a bigger seller. The obvious template for that was Princess Diana but it happens with every star too, plenty of them.

But the focus on celebrity and the fact that celebrities themselves try and stop it happening has created the need for greater intrusive methodology. That's the -- that's really the reason for hacking, if you like. It's not that I think that when people started to hack they thought it was even against the law, it was simply the case that it was another method, it was like just a much better reverse BT directory, just another way of getting information -- you know, could you find an address and so on -- and it develop

from there, listening into messages, intercepting them trying to get stories every time it happened.

But, of course, that was the pressure that was brought about by the methodology employed to get at celebrities, initially. So the celebrity agenda has definitely had an effect on the culture of newsrooms and on the content of newspapers and that wasn't the case when I started in national newspapers in 1967 -- I look younger.

But the important thing is that as this celebrity agenda has grown, so you will see that the newsroom culture has grown and then, added to that -- and you can't deny it -- is that there is intense pressure in newsrooms because staffs have fallen. So that's a bit of that going back to the competition problem -- going back to the economics problem -- and so, with those pressures, in addition, so you have time, space, you've got the pressure from above to succeed, you've got the competition within papers to be first and to get a scoop, and so on, even though those scoops don't actually end up winning you that many more readers. It's only the big stories, the big international and national stories that really move the market at all. So this is always a marginal difference that you're going to make, you can never stop that.

I go back -- let me take you back very, very slightly and I'll be as quick as I can. There are landmark moments in the history of the press that led to this. The 1963 Profumo affair is the beginning, in my view, of hugely much more intrusive reporting. By the late 1980s we'd become utterly reckless. There was a kind of cowboy atmosphere and it was out of that cowboy atmosphere that led to Calcutt, to the formation of the PCC in the first place. It has to be said that from 1953, when the first press council was formed, until 1991 journalists had no code to work to whatsoever, and the code from 1991 onwards is obeyed largely into the letter, but is rarely obeyed in the spirit.

I think if I was to urge anything of this Inquiry, it is to consider the difference between honouring a code in the spirit and honouring it in the letter, seeing it legalistically. That's a major problem.

I'm just going to finish by saying that I accept a lot of what Phil Hall said. I accept a lot of it. But I also accept a great deal of what Richard Peppiatt said and you need to really filter out from between them the reasons why one is generally right and the other one has a great deal about him, even if the Daily Star is the extreme case, even if we accept that, it's generally

true that other newspapers and journalists who work in the popular press will know that those hierarchies demand of reporters that they get the job. If you want to know who is a good reporter, you hear that phrase "He's a good operator" or "She's a good operator". What that means is they're good at fulfilling the wishes of the news editor. That's the key.

I'm sorry to have taken so long.

DAVID BELL: That's not bad for something you hadn't prepared at all. Thank you very much, indeed, that gets us off to a very challenging start to this session.

I wonder if Dominic Mohan is still here. Would you like to respond to that at all?

DOMINIC MOHAN: I'm Dominic Mohan from the Sun. Thank you Roy.

Just on celebrity journalism and going back to the point made earlier about the sales increases of the Arab Spring story. I don't believe that was the case talking that was the case, talking to my broadsheet colleagues, that that had a particularly large effect on papers like the times. To put it into context, when Michael Jackson died, the Sun's circulation increased by 326,000 copies in one day, that is more than the daily circulation of The Independent and the Guardian put together, I believe, paid-for circulation.

So there is a public appetite for that kind of celebrity journalism and international stories like Michael Jackson's death. In terms of competitive pressures, I really agree with Phil Hall that, actually, the pressures that I feel under are very much my own professional pride to produce a good, fun, lively, informative newspaper on a daily basis.

Coming back to the free newspaper discussion, I think that free newspapers are very functional, they do a good job, you know, they perhaps have stimulated young peoples' interest in newspapers, which can't be bad for us. But, really, I think that the Sun's role, it's humour, it's personality, it's fun headlines, it's sense of representing modern Britain in 2011, that has come to the fore and really separates us from free newspapers.

That would be my response to that.

ELINOR GOODMAN: Celebrity journalism, Roy Greenslade made the point it requires more intrusion and different methods. Would you accept that, that the skills needed to be a celebrity journalist are obviously different from being a political one, not just that you know a different set of people but actually the way you go about it is very different?

DOMINIC MOHAN: No, I wouldn't say it is. It's having good

relationships with people in the know, I think the way journalists operate in the lobby system is probably not dissimilar to a showbiz journalist talking to celebrities and agents on the showbiz circuit. I think it's pretty much the same principle.

ELINOR GOODMAN: What about the role of showbiz PRs? How does that work in to this --

DOMINIC MOHAN: Well, I was a showbiz columnist myself and, of course, you do have regular discussions with showbiz agents and if you've got a column to fill on a daily basis, clearly, there will be information that the agent will give you and that will be of interest to the public who enjoy celebrity journalism.

ELINOR GOODMAN: To what extent is it a contract between the PR who is acting for a celebrity and the journalist, in the sense of trade-offs and things like that?

DOMINIC MOHAN: Probably no more than there would be in the lobby system when a spin doctor or a politician will give a piece of information to a lobby journalist.

GEORGE JONES: I'd like to get back into the kind of -- not you, Dominic --

DOMINIC MOHAN: I'll sit down.

GEORGE JONES: To get back into the kind of culture and practice and ethics in newsrooms, I think Tony Gallagher from the Telegraph is still here. He was a very

successful executive on the Daily Mail, and is very now editor of the Daily Telegraph. I just wonder if he can give us very sort of views as whether he feels, as somebody who worked on one newspaper and then on another one, which had, in a way, different approaches and perspectives, whether he feels there's anything different in the way he motivates his journalists and his team. What is he trying to project and what is he trying to get out of his journalists? Can he give us a feeling of whether that's different from one paper to the other or whether they're both the same?

TONY GALLAGHER: I can only speak from my own experience but I don't notice any huge difference between the culture of a mid-market newspaper and the Daily Telegraph that I edit. There is a desire to be quick, there is a desire to be accurate, there's a desire to ensure that you've got the best version of the story and it's as simple as that. I would make one further point, not related, but unless I'm -- I'll stand corrected -- but I don't believe there's anybody here from any of the big search engine companies today, Google, Yahoo, any of those organisations and they haven't really cropped up in the discussion thus far, which I think is extremely interesting in terms of the competitive pressures that newspapers are under, because I suspect most newspaper

executives will agree with me that those organisations pose a very substantial threat to the health and future success of newspapers.

I'll give you an example of that, this morning. Newspapers are under, you know, huge and growing pressure from the 24/7 news environment. Steve Jobs' death announced at about half past midnight last night made the later editions of newspapers. We probably sold 250,000 copies of the paper with Steve Jobs on it, but the extent we have to cover that story today meant that, by 10.30 this morning, we had four stories on Steve Jobs on my Blackberry, we had an e-mail about Steve Jobs and yet Google had a whole series of stories about Steve Jobs, two from us, some from the Guardian some from other news organisations, and the commercial pressure that exists because of those search engines and the collapse in advertising that has attendant upon that hasn't really been touched upon at all.

I will stand corrected if there are Google representatives here but there doesn't appear to be anybody on the list.

DAVID BELL: You're right, I don't think there are. We have focused on that and you are completely right about the implications of that for the whole industry. I don't think there is anybody here from any of those search

engines.

GEORGE JONES: Can I just come back. In terms of the journalists and now -- so it's the same journalist writing early in the morning to do your on-line version that will then be writing in the newspaper. How integrated now are you and how much, kind of, do you think that puts additional pressure on people that they have less time to work and develop sources? I was just wondering if you could pick up that example and tell us how that will be sort of run through the day from, well, from the time of the announcement.

TONY GALLAGHER: As you will know from your time there, George we run, now, an integrated newsroom so the same journalists by and large are working both on line and in print. The truth is they're working harder. They're probably working long days and they are doing more. I would say, some of it is bite-sized, some of it is capsule journalism, for want of a better word, and it just means that they are doing much more intraday(?) rather then focusing on the end of the day and the printed product and, almost without exception, most journalists would do that.

To give you an example, again, from my own very recent experience yesterday, the rewriting of the Prime Minister's speech to the Conservative Party

conference, ten years ago would've not really amounted to a great deal in this morning's -- in the following day's newspapers, but yesterday because of the Internet, because of blogging, because of the news channels, it became a huge story for about three hours yesterday, until the Prime Minister stood up and made his speech, which largely swept away the row over the credit card remarks. So the pressure is much greater, the demands are more intense and the answer is that people are doing more and are working harder.

I think whether that has an impact upon standards is a matter for the given organisation. I think, if you allowed standards to slip very quickly then what we call our brand would be very badly damaged and I think certainly people come to us and expect it to be accurate, and they expect it to be correct and if they found there was a wide divergence between what they found on line and what they found in the printed product, I think we would suffer very quickly, so we try hard to make sure that's not the case.

GEORGE JONES: One final point on celebrity journalism, do you find that that is now an increasing or, sort of, kind of, area that you as editor of broadsheet newspaper now have to go in because you're being driven, as it were, from pressures down below?

TONY GALLAGHER: No, is the short answer. I mean the Telegraph, in the bygone era, was much mocked for its obsession with Liz Hurley, so I'm not sure that it's a very recent development in terms of celebrity coverage. We will cover celebrities on their merit, based upon the extent to which we think the readers are interested in the particular celebrity and, you know, I can -- instinctively, we tend to know what celebrities our readers are going to be interested in and we'll focus on them accordingly. So it's probably down to more Downton Abbey and less Katie Price.

STEWART PURVIS: I am Stewart Purvis, formally of ITN and OfCom (inaudible) University.

I wonder if I can make a couple of suggestions to the Inquiry in terms of competitiveness. I wonder if you would like to look further at the issue of competitiveness between newsrooms within the same organisation.

When I was a Chief Executive and editor-in-chief of ITN, there were four newsrooms ITV News, Channel 4 News, Channel 5 News and Independent Radio News. They were all completely different tribes with their own values, their own social life and I should never underestimate the competition between those people to beat each other.

The second one goes to competition between

individuals and I think, again, that cannot be overstated, working even within the same newsroom, let alone within different newsrooms and, perhaps, summed up best in the words of the late Terry Lloyd, who was killed in Basra in 2003, that before he went off to the Iraq war he was interviewed and he was asked: "How did you feel being chosen to cover a war"? He said: "A lot better than if I hadn't been chosen".

The third point I make is about the attitude of journalists to the law and whether they somehow historically always thought they were a bit of a special case. The purest example I can give is listening to police radios. It is not illegal to listen to a police radio, it is illegal to act on what you hear on a police radio. Journalists throughout the mists of time have been acting on what people heard on police radios believing that it didn't, sort of, apply to them and I wonder whether -- in fact, I know of one newsroom where they exported that risk to an outside agent, who did the following up, and I wonder if there are kind of echos of that in phone hacking.

ELINOR GOODMAN: Back to journalistic pressures -- the competition between journalists. I am interested in Kevin Maguire as someone at the sharp end, do you feel -- do you get the same buzz out of breaking your

story on the net as you do on a main edition, or is it still regarded, the net, as a sort of a lesser breed, and, also, in terms of -- some journalists are now having to blog, are the requirements for accuracy as great on the blog as they would be in a newspaper itself? Because the time pressures that people are on to and how quickly they have to go outside and blog must surely affect the standard as to what's written.

KEVIN MAGUIRE: I'm actually a poor blogger but I do tweet and, of course, you do want to be first and you know, in that competitive nature, if you want to be first you take a risk on accuracy, and that's where it can go wrong. I think the broadcasters have been at this game for a long time. In fact, there's one very famous British news station who's unofficial slogan is "Never wrong for long". So there is that great -- there is that great pressure.

But no, I -- just to pick up something Roy Greenslade said at the beginning. Now, I've worked for the Daily Telegraph, did 5 years, did 5 years at the Daily Mirror, did 6 years at the Guardian, back at the Mirror, 6 years and counting. I think there are more similarities between the newsrooms in the popular press and the broadsheets -- or as we sometimes joke, the popular press and the less popular press -- than Roy

appreciates because, basically, there's very similar structures, journalists, yes, of course, very competitive by nature within organisations and also between other organisations, because you want to be the first with the news, you want to break it, and you also want to report it in the best way.

So there are huge, huge similarities and the commercial pressures, in terms of pounds and pence and profits, don't -- somebody of my pay grade, that's not what we think about. We think about getting the story and getting it best. Of course, you want to get it right and, to pick up something Richard Peppiatt said earlier, and I'd just be interested to know his back story and how long he worked at the Star, where he worked elsewhere, did he have any training, because his experience isn't my experience at any of the newspapers I've worked for, or a trade magazine or a couple of years at a national news agency or three years on a provincial paper, the Western Morning News down in Plymouth.

The whole thrust is you want to be truthful. That's not to say you always get to the truth because that's difficult and mistakes are made, but I can only really speak directly about what I know, my own experiences and I've never written anything that I know to be untrue

but, yes, of course, I've made mistakes that have to be corrected.

ELINOR GOODMAN: What is interesting is your journey, as it were, through the various political spectrums. I mean, when you went from the Telegraph did you go to the Mirror --

KEVIN MAGUIRE: Telegraph, to the Mirror, to the Guardian.

ELINOR GOODMAN: Did you immediately think, I'm going to approach this story from a different point of view? Did you kind of osmotically digest the news agenda or -- to what extent was it actually explicit that you should approach stories differently or just common sense told you?

KEVIN MAGUIRE: It was common sense, you use a few more adjectives, you write a bit sharper. The Telegraph in my day, in the early 1990s, liked, the Guardian liked attribution. There are differences, of course -- my experience is politics and industry employment and the similarities -- I had no problem at all.

ELINOR GOODMAN: But the way you would approach a story about a strike would presumably be different on the Mirror to the telegraph.

KEVIN MAGUIRE: Funnily enough, it wasn't, in the early 1990s. People on the Telegraph now can say whether that's the case or not but under Max Hastings, as

somebody who, shall we say, is not a natural conservative voter, I have no problem reporting strikes and I've had no problems with relations with trade union people on the Telegraph, because news is news. It may be different if you go into views. I don't think the Telegraph would ever have employed me as a leader writer.

DAVID BELL: There is a lady with her hand up there, please.

ISABEL HUDSON: Isabel Hudson, I'm a partner at law firm Carter Ruck. We acted for Kate and Gerry McCann, who have been mentioned a few times in the context of where media reporting has got way out of hand, and coming back to the points about how much circulation is added with an exclusive front page story and also the commercial and other pressures in the newsroom, we were told, albeit, I have to admit, anecdotally that the Express and Express group were, by far, the worst offenders in the McCann's case, that if they put a front page story about Madeleine McCann, the circulation went up by around 70,000.

We were also told, in relation to the press who were camped out in Praia da Luz, as the story was developing, that the pressures were such that journalists were literally being told, unless you have a new story, a new angle by 4 o'clock today you're sacked.

Whether that's just editors, editorial pressure and mouthing off, I don't know, but there can be no doubt that the pressures were immense and this led in the McCann case to stories literally being made up, literally fabricated, also stories being lifted out of the Portuguese press where the standards are undoubtedly lower than here. The British press would lift a story from the Portuguese press and then the next day the Portuguese press would re-report it as being clearly a credible story because the British press had published it.

Now, you know, in many ways, the McCann case is unusual and it's not a typical everyday case, but the depressing thing is that the Chris Jefferies and Rebecca Leighton examples show that it's not an isolated case and that lessons that should've been learnt haven't. So that's something I would urge the Inquiry to consider, whether it's commercial or other pressures, I don't know. I've been surprised at the amount of people saying it's not commercial pressure, but that's not something I can really comment on any more.

DAVID BELL: Thank you very much. This gentleman behind you.

MIKE JEMPSON: Mike Jempson from MediaWise. Again, when I started out as a journalist in the 1970s, it was

difficult to get a NUJ card and you were terribly pleased when you managed to break into newspapers in local papers and what's interesting for me was to learn that there was a Code of Conduct and that the union helped you understand how to do your job.

Now, we found that we could stand up to our editor if he asked us to do things or wanted us to run a story at a particular angle we didn't agree with and we could win because people stuck together.

Now, not only do we not have the privilege, if you like, of clothes shops and newspapers any more and many newspapers don't recognise the NUJ and no newspaper has ever accepted the Code of Conduct as a performance indicator for journalists, but there are fewer jobs. We've heard 40 per cent fewer jobs on the local press.

Back in the 1970s, you could pitch a story to a national newspaper and they might even pay you to check it out before they even thought about running with it. Now, most journalists are freelancers, they are desperate to earn a living, they're more likely to come into the trade as freelancers or working for a news agency and the news agencies make their money by, really, sort of, building up little local stories that can be sold to the nationals.

Now, don't tell me that's not commercial pressures.

I think one of the big issues is the status -- you know, the employment status of journalists themselves. If you're out there trying to make a living on your own, pitching either to a local news agency or the nationals, you're going to be looking for a story that will sell, and you're only going to have story bought if you can turn up what you pitched with. That means that everybody is overselling their stories and it seems to me that is a whole area you need to look at.

DAVID BELL: There was a gentleman behind you, I think, there.

CHARLES REISS: Charles Reiss, I was political editor of the Evening Standard, but I just want to mention, in terms of pressure, I think we're getting two different narratives here and what Richard Peppiatt had to say was undeniably powerful.

Simply speaking from first hand experience, in an early, early post I had at the House of Commons I was reporting for a number of papers including the Western Daily Press which had an editor who was a legend in the tiny space he occupied, and the very first conversation I had with him -- I had worked for the Labour Party, and what he said was "Mr Reiss, I know where you come from and I don't want any of your pinko rubbish in my newspaper."

Now, that can fairly, I think, be described as pressure. I could also say, with complete honesty, that it did not affect what I wrote nor did it get me the sack. I do think pressure is there but I do think that we shouldn't get too lily-livered about it and it can sometimes and it resisted.

DAVID BELL: Thank you. I'm conscious that we've had quite a lot of criticism, one way or another, of the Express Newspaper Group and I don't know if there is anybody here. Ed Riley, is he here? Anybody who wanted to respond to that, at all?

NICOLE PATTERSON: Hi. I'm Nicole Patterson, one of the lawyers for Express Newspapers. I'm not a journalist so my experience is somewhat limited, but what I do not recognise, from what Richard Peppiatt was saying, is our newsroom. It simply doesn't operate like that, and I think that we've all been in situations in all of our lives where we've been asked -- not asked to do something, but we've perhaps seen a way that we could do something to bring a result in and we either choose a way or we decide to follow our consciences and do it another way.

I think Mr Peppiatt was a freelancer and never had a staff job on either the Star or the Daily Express and I'm not sure -- well, certainly, it isn't a newsroom

culture that I recognise and I do have some colleagues with me, perhaps they could give more of a flavour of it. But the pressures are simply, as far as I can see it, these days, they're time pressures more than commercial pressures, simply the pressure to produce endless amounts of information that we seem to perceive the public as wanting. Whether the public actually do want it, I don't know.

We're all sitting around tweeting and all that kind of thing, we seem to build this momentum of stuff that we put out there, believing that people want it and want it and want it and whether that actually is the case or not, I don't know.

DAVID BELL: Yes?

DAVID SEYMOUR: David Seymour, I was political editor of the Mirror group and I was offered a job and, in fact, I worked for the Daily Mail as leader writer for a few brief but happy months.

I'd like to take up the thrust of what Roy Greenslade was saying and which Kevin Maguire touched on, but I wouldn't like to see the Inquiry go down the line that Roy was saying, which seemed to be tabloids bad, broadsheets good. I would say -- I remember about 20 -- 18/20 years ago, I was at a Conservative Party conference at a reception and I was

talking to a guy who was special adviser to the then Culture Secretary, or whatever that job was called then, and he was complaining about standards in the press and I said, "You know, it's not just the tabloids", and he said, "Oh no, the worst one is", and I knew what he'd say, and it was The Sunday Times, a paper at which, at that time, Roy Greenslade was the number 3.

It has improved greatly but the -- I mean people who go back as far as Roy and I do will remember that when Murdoch was criticised after he took over the Sun for page 3 he said, "Look at the Daily Telegraph's page 3", which was always full of some very insidious court case in great detail, which you couldn't possibly put in the Sun or the Mirror.

I am certainly not defending everything that's been going on in the tabloid press, never have done and I wouldn't do, but I would ask that a broader look is taken at what goes on in the press generally and, obviously, standards in the broadsheets are just as important as the standards in the tabloids.

One other thing, I would say, is that I think it was about 8 or 10 years ago, there was a conference on the press organised by the FT, and Roy was there, and Will Hutton -- one session was on dumbing down of the -- of the press and Will Hutton was on the platform -- used

the expression that the tabloids had actually dumbed up and, certainly, the Mirror did, after 9/11 -- dumbed up so far that it lost a number of sales by being up market of the Guardian.

But the broadsheets -- if you compare the broadsheets now, and the sort of things that they run, with the broadsheets of 15 or 20 years ago they have definitely, definitely, I think, moved down market.

DAVID BELL: I wonder if Mark Damazer is here. Is he here? I might be interested, from the point of view of the attitude of the BBC, to all of this.

MARK DAMAZER: I am now at St Peter's College Oxford and anything I say does not represent a BBC official position, but I thought I'd reflect on how the BBC has arrived at where it arrived at by going back and taking a 20-year view of it.

When John Birt came, there was a very self-conscious move towards a puritan and austere newsroom culture, in which celebrity stories, in general, were downplayed and stories involving affairs and infidelities of public figures were downplayed as well. So we began to carve out a space that was quite distinctive when, in fact, we were serving an audience both of broadsheet and tabloid readers.

The obvious thing about the BBC is they have paid

the same, tabloid and broadsheet alike, and they are all expecting to get something back from the BBC. So the BBC's role was not to become the mean average of everybody else's newsroom, which remains a great temptation. If you don't impose your own culture in a newsroom, however it's done, you tend just to be swimming in the same pool as everybody else, and if you are the BBC and you want to be universally popular, you just take an average position and that would obviously be palpably the wrong thing for the BBC to do.

So as these stories went along in the 1990s, David Mellor, Tim Yeo, Paddy Ashdown, the BBC was reliably late, it was reliably pushing these things down the running order, taking less prominence than the admirable ITN, never mind about the newspaper industry as a whole, and it was done in less detail, and there was real anxiety in the newsroom about that. The troops felt that we were out of touch and me were projecting a much more establishment and chillier image than most newspapers and our broadcast rivals and there's some truth in that.

But I think it was probably the right thing to do and admirably high-minded. It also went wrong and that's the price you pay for that degree of austerity. Just to rattle off some examples, when Andrew Morton

wrote the book on Diana, before it became clear that he was the primary source, I would say, in the BBC's leading interview programmes, we were somewhat sniffy about it and felt that it couldn't possibly be right until it turned out to be the case that it was right.

It got worse, I think, with the Mandelson case, which is an interesting one because when Mandelson was accidentally, or on purpose, outed on Newsnight, the rest of the world reported that, I have to say, with some gusto. It had been known inside the Westminster village that Peter was gay the BBC didn't report it, an edict went out that stopped us reporting it.

That diminished the BBC's credibility for a while. It was extremely uncomfortable and I think it was the wrong decision, even if high-minded, because it made us look foolish and out of touch at least for a period. But if you examine that case carefully, there was no obvious case of Peter being a hypocrite. He hadn't campaigned against gay rights nor was there a question of his competence in some way being affected in some way because he was gay. So there was no root reason why the BBC should have decided to say that he had been outed on Newsnight and that his sexuality was now in some way in the public domain and that the BBC would amplify that, and yet it felt so visibly out of touch and so

completely detached from what everybody else was doing, that I knew in my gut that it was wrong, and sooner or later, of course, the policy was reversed.

I say this only to make a couple of obvious points. One is the BBC must plough its own furrow and there is no right answer to this. The tabloids sometimes are faster and better at getting these kind of stories than the BBC can ever do, and there is a price to be paid for having a culture which is more austere than most people that you are around and it is in no way perfect, but imperfectly executed as that -- John Birt and Ian Hargreaves, was a part of that, on my left here -- imperfectly executed as that culture is and was, it remains, in my view, fundamentally, the right place for the BBC to be and if it means being slower and less detailed and giving less prominence to all kinds of things appearing elsewhere in newspapers and other broadcasters, so be it, because the price for the BBC and the price the BBC has to pay is not to be the mean average of everybody else's news cultures.

ELINOR GOODMAN: That has nothing to do with the regulatory framework?

MARK DAMAZER: Not at all, it derives from the BBC's privileges, funding and sense of itself which is not a state broadcaster, it's a licence-fee funded broadcaster

and the BBC, as it were, has an obligation to seriousness -- it's an old-fashioned word but I think it's the appropriate word -- and, of course, occasionally it's too priggish and too puritan, and can be, when it goes really wrong, ridiculous but it is the the place fundamentally for the BBC to be located.

ELINOR GOODMAN: Does that have implications for the press?

MARK DAMAZER: I mean John Birt, I think, because he had a Utopian streak to him, felt that if the BBC went down a particular road, even to the extent, I should say, of sometimes being very, very cautious about what it reported in its press reviews, where the press would break stories and have headlines, tabloid and broadsheet alike, that in press reviews we were probably too cautious about and careful about.

John felt that if the BBC got it "right", in inverted commas, then others might follow and, in some ways, that might have an improving effect on the whole culture of newsrooms across the UK and that was obviously wrong, it didn't. The BBC can't do this because it is an engineer of other peoples' cultures, nor is it the BBC's role, I think, to look down a particular nose at particular cultures. We did it, in the end, only because it felt like the right thing to be doing for a licence-fee funded broadcaster. I don't

think that we moved by one jot everybody else's newsroom culture in the doing of it.
DAVID BELL: Yes.
PETER WRIGHT: Peter Wright, Mail on Sunday. I'd like to --
DAVID BELL: This is Peter Wright, Mail on Sunday.
PETER WRIGHT: Peter Wright, Mail on Sunday. I'd like to endorse a great deal of what Mark Damazer has just said. We all as news organisations serve particular audiences who have particular interests and particular expectations and whether you are the Daily Star or the Independent or the BBC or the Mail on Sunday, you have to make a judgment about what people who are likely to consume your news are going to be interested in, and it is not intrinsically better to be writing about the crisis in the euro zone than it is to be writing about last night's big football match. To many, many people, last night's big football match is more important in their lives than the euro zone is, and you --
What is important is that you do this in a way that is balanced and is fair, and I would take issue with Richard Peppiatt. I've worked in newsrooms for more than 30 years, and there is always a tension between editors and news editors on the one hand and reporters on the other hand and, if you are an editor or a news editor, you go home every night asking yourself why your

reporters don't come up with more stories and why they can't stand up stories which have come in as tips, and equally reporters go home every night thinking, well, somehow or another I didn't make it work today and if I don't make it work tomorrow they're gonna fire me.
In fact, that doesn't happen, and you do have to -- you do have to as an editor not only push and goad reporters but you also have to rein them in and I know that I spend just as much of my life telling people that they are looking at something too narrowly or they are investing too much in a story as I do trying to encourage people to go and look more deeply and find out more about things which I instinctively think are going to make good and interesting stories in the paper that weekend.
There really -- although the subject matter of different news organisations may be very different, in my experience, the way we go about it is very similar. Thank you.
ELINOR GOODMAN: Can I just pick you up on what you said about -- the objective is to be balanced and fair. To what extent is that within the prism of a given set of beliefs on the Mail about certain issues or what people think?
PETER WRIGHT: Well, we always try to be balanced and fair,

and when a story is offered to us or presented to us, one of the first things I ask myself is: if I -- if I were the person at the centre of this story, how would I be explaining this set of actions? You have to run through both in your own mind and with your news desk and your reporters what other complexions can be placed on a particular set of circumstances, before coming to a view that what has been presented to you does amount to fraud or dishonesty or hypocrisy and you can never begin from an assumption that something is wrong or right, you always have to examine it.
ELINOR GOODMAN: What I meant was, really picking up on Richard Peppiatt's point, that the reporter is sent out to get a particular angle on a story which matches the set of attitudes of that newspaper.
PETER WRIGHT: Well, you never send a reporter out to go and prove something. You send them out to go and examine if something is true. You often, very often, have to start from a hunch or a gut feeling about a set of events, of which you only have partial knowledge, but the job of the reporter is to go out and find out what is really going on.
We were talking earlier about the McCann case and we're a mid-market paper, it's a story that was of great interest to our readers, I read what was being reported

in daily newspapers, and I personally felt that a lot of it didn't quite ring true, and we sent a former Observer journalist out to Portugal to spend a week there to take a totally fresh look at this and he filed a long and carefully researched report which raised a lot of questions about the way the Portuguese police were approaching the case and the way they were briefing Portuguese newspapers in order to build a case against the McCanns.
As far as I'm aware, the Portuguese police were giving very little information, indeed, to the British press, which is why they ended up relying on the Portuguese press who it turned out were being misbriefed.
GEORGE JONES: One point I -- several contributors have talked about -- and it follows on from the McCann case -- the quotes "feeding frenzy" that happens, and we've had a couple of recent cases, was it the Angel of Death and also the Jeremy Yates case. I was wondering whether any lawyers or editors in the audience -- how constrained do they feel by the law of contempt? Do they feel that it's hazy and fuzzy and that they can push the boundaries, or do they feel that it is something which actually binds them?
I was just wondering if the practitioners, they

could give us a view on how that actually -- how they feel that operates.

I don't know whether anybody -- yes.

GILL PHILLIPS: Gill Phillips from the Guardian.

The law of contempt is quite vague because that's the way it's worded, but I think most legal practitioners know where the boundaries lie and we know when someone is arrested that you have to be very careful about what you're saying. I mean -- and there will be arguments with a news desk about whether a particular fact is the right or the wrong side, and whether a set of facts may be the right or the wrong side. I think there is pressure when one newspaper publishes one fact that the lawyer has told their newspaper they can't, for the news desk the next morning to say, "Well, can we put it in now?" Those are all judgment calls; the reality is over the last ten or fifteen years there have been very few attempted prosecutions for contempt. The new Attorney General has taken what appears to be a slightly more stringent approach. And, at the end of the day, the directiveness of it comes from him.

And certainly, as I say, in the last ten or fifteen years there's been very little pressure. The Attorney General would put out guidelines which had no legal

effect, which probably confused rather than helped.

So I think that the boundaries are clear. The law, again, is there as the backstop and if the law doesn't enforce the law then so be it.

GEORGE JONES: Is John Witherow here? Would you like to add anything to that, or any of this, actually?

JOHN WITHEROW: Not on contempt, particularly, because it's not something, as a Sunday newspaper, we are confronted by a huge amount at the time. But I'd like to make a few general points about some of the earlier matters that came up. It seems incongruous at a meeting like this which has been brought about by phone hacking, but I would argue that over time I believe journalism is getting better, that reporters are more reliable, held to account more by changes that are going both on in the law and also by technology.

The very fact that, when you print something, you can be held to account very quickly by the Internet, I think is raising standards. And I think this is happening right across the board.

That the law is changing, that we now -- if we're doing a story on a Sunday newspaper -- we will go to people several days before we publish to give them more time to respond; this didn't use to happen. That's partly the consequence of legal cases and judges saying,

"Why didn't you give the respondent more time?" So I think these are improvements in some of the things that are going on, and I feel generally very optimistic about standards. Obviously, phone hacking is an egregious example. Generally, I feel standards are rising across the media and I feel pretty positive about it.

ELINOR GOODMAN: You make the point that people could be held to account more quickly because of the Internet, but isn't it equally the truth that blogs are breaking stories which are not subject to the same standards as a newspaper would -- story would be, and that that in itself creates a kind of pressure because these stories will be swimming around in the blogosphere and people are saying, "Why can't we run it?"

JOHN WITHEROW: Well, they may be, but I still think a newspaper will go and check that story and, if it isn't true, they won't publish it. You know, newspapers -- as many of the speakers here have said -- take, getting stories correct and accurately very, very seriously. And I think there's going to be a merit in newspapers on the Internet saying "We are regulated by the PPC" or "We abide by that code" compared to bloggers or other sites that don't. And we say, actually, you come to us because we are more reliable. And it's one

of the merits, I think of the Times and the Sunday Times being behind the pay wall that we say the quality of the information we publish, we put a lot of resources into this, and we believe this is as accurate at we can make it; therefore, we believe it's worth paying on.

ELINOR GOODMAN: May I ask, how early on in the procedures does the lawyers become involved? I mean, on a tabloid paper are you -- is the lawyer very much in the newsroom or where do they come in? At what point do people start talking to the lawyers? To quote a broadsheet, it used to be very much the end of the process that you got to the journalists.

JOHN WITHEROW: If it is a particularly controversial story the lawyers would be brought in early on to discuss it, the merits of it, how do we approach it. The more run-of-the-mill stories, they will go through those towards the end of the week in the normal practice.

GEORGE JONES: Could I ask in terms of investigative journalism whether you, as the editor of The Sunday Times -- I think one of your distinguished predecessors, Harold Evans, has sort of made a lot of comments about the state of journalism today. Do you find that the competitive pressures mean that you can spend less time on the big investigations, and that you've got to do more, in a way, celebrity or "popular" type stories

rather than the big deep investigations that your paper has been famous more?

JOHN WITHEROW: No, we don't, actually. We put a lot of resources into investigative journalism. We have probably the most experienced news room we've had for many years now, people with a lot of experience in investigations. When Harry talks about it -- it was a great time for the Sunday Times in the sixties and seventies, but nobody else was doing that sort of journalism, and he in The Sunday Times stood alone, which is why it stood out so much. There is far more investigative journalism going on now, and I think even the dailies, who are constrained by time and events, are doing much more investigation than they used to have even a decade ago.

And to me it is a positive development for a Sunday newspaper it just raises the bar and we have to find other means and other stories to investigate and try and move it on and do a separate agenda.

DAVID BELL: The gentleman there with -- yes.

DAMIAN TAMBINI: Hello I'm Damian Tambini any from London School of Economics, media policy project.

I'd like to comment on some of the general considerations that have been taken this morning, and in particular a narrative that appears to be behind the way

the debate has been structured, and it seems to be taking hold and it runs something like this. That the pressures, competitive pressures, on the media -- and we've seen ample evidence of those this morning -- are in some way, if not excusing, at least helping to explain the collapse in standards which appears to have taken place. We could comment on those, it seems the most intense pressures actually came after, a lot of the phone hacking seems to have taken place earlier in the last decade; but I think logic would demand that, if what we're trying to do is explain what went wrong, we need at least to give some consideration to some other hypotheses. One might be, for example, the technology is changing. Voice mail is but one of many new technologies which mean that as citizens, as people, we leave more traces, there are more opportunities, without breaking windows, without doing anything which is more likely to be seen as a crime, journalists can access private data about individuals.

But I think we also need to give consideration to another hypothesis which I don't think we've -- we've really touched upon today, and I don't see it really in the programme for the future seminars, which is that something of a culture of impunity might have existed in newsrooms, but if something changed it was a sense that,

at some level -- and I think this was borne out by events subsequent to the initial phone hacking investigations -- to some extent, not only the police investigations but also the political response to the phone hacking which took place during the last decade, bore out the perception among journalists that they were not going to face the consequences for that.

So I would hope that this Inquiry can at least examine these hypotheses and maintain the sufficient breadth in its analysis to consider whether that may have been the case.

BRIAN CATHCART: Brian Cathcart, Kingston University.

Two points. One is, whatever about the sort of broader picture in the newspaper sector, there's no correlation between the phone hacking at the News of the World and money. One thing we've learned is that money was flowing in all sorts of directions; these people were paid extremely well, they, you know, they had slush funds and they even, when they went to jail and came out, they were paid very well again.

The other point is a more general one and it's about this correlation between competitive pressures and standards. And I think it might be a useful thing if the Leveson Inquiry established what the pattern is of staff output on these papers. How much of what is

produced in, say, the Daily Mirror or the Daily Telegraph is actually produced by staff writers, and how much is by people on contract, and how much by be people very casually employed, occasionally, twice a year or something like that? I think that would give you an interesting picture about levels of, first of all, of levels of impact of internal standards; these people may have only fleeting contact with the organisation. And, secondly, about the ability of the reporters, these freelance reporters, to impose any of their view on the user on the paper. If you're a very casual employee you have no power.

DAVID BELL: I wonder, is Lloyd Embley from The People here? Would you like to respond that?

LLOYD EMBLEY: Well, I can't speak about the Daily Mirror at the moment. I used to work there, of course, but I've only been at The People for three years.

In terms of staffing numbers, The People is very low, The Mirror has more staff. We use freelancers, yes we use freelancers; but the process of what a freelance writes is -- the words go through so many processes between that point and the point that the reader gets the words that nobody would be able to impose their own view if they were a freelance. That's not possible.

I've got a few points of possible -- seeing as I've

scribbled them down I might as well make them now -- about some of the things that have been said. Brand loyalty was mentioned in terms of people -- the amount of people out there who float in the buying market. I was at a Focus Group about 18 months ago, and I was behind a two-way mirror, I was sitting above a butchers shop in Sale, which is quite a strange experience, and there were ten people in the room and a couple of them were Daily Express readers. And one was sitting there and she said, "I read the Daily Express, I've read it for 20 years. I hate it, but I still buy it. I've tried the mail. That's a bit better, but I still buy The Express, and my dad bought it." This is brand loyalty, this is what we're talking about. I'm a bit sad, I go down to Sainsburys on a Sunday morning and watch people buying their newspapers. Most people buy them because of the name; brand loyalty is the key sales driver. And that sort of goes on to perhaps what Phil was saying in terms of "exclusives" and the question we're talking about here in terms of pressures in terms of impact on our journalism. Exclusives really don't move the dial at all. Let's think about the cricket, the cricketers, the News of the World expose which we all agree was a very, very good story. Their sale that week went down 6,000 copies on the previous week, and

yet I'm sure there was a loft of pride in the News of the World newsroom that that story was picked up around the world. As a commercial venture perhaps it wasn't great because they lost £6,000 worth of revenue, but they certainly would've felt it as a negative, I'm certain.

Culture in the newsroom. Richard Peppiatt. I've never worked with Richard. That is not something I recognise in the slightest. I applaud that you stood down over the question of Islamophobia. As someone whose father-in-law is a Muslim and I have two children who are(inaudible) Pakistani, I do applaud that and I have sensed that there is a little of that at The Start, possibly. But certainly at my time at The People and before at The Mirror under both Richard and Piers my role as night editor and assistant editor, I was very very clear that, for example, very simplistic, but the word "Muslim" should never be used in a pejorative way. "These people are fanatics", there is a list, but Muslim should not be used in that way. And, Richard, I can assure you that doesn't happen at our titles.

Challenge I stop or shall I keep going?

Oh, the point about opinion is quite an interesting one. Yes, opinion is important in newspapers. There will be more and more of it, but then of course that

doesn't mean it has to come from one particular direction or another. You may or may not be aware that The People, for example, is politically independent. So we carry very lots of opinion but it's from various different voices.

ELINOR GOODMAN: Can I pick you up on the point you made about freelancers and slightly picking up what Richard Peppiatt has said. You say that you go through their stories with, if anything, more rigor than if it was a Star story; but you could argue that the freelancer's living depends on get in that story and getting a story into the newspaper. So isn't the freelancer under more pressure than a staff person under those circumstances. And that, therefore, the temptation to embroider things might be greater because (inaudible) they won't get (inaudible).

LLOYD EMBLEY: I think in the case, certainly, of ourselves at the People, our use of freelancers, whenever we do use them, is normally because we -- of financial constraints, et cetera, et cetera, we've employed them to do a specific job.

RICHARD PEPPIATT: I think we shouldn't confuse between a freelancer and a casual reporter. Because there's one thing being a freelancer offering things up to a papers. It's another thing being a casual reporter who turns up

on a day by day basis and works pretty much as a normal reporter. I think that Nicole from The Express has been a bit disingenuous to say I was just a freelancer. I worked there for two years, I had over 800 by-lines. I think that's pretty prolific for someone who was just an occasional hack sort of calling in a story. I went on numerous international jobs for them; I was one of the main reporters there.

As for Kevin Maguire sort of quite rightly asking, you know, "What are your qualifications?" I went to university, I did my NCTJ, I worked at the Mail on Sunday for a while, as Peter Wright may not be aware, I spent three or four months working there on a casual basis. I worked at news agencies, national news agencies, and then I ended up at the Daily Star. So I understand there is some flack about my background, but certainly I feel that I am qualified as a journalist and I'm not sort of someone off the street who sort of wandered into the profession.

DAVID BELL: The gentleman there who hasn't spoke before. Yes.

IVOR GABER: Thank you. Good morning. Ivor Gaber from the City University and Bedfordshire University.

I just wanted to pick up at underlining and throw a question about a point that Damian Tambini made earlier

which hasn't received much attention, which is one of the aspects which came up in the last few months is the relationship between the media and the political class, if you like, and particularly between proprietors and journalists, or proprietors and politicians, forgive me. It seemed to be very significant, it came up from the freedom information revelation that over -- since the May 2010 the Prime Minister or his senior lieutenants had met Mr Murdoch or his senior lieutenants once every two weeks. I'm sure one topic of conversation with BskyB, but another topic of conversation might well have been these general issues about press ethics and behaviour.

Now, I note from the seminars that this is not being covered, at least not at this stage. It seems to me that that issue that Damian ran of that sense of impunity that journalists might have felt -- because having been a working journalist for many years it doesn't come down to that level -- but senior executives, in particular proprietors might have felt, because they knew either that they had access to politicians and ministers to explain what was going on, or more because, as we know, as revealed by members of the Culture, Media and Sport Committee, that politicians felt reluctant to attack some newspapers because of fear

of retribution.

I think that's an area that needs to be examined, and I hope that the seminar and of course the Inquiry itself will look into that.

DAVID BELL: The judge will correct me if I get this wrong, but in fact it is absolutely the intention of the Inquiry to do exactly what you are suggesting. We have started at this point, but those issues that you are raising are certainly within our remit, and in due course we will definitely get to them. So I think you shouldn't be concerned about that.

Claire.

CLAIRE ENDERS: I wanted to address the issue of casualisation of the workforce, because this is also a phenomenon that has actually occurred in magazines over the last 20 years and is very very common indeed in all forms of publications.

The other point I wanted to make is that it's not impossible to forget, but it is worth remembering, that it was in 1992 that Prince Charles's phone was hacked and that was really one of the hey-days of the industry. I really don't think that the commercial pressures coming from digitalisation and casualisation of labour are in fact significant factors in any form of unethical or ethical behaviour.

STEVEN BARNETT: Steve Barnett, University of Westminster

If I branch off into something for this afternoon, but just bringing some of the points back, if you like, to the very first point that Roy was talking about and the difference in terms of news values in the newsrooms. I would urge the Inquiry not to make the mistake that the Calcutt Committee made 20 years ago, which was to confuse the news values in newsrooms in terms of what's important and the techniques and the practices of journalism. Because there is absolutely nothing wrong with tabloid journalism, i.e. news values which says sport is important, celebrities are important, big crime stories are important. People want to read about those and that's why they matter.

And although it's interesting, the oral evidence to that committee was never made public. (inaudible) wrote a very good book where he interviews people and gets the favour of what was said, and Kelvin Mackenzie clearly made a big impact by saying, "Don't condemn us because we're brash and noisy and we like stories about celebrities." And that made an impact on that Inquiry. I think that is a completely different set of issues to what actually goes on in the newsroom and the methods and practices that journalists use to get those stories. I think where I might disagree with Roy, and I think

others have picked up on this, is the #extent to which that is clearly rife in some newsrooms; but it is certainly around in some of the broadsheet newsrooms as well. You only have to look at the report by the Information Commissioner, Operation Motor Man, the number of journalists and the number of publications who bought, probably illegally, private information on all sorts of people, not just celebrities. I've never met Richard Peppiatt, but I have to say I found his evidence this morning extremely compelling, and if I could add one other book to your reading list, there is a book by Sharon Marshal who spent ten years working on the Red Tops called Tabloid Girl. She doesn't name names, but she has a number of pretty hairy, scary stories, all of which are true. And it's worth reading that to get a feel for what actually goes on in some of those tabloid newsrooms.

DAVID BELL: Roy.

ROY GREENSLADE: I don't want to go back over and answer what other people have said. I just want to say that no one has addressed this business about the pressure on the editor. And Phil Hall didn't tell us, for instance, about how he came to depart from the News of the World. And I think it would be instructive if he were able to tell the Inquiry how his editorial content was one of

the major causes of his being required by his proprietor to leave the paper.
DAVID BELL: Does Phil want to do that?
PHIL HALL: Chairman, first maybe Roy can tell us how he fixed the spot the ball competition when he was editing the Daily Mirror. Tell us, Roy.
ELINOR GOODMAN: The middle.
ROY GREENSLADE: Well, I'd like to sell as many books as possible. The full explanation is in my book best selling Maxwell's Fall. It is the episode in journalism I absolutely, absolutely feel terribly sorry about. It is, however, something that I unilaterally revealed that, on behalf of my proprietor Robert Maxwell, I fixed a game offering a million pounds to anyone who could spot the ball and ensure that no one won. I am "mea culpa, mea culpa, mea culpa", and now that I've told the truth, will Phil?
PHIL HALL: The truth is, Chairman, that the proprietor and the Chairman of News International thought there was a more suitable editor of the News of the World than myself, and it was as simple as that. They chose Rebekah Wade, as she was then, Rebekah Brooks ahead of me. They made their choices for whatever reasons were never explained to me and it was as simple as that.
DAVID BELL: Yes.

JEREMY ROBERTS: Thank you. Sorry to come back to something a bit more mundane. By name is Jeremy Roberts, I am a relatively new member of the PCC, so I am on a pretty steep learning curve.
DAVID BELL: What is your name?
JEREMY ROBERTS: Jeremy Roberts.
Just to pick up the point Roy made about the pressures on editors. There's a particular point that I don't think we touched on this morning which might have something to do with commercial pressures and that is headlines and sub-headlines. We've all been told, and you will know better than me, whether it's true that headlines sell newspapers, and quite a significant number of the complaints that we get at the PCC seem to be about headlines, which it is suggested give a completely false impression but no doubt are designed to sell the newspaper.
And a typical situation is, when you read the article in full, you get a very different picture from that which you get if you just look at the headline.
And I wondered whether -- presumably this is a matter of editorial responsibility rather than down to the reporter -- whether anybody thinks that commercial pressures may have something to do with the way headlines are sometimes presented.

DAVID BELL: I wonder if there are any -- there are one or two editors we haven't heard from. I don't know if Tina Weaver is still here. Whether you'd like -- just in general terms.
TINA WEAVER: Hello. Tina Weaver. Editor of the Sunday Mirror. Thank you, Jeremy.
With regards headlines, particularly in a tabloid paper, it is particularly difficult. Sometimes you are reflecting a 2,000 story in three words, and I challenge most of you to come up with a sort of punchy, accurate headline out of those circumstances.
But by and large I think most headlines do reflect what's in the copy, and you add to it with a sub-deck, if there's a demand a lot of them try and incorporate that in the sub-deck. So relatively I think they do. And actually I also sit on the PCC with Jeremy and most of the complaints we've had over headlines haven't really been upheld because, on close analysis, it's turned out they have been accurate.
ELINOR GOODMAN: (inaudible).
TINA WEAVER: Not really, no. I think the subject matter sells a story more than a headline. A good blurb with an intriguing line in it often encourages readers to buy. I mean, in the Sunday market I think readers are perhaps more promiscuous than in the daily market, and

a good front page story which appeals to our readership will easily put on sort of 50,000 copies in one week.
DAVID BELL: The gentleman there.
IAN NICHOL: Hello. I'm Ian Nichol, and I'm afraid I'm another person from the PCC.
Just one point which came up earlier, the question of popular papers getting more complaints coming to the PCC. That's true because they are more popular, more people read them, and therefore we do, it's fair to say, have more complaints in that area. I don't think that's a point you can conclude too much from.
The -- one example of headlines that the PCC did come down quite hard on was Muslim only loos from a certain Richard Peppiatt.
GEORGE JONES: I just wondered if I could -- I see Jonathan Grun from the PA there. I just wonder, Jonathan -- I don't want to put you in a difficult spot -- but as you in a way served the regional newspapers and you served the national newspapers and you provide basically the up and coming journalists of most editors in this room as soon as you bring them on and train them they get poached and go off to what we used to know as Fleet Street, whether there are any threads that you feel you can draw from here, whether you noticed yourself that the demands that are placed on

you are getting heavier or you're going to have to kind of cut corners or be quicker. I was wondering if you could tell us your take on it.

JONATHAN GRUN: Yes. Actually, it's nice to be here today and actually be here with some of my former colleagues. Ian, for example. Kevin, who have all, I hope, graduated from the PA school of excellence.

No, I think, from the Press Association's point of view, we are trying to provide our customers with the content that they are looking for. We operate -- we pursue stories energetically, aggressively, but of course our customers have to be able to use a PA story without making any further checks. So, therefore, editorial standards, integrity, are central to what we do.

But it would be really foolish of me to try and set up the PA as some kind of editorial paradigm. Every editor here, Alan, Ian, Dominic, behind me, all of us would -- all of them would subscribe to the same editorial ideas -- ideals that we try to foster at the PA. All of us want to be first with a story. But, first of all, all of us want to be sure that the story is right.

And, of course, Elinor made the point about the pressures that are on all of us because of on-line --

that's absolutely right, but my own belief is that, when a big story breaks, there's so much rubbish swirling around on-line from bloggers, from people who are, effectively, able to put anything up on-line, that the mainstream, self-regulated media is a place that increasingly people will want to turn to for material that they really can trust.

Certainly at the moment the landscape that we're in -- and I thought Claire Ender's presentation was excellent -- it painted a picture of sort of tectonic shifts that are taking place in the landscape that we are operating in. None of us have a Sat Nav to navigate ahead. The -- it's both a scary situation, but an exciting one.

Lots of editors have talked about the exiting opportunities that are being presented to us. But despite all of those tremendous commercial pressures, I would want to echo the same message that has been given by almost every other speaker this morning, that we should -- it would be wrong to -- to draw a connection between commercial pressures and editorial standards. I believe that all of the editors here genuinely believe in pursuing the highest editorial standards.

DAVID BELL: Thank you very much.

I think we've really come to the end. I think it is one o'clock. Since we have another seminar starting in a little bit less than an hour probably it is best to draw this to a close.

I remember the editor, the news editor of the Oxford (inaudible) saying, "You should never refer to anything as the 'biggest' or 'the best' because would turn up and say, 'You're wrong, I'm bigger' or 'I'm better'."

But I think -- I can't remember an occasion when we have gathered together in one place so many editors and so many people from right across the whole of the British press, which is exactly what we wanted to do, to have, as the judge said at the beginning, the broadest possible expression of views. And we want to continue that for the rest of these seminars because we think it's incredible important before the Inquiry if you like gets into its stride in terms of what it's doing have this kind of debate.

So, on behalf of all of us, I want to say the biggest possible thank you. And as Elinor has just written down here, we very much hope that everyone will stay this afternoon because this afternoon's topic takes on from this, but is also very very important. And we very much hope everybody will be able to stay this afternoon.

Meantime, lunch is downstairs where the coffee was, and we look forward to seeing everybody back at two o'clock. Thank you all very much.

(1.04 pm)

(The short adjournment)

(2.00 pm)

THE RIGHTS AND RESPONSIBILITIES OF THE PRESS

INTRODUCTION

SIR DAVID BELL: Ladies and gentlemen, good afternoon.

For those of us who weren't here this morning, some of what I am going to say is going to sound repetitious so I'll say it very quickly. The first thing is to welcome everyone. My name is David Bell and along with Elinor and George we are chairing this discussion this afternoon. We are going to follow the same format that we followed this morning, and the goal, for those of us who weren't here this morning, is for us to collect as broad a spread of views and opinion about the issues we're debating as we possibly can.

As Lord Justice Leveson said this morning, having a seminar of this kind does break new ground. I think this morning worked very well in terms of a very broad range of views and debate and we want to repeat that this afternoon and then in future seminars.

So when we get to questions, it would be a very

great help if everybody, in addition to saying who they are, could actually stand up, because it makes it much easier for the camera to pick everybody up if they're standing up. As I said this morning, the whole of this event will be on the web in video, some of it probably nearly already is, the rest of it will follow, and there will be a full transcript.

Finally, for those who weren't here this morning, we are very keen if you feel that there's something you wanted to say and didn't have a chance to say or wanted to say at greater length than you've had a chance to say, that you do send it to us. There is a space on the website to receive that and we are very, very keen to receive as many different views as possible.

So this afternoon we are talking about rights and responsibilities of the press and we have three speakers and the way that we are going to run it, as I said this morning, they will all speak one after the other, and then we will return to the topic that Alan Rusbridger was talking about, for a discussion before we have tea. Then after tea, which will be around about 3.30, we will then focus on the points that have been made by the other two speakers, Trevor Kavanagh and Brian Cathcart.

So we're going to kick off with Alan, I don't think he needs any introduction, but there are tiny

biographies of all of us in the paper that you have been given with the pack. So it would help to identify us a bit. With great pleasure I ask him, Alan, to come.

Presentation by ALAN RUSBRIDGER

ALAN RUSBRIDGER: I've been asked to speak about the importance of the free press and I think anybody who wants to know why free press matters could do worse than study the story of how the phone hacking scandal at the News of the World was uncovered, looking both at the dogs that barked and those that didn't.

It took almost exactly two years for the story to unravel, and for the first 18 months, not very much happened. The police added two more cursory investigations to their original inadequate probe in 2006. Parliament did its best and some individual MPs did very well indeed, but it struggled to flush out the truth. Politicians from Prime Ministers down have since admitted to everything from pragmatism to fear, as an explanation for their inaction or general complicity.

The regulator produced a lamentable report, which portrayed an inability or lack of will at getting at the truth, a report that has since been withdrawn, and, with notable exceptions, much of the media showed little initial inclination to shine a bright line on a particularly glaring abuse of Parliament. So the

normal checks and balances in civil society didn't work.

Those 18 months were telling because the only reason the full story came out was down to a free press, and I'm going to be immodest enough to single out Nick Davies and the Guardian as the single most important force in ensuring that so much was eventually uncovered. Other journalists did, in time, join in and what those reporters did peel, away at the evidence, accumulate facts, ask questions, cultivate sources, look at documents, talk to people who were involved, win trust, ignore threats, verify information, report accurately, is as good an illustration as you could have for the importance of a free press.

Now, it's for others to answer the question about the dogs that didn't bark, why other institutions in our society didn't function effectively over 18 months, but the saga tells you much about the need for an institution, an estate, a profession, a trade -- we'll never probably quite agree what to call it -- that exists independently of the other main centres of power in society.

The press is sometimes called the fourth estate and that is probably too grandiose a concept for most journalists' tastes but it does suggest an important, coherent and independent force in society. That

apartness is crucial. The press doesn't share the same aims as Government, the legislature, the executive, religion or commerce, it is or it should be an outsider.

Stanley Baldwin didn't intend it as a compliment when he said of the newspapers in 1931 that they had power without responsibility but, in fact, that lack of responsibility is one of the aspects in which the press is different. Of course, the press must be responsible for its own standards and ethics but it's not the job of journalists to run things, they are literally without that responsibility. They don't have to respond to a party whip make compromises that are necessary in politics or answer to shareholders, they are not bound by confidentiality agreements as lots of people in public life are. They are careless of causing inconvenience or embarrassment, they don't have to win votes. They can write things, say, about the economy or the environment which may need saying but which are unusable by politicians. They come from a different place.

This freedom is a fundamental one. There are plenty of writers, jurists and political philosophers who consider it the first and foremost of our freedoms. The American First Amendment is probably the most robust expression and enshrinement of the primacy of free

speech in an open society.
So that's the ideal, but in a British context it's probably worth asking how free is our press and, even more fundamentally, what is the press? Many journalists and lawyers would argue that the press in the UK is relatively, but only relatively, free. It's not clear that the situation has improved notably since Harry Evans, unable to publish the full truth about the thalidomide scandal, bemoaned what he called Britain's half-free press in the mid-1970s.
In 2009, Index/PEN commission into our defamation laws concluded the law as it stands is hindering the free exchange of ideas and information. The 2011 global press freedom rankings placed the UK in joint 26th place.
Another measure of freedom and that's been touched on this morning is whether reporters are genuinely free to follow any story they wish, regardless of proprietorial, managerial editorial or commercial pressures or influence.
Yet another measure of freedom is economic freedom and this, again, has been touched on this morning. It's no secret -- Claire Enders was talking about it this morning -- that newspapers face a kind of existential threat due to a combination of technical and economic

factors. Digital disruption comes in many forms, it sucks revenues out of print, it challenges the very idea of what a newspaper is or what journalism does. The sort of expensive and time consuming journalism that Nick Davies does is threatened in many news organisations by the quite understandble need to cut costs. Nick Davies is very unusual in that respect, he is remarkably free.
What is the press? Until recently, it would've been self-evident what the press was. This is the 1947-1949 royal commission on the press and that had no problem in understanding what the press was, it described it as the chief agency for instructing the public on the main issues of the day, the main source from which information, discussion, advocacy reached the public.
So whether or not the press remains the chief agency of instruction today, it would be very rare to find a newspaper that existed only as a printed product. Increasingly, the press encompasses digital forms of journalism that will include moving images, data, sound, often published around the clock on a variety of platforms. The further the press moves from its traditional and historic form, the more it sails into unchartered converged waters, where it meets with broadcasters coming from one direction and so-called

amateur creators of content from another.
Countless blogs, platforms and websites reproduce some of the functions of newspapers, though very few aspire to replicate the entire bundle form of a newspaper, if only because the economic model is so unpromising. This digital disaggregation or fragmentation of a newspaper has, of course, severe economic consequences but it also brings into question the hitherto distinct role of the press. Many of these new digital forms of information sharing are based on a completely different idea of what the media is or who should take part in it. This revolution in technology, considered by many to be the most significance since the invention of movable type in the 15th century allows virtually anyone to create and share their news and opinions.
21st century media, in many respects, marks a sharp break with what went before. A world in which a relatively restricted group of people benefited from having a platform to address a mass audience. Gone are the days when the freedom of the press was limited to those who owned one.
The courts are already grappling with the implications of enforcing rules of one jurisdiction on an internationally available medium, which may be well

based elsewhere or nowhere.
The British footballer impotently trying to protect this privacy in London is part of the same tide that allows a digital citizen of Syria or Zimbabwe to exploit the free press jurisdiction of other countries in order to publish necessary truths.
In London last week Carl Bernstein, the legendary co-author of Watergate talked about the parallels between the story on which he and Bob Woodward worked in 1972 and the work of Nick Davies nearly 40 years later and he used this phrase, "The best obtainable version of the truth", to describe what journalists at their best seek to obtain.
Bernstein's definition combines a nobility of ambition with the implication that journalism, by its very nature, may often fall short. We shouldn't overclaim for what a free press can do. My own favourite description of journalism was coined by the late sage of the Washington Press corps David Broder. He described a newspaper as follows:
"It is a partial hasty incomplete, inevitably somewhat flawed and inaccurate rendering of some of things that we've heard about in the last 24 hours, distorted, despite our best efforts to eliminate gross bias, by the very process of compression that makes it

possible for you to lift it from a doorstep and read it in about an hour."

He added:

"If we labelled the product accurately then we could immediately add 'But it's the best we could do under the circumstances and we'll be back tomorrow with a corrected and updated version.'"

That seems to always get a laugh of recognition. That's what a newspaper is.

But the imperfections of the press are not the point when considering its freedom. A free press is anyway not there for the benefit of a group called journalists. It's primarily there for the benefit of ordinary citizens. The freedom belongs to them, freely to receive reliable and timely information about their society. Free press is just a part of a larger right of free expression, which is something to be jealously preserved and guarded, regardless of the abuses of those freedoms by or on behalf of a small number of people calling themselves journalists.

We meet at a time -- and Claire Enders' presentation gave you some flavour of that this morning -- when, for the first time since the Enlightenment, it's possible to imagine society's towns cities and even countries without any agreed or verified forms of the truth. As

journalists, we would like it to be self-evident that what we do is as crucial to democracy as a water supply or a fire service but surveys showed that this is not a widely held view and ought to be a matter for self-reflection.

Since Watergate journalists often like to cite big campaigning investigations to demonstrate why what we do matters. It's we, the free press, who exposed phone hacking, MP's expenses, illegal rendition, the truth about the death of Ian Tomlinson, match fixing in sport, World Cup votes for sale, chicanery in the arms trade, cash for questions, and so on.

That work of the investigation is, indeed, vital evidence of the importance of the free press. As vital is the institutional muscle of the press that stands behind a reporter engaged in this kind of work. Reporters need to know that they will be protected from the threats and immense costs that are often involved when people seek to stop daylight being thrown on their affairs. Our Moscow correspondent, for example, could not be free to work in Russia without the solidity of the Guardian behind him. The widespread defence of the sanctity of journalists' sources, when our reporter, Amelia Hill, was recently threatened with the Official Secrets Act, was another example of the institutional

strength of the press as a whole.

But there's a quieter, less glamorous side to our trade, which is also vital and which is not easily replicated by social media or bloggers. It's the simple craft of reporting, recording things, asking questions, being an observer, giving context. It's sitting in a Magistrates' Court reporting the daily tide of crime cases, the community's witness to the process of justice. It's being on the front line in Libya trying to sift conflicting propaganda from the reality. It's reporting the rival arguments over climate change and helping the public to evaluate where the truth lies.

So I just want to end by saying totalitarian governments can never allow a free press and to say that our own relative freedom has been fought for for over 400 years and there's never a moment when freedom can be considered won. When people talk about licensing journalists or newspapers, the instinct should be to refer them to history. Read about how the licensing of the press in Britain was abolished in 1695 and look at the arguments why, they are remarkably similar to the arguments today. Read about how Wilkes and Cobbett and Locke and Milton and Moore and Junius and countless anonymous writers, lawyers and printers, and their arguments and battles for the comparative freedoms of

the press that Britain enjoys today.

Remember, finally, how the freedoms won here became a model for much of the rest of the world and be conscious how the world still watches us to see how we protect those freedoms.

Presentation by TREVOR KAVANAGH

SIR DAVID BELL: Thank you very much, indeed, Alan. Now, it gives me great pleasure to ask Trevor Kavanagh to make the next presentation. He was the formidable leading(?) editor with the Sun and is very experienced in our trade. So a great pleasure to have you, Trevor.

TREVOR KAVANAGH: Good afternoon and thank you very much for inviting me along.

Brian Cathcart and I have been asked to describe the difference, and there is one, between the public interest and the interest of the public, and my starting point is that everything under the sun is of interest to the public, one way or another, from a local fate to a sex and lies political scandal or the top secret location of a nuclear device.

One may be simply interesting while the others bump up against and occasionally collide with the sometimes contentious definition of the public interest. Frequently, the latter are stories that someone wants to conceal but are too big to hide. The distinction, in

any case, is subjective to say the least. All news should and with certain exceptions, to which I shall return in a moment, be judged on the public's all encompassing right to know. The only point at which the two definitions collide is when a story is deemed not to be in the public interest and therefore not for the eyes of ordinary folk.

Another word for this is "Censorship". Freedom of speech is hard won, a hard won centuries old principle which did not arrive with the last shower with the Human Rights Act. It is, by its nature, in the public interest. It is a freedom that, on occasions, has been abused and misused, sometimes, but not always, by the media.

It remains one of the foundation stones of democracy and is enshrined as such in the American constitution.

The public interest could be narrowly defined by judges or it could, and I believe should, be as wide as possible. Without free speech we cannot have a free society. Once lost, it would be almost impossible to restore. As with any legal principle, exceptions should be narrowly and clearly construed. In the United States, for instance, one is not allowed to shout "Fire" in a crowded cinema or theatre. Apart from such carefully defined exceptions, everything else is

permissible, even when considered in bad taste.

Without such freedom would we have known about President Clinton's interesting relationship with Monica Lewinski? Surely, as much a matter of public interest as the President's intimate but routinely published medical reports.

But for the circumstances beyond the control of their own supine media, would the French public have learned about the conduct of Dominique Strauss Khan, widely known to the chattering classes, but deemed unsuitable for those who might be allowed the privilege of voting for him as president. The French people are indeed a little cross about being kept in the dark by an establishment omerta and the embarrassed French media is now shuffling all too slowly towards acting more in the interests of their readers than in the interests of public officials.

In Britain, there is a number of those narrowly construed exceptions laid down by the Press Complaints Commission in its Code of Conduct, for instance, on the identity of children or the incitement to hatred. The PCC has clear rules on stories involving infidelity and impropriety and the invasion of privacy but it is surely in the public interest that we all should have access to information available to assess the character of our

national figures.

If people seeking our votes or our cash for, say, personalised football shirts, it is surely right that we should know if they are masquerading as something they are not. Editors, subeditors and reporters know the PCC rules by heart and, I can assure you, do everything possible to observe them while getting as close as possible to a story that deserves to be told. Sometimes they make mistakes, but considering the number of stories and the number of editions, not that many.

We have certainly come a long way since those 1980s frontier days when caution was sometimes thrown to the wind. Roy Greenslade will remember vividly.

However, these comparatively clear waters have been muddied by the arbitrary interpretation, some would say misinterpretation, of two articles of the Human Rights Act: the right to a private life and the right to free expression. Increasingly, it seems, one appears to trump the other. So it was refreshing last week to see this remorseless trend halted, even briefly, when Mr Justice Nichol rejected womaniser Rio Ferdinand's attempt to gag and punish the Sunday Mirror for its kiss-and-tell exclusive about his infidelities.

To any sensible reader, this story about the captain of the nation's football team was as much in the public

interest as it was of interest to sports fans. Yet the judge admitted he had been forced to "grapple with the tension between the two clashing articles, 8 and 10, of the European Convention on Human Rights".

With what seemed like some reluctance, he ruled in favour of free speech and against Ferdinand's false account. There was a hint of disdain towards tabloid newspapers, generally, not just for unseemly kiss-and-tell stories, but for the kiss-and-sell. Yet, I will argue later news is a saleable commodity just as any other is. Newspapers are commercial, competitive businesses and not a public service. Judge Nichol's verdict will have delighted all newspaper editors, even those of the Guardian and Independent, who seem perpetually to be holding their noses about stories like that. It was, I hope, a turning point for everyone who believes the freedom of the press is being deliberately and systematically eroded.

I have been asked to pose some questions for subsequent debate here. Here is one: should perverse rulings be allowed incrementally to lay the ground for an irreversible privacy law, introduced by unelected, unaccountable and, in some cases, unqualified judges, who do not represent this country, its people or its customs, still less the public interest, and should

these arbitrary rulings be bolstered by superinjunctions placed behind closed doors on the basis of a secretive interpretation of human rights?

Since many British politicians seem prepared to stand by and allow this process to flourish, everyone at this Inquiry, who supports freedom of speech, should ask themselves why. Why, for instance, have the conservatives reneged on their election promise to replace the perverse Human Rights Act with our own Bill of Rights? Coalition with the Liberal Democrats is not an acceptable excuse.

So unaccountable and unknown, non-British officials in Strasbourg undermine what is in Britain's public interest and what should or should not be of interest to the British public.

Lord Justice Leveson will not need me to remind him of Lord Hoffmann's scathing criticism of the Strasbourg judges but other members of this Inquiry may wish to re-read his lecture to fellow judges on the judicial studies board in 2009. He said the European Court:

"Has been unable to resist the temptation to aggrandise this jurisdiction and impose uniform rules in member states. It considers itself the equivalent of the Supreme Court of the United States laying down a federal law of Europe."

He went on:

"There is virtually no aspect of our legal system which is not arguably touched at some point by human rights, but we have not surrendered our sovereignty over these matters. We remain an independent nation with its own legal system, evolved over centuries of constitutional struggle and pragmatic change."

He summed up with the words:

"Detailed decisions about how it could be improved should be made in London, either by our democratic institutions or by judicial bodies which, like the Supreme Court of the United States, are integral with our own society and respected as such."

Now, in what can only be interpreted as a further cloud over freedom of speech, we have this Inquiry by Lord Leveson to examine the culture, practices and ethics of the press. It is difficult to avoid the fear that this will not conclude without further limits on freedom of speech. It is hard to escape the impression that it is out to get the tabloids, implicitly seen as uncultured, malpractised and unethical. There has been some debate about the make-up of this panel, which -- unfortunately, my iPad has left a half a sentence.

In the debate to follow, one question worth considering why nobody with tabloid experience

representing the overwhelming majority of readers and sales is on this panel. Could it be that at least some of those scrutinising our activities are covertly, if not overtly, hostile to everything we stand for? I have had the privilege of knowing as friends and working alongside George Jones and Elinor Goodman for over a quarter of a century, and I know neither of them will demur if I recall their occasionally disparaging view of what George summed up this morning as "the tabloids from down below".

It was an alarming moment for those who fear this Inquiry is a Trojan Horse with an agenda. Am I paranoid in wondering if I was invited on as an acceptable face of a form of journalism which is otherwise concealed in the pale pink pages of the Financial Times. In any event, I would like to use this opportunity to plead on behalf of the tabloids and those gutter snipes who work for them in the netherworld.

Having been with the Sun for 30 years, 23 years as political editor, I wish to record my admiration for the sheer professionalism of gifted colleagues, both at Wapping and among our rivals on other tabloids. They include the finest creative professionals in the business: reporters, subeditors and editors, men and women who could adapt just as successfully to any other

paper. The reverse is not always the case.

It is the tabloids that drive the daily news agenda. The Sun, for instance, breaks major world exclusives, politics, sport, the Monarchy and the city, which are not just interesting but in the public interest. They are followed up without question by the broadsheets -- broadsheets and the BBC. That was a slip of the tongue.

In today's climate, a great many of those stories would never see the light of day. The nation would be all the poorer for it. The popular press ventures where unpopular newspapers sometimes fear to tread. We don't always play by their rules. So, for instance, one particularly high-minded paper might plant a juicy clue in the diary item knowing we would follow it up and do the job properly. Once we had checked it out and published the full story that they were too timid to run, they condemn us for us simultaneously reproducing every salacious word.

We should not allow the debate on the public interest to obscure one of the motives behind the criticisms of the tabloids. We fully accept responsibility for the shocking past practices that led to the closure of a great newspaper, the News of the World, but there is also a commercial imperative at work here, as well as a moral or a legal one.

The great sin of the popular press is to be popular. Our lighter, brighter, brasher papers are commercially successful. We have 20 million readers, perhaps 10 times as many as the heavies. So to their irritation they have been obliged to imitate our lively style in order to keep in the game. Our headlines have become part of the vernacular. During last week's heat wave, for instance, even the BBC Today programme was talking about what a scorcher.

But, without doubt, our most enduring contribution to the public interest and the interest of the public has been the subject of Europe. The Sun led the way on what, today, is the biggest story of this century. It is no exaggeration to claim that without us we'd almost certainly would have given up the pound and joined the euro. Without the Sun, there would have been no promise of a referendum. In the public interest, we invaded Belgium, bawled at Gaul and told the architect of the single currency "Up yours, Delors(?)".

We were condemned then, especially by what Mark Damazer described as the high-minded BBC, as "Little Englanders", "phobes" and "sceptics". Today, not for the first time we have been proved resoundingly right.

Could we wage that sort of campaign today? I'm not

sure. There have been moves in Brussels to make it illegal to write disparagingly about the "Grand Projet" and, indeed, ex-commissioners of the EU put their pensions at risk if they make adverse comments about its endeavours. That is freedom of speech Brussels style, as embodied and carried out by the European Court of Human Rights.

Let me return to the issue of kiss-and-sell. We have been condemned for chequebook journalism, yet I understand the best story in recent years, MPs' expenses, was bought and paid for by the Telegraph, not by a tabloid. Would human rights judges have stopped it being published if MPs had got wind of it early enough, and would that have been in the public interest?

Publishing news is not a public service, it is a ferociously competitive industry in a rapidly shrinking market, but we do actually provide a public service. We turn complex subjects, politics, commerce, war, into crisp easily understood copy. The Sun's "Books for Schools", for instance, has been a boon for literacy. Professor Brian Cox, who writes for us regularly, is encouraging a whole new Sun generation of young scientists. We are proud of the way Help for Heroes and our Millie Awards have transformed the image of our armed forces, who today march home with their

heads held high from the battlefields of Afghanistan, instead of slinking home through empty streets. Our jobs campaign, Sun Employment, has found work for tens of thousands of our readers.

Yes, we do make mistakes, I repeat that but I can testify we do everything possible and sometimes, perhaps, too much on occasions -- you should see the stories we don't print -- we take tremendous efforts to avoid mistakes and when we get it wrong we apologise as quickly as possible, and before Richard Peppiatt's florid diatribe embeds itself too deeply in the consciousness of the panel and the Inquiry, I would say, while it contained a few elements of truth, it was a grotesque caricature of the newspaper world I have known for 50 years. I say this, not just to blow the tabloid trumpet, but to paint a picture of a vibrant and dynamic industry, which, despite all its flaws is a force for good.

It continues to flourish, despite some of the world's toughest libel laws. Journalists contend with secretive superinjunctions, an abuse of official power. Looming up on the sidelines are the unintended consequences of the Bribery Act.

Information is power and local and national Government, counsels and quangos go to great lengths to

keep information to themselves, even when, especially when, it is in the public interest.

Tony Blair described Labour's Freedom of Information Act as his greatest mistake but even the doors opened by this legislation are being slammed shut by politicians and others who know how to get round it. Much government business is now conducted, not on traceable but through e-mail and mobile phone calls on the hoof. The losers are not just diligent journalists but Her Majesty's Loyal Opposition and the civil servants whose legitimate usual channels are blocked.

The biggest loser of all, if we go further down the road of regulation, is the British public. When dealing with politicians, and increasingly the commercial and industrial lobbyists, it is worth remembering Jeremy Paxman's famous mantra: "Why is this lying bastard lying to me?" It's a crude question but it is the right point to start. Gagging the media on the pretext of the public interest is one way to ensure the public never learns the answer.

Thank you.

Presentation by BRIAN CATHCART

SIR DAVID BELL: Thank you very much, indeed. Our third speaker is Brian Cathcart, who has a lot of experience as a journalist and since 2005 has been Professor of

Journalism at Kingston University and played a key role in the campaign for an Inquiry into phone hacking.

Brian.

BRIAN CATHCART: Good afternoon. I'm going to resist any temptation I feel to respond and save that until later.

Two questions I have to address. (1) is there a difference between the public interest and the interest of the public -- the same question that Trevor has been addressing -- and the short answer -- the short answer to the first question, that question, is, yes there is a difference. Forgive a teacherish moment but we're talking about two distinct meanings of the word interest, two definitions. In one, we give our attention to something because it has the potential to do us good or harm. In the other, we are simply curious. The distinction, for those of us who have been subeditors, will be familiar in the difference between the negatives: disinterested and uninterested.

For journalists there are subjects which are in the public interest, but which the public doesn't find interesting. Much of the running of the European Union would fall into that category, and equally there are stories which interest the public but have no potential to make the reader better or worse off, and I think here of the activities of Jedward.

Most news stories, I would guess, have a bit of both, but we're concerned here not with most cases but with hard cases, that minority of stories which involved journalists in bending or breaking rules or at least in being accused of doing so.

Now, if journalists are citizens like everyone else, it cannot be right that they simply choose when to obey laws and when not to. At the very least they must have justifications that are robust, recognised and consistent.

If journalists are not ordinary citizens but privileged ones, then the requirement is all the greater and we have some privileges in law, we enjoy special access in many ways and our newspapers are exempt from VAT, not a small matter. Those privileges, which are conferred on us by the public, carry with them an obligation to behave scrupulously, as the leader writers like to say "with rights, come responsibilities."

So if we want to break the law, can the interest of the public be a justification? Is it a defence to say that the story would be read by a lot of people? I don't believe there are any people here, I don't believe there are many people anywhere, who say yes to that. We learn in childhood that wanting something is not the same as having a right to it. A man may wish to

know what his neighbour looks like with her clothes off but that doesn't entitle him to climb a ladder and peer into her bathroom.

Yet a case for the interest of the public is sometimes made, albeit obliquely. Two years ago, the then editor of the Daily Express, Peter Hill, was asked by the Commons Media Select Committee about the reporting of the Madeleine McCann case and this is what he said:

"The way that newspaper people work is that their job is to report on the events which are of interest to their readers and, of course, this was of consuming interest to readers of all newspapers not just the Daily Express. This is what newspapers do. Their job is to sell newspapers. That is what they do."

Now, Mr Hill was not presenting this as a justification in law, he wasn't in court, if I read him right, he was offering it as a practical explanation, journalists try to satisfy public curiosity. We all recognise that, we all understand it.

It can't be right, however, to suggest that because many people were interested in the McCann case it was automatically legitimate to go beyond the law or beyond accepted Codes of Practice to report the next development. However great the public's appetite for

information on a given subject, it cannot simply dissolve laws. It cannot suspend ethical codes. To suggest that is to surrender to lynch law, or to use a more current point of reference: looters' law. As journalists, we can only break laws or breach codes if we expect to deliver to society something more than fleeting gratification of curiosity or emotion, something that actually outweighs the offence.

We have to show vein(?), in other words, we have to serve the public interest.

It's a sorry reflection on the state of journalism that many practitioners say they are uncertain about the public interest. As a teacher, I'm inclined to wonder about the education and training that lies behind this, and it is a simple fact that the NTCJ has never taught ethics.

But it also seems to me that very often the real confusion is not between the public interest and the interest of the public but between public interest and commercial interest. Proprietors, editors and newsdesks have been putting sales before scruples in a way that they would not excuse in any other part of society. The argument is made that it's not possible to define the public interest. In fact, every relevant body has done so, Ofcom, the BBC, the Press Complaints Commission to

name just three.

Some of their definitions are fuller than others but they are remarkably similar in spirit. Journalists act in the public interest: first, when they expose wrongdoing and injustice and when they protect the public from danger; second, when they prevent the public from being misled; third when they reveal information which helps the public make decisions of importance.

It's true that none of the definitions provides absolute clarity for all journalists in all circumstances but that's asking too much. The most carefully crafted contracts can be disputed in courts as can acts of Parliament. Such disputes are expected, yet we still write contracts, we still pass acts of Parliament. There can't be a perfect definition, but that doesn't mean we can't have a workable one.

It's not, in any case, the principles of public interest, the words and phrases, that cause us the difficulty. More than anything else, it's proportionality to illustrate. Could it ever be ethically acceptable for journalists to intercept voicemail messages? The answer, in my view, is yes, but the return on such an invasion of privacy would need to be proportionate. The story would have to be one of very high public interest, and I'm aware, by the way,

that there is no public interest defence for hacking, I'm giving a view on proportionality.

The courts are already familiar with the work of assessing proportionality and you can find it has been mentioned a good example in the judgment given last week in the Rio Ferdinand, Sunday Mirror case. The footballer's privacy had been breached but was that breach justified by the circumstances? I recommend that, if you haven't, go and read Mr Justice Nichol's judgment in its entirety. He goes through it with great care and, in the end, he finds for the newspaper and he endorses, as he does so, the paper's arguments about hypocrisy and about the England captain standing as a role model.

It's not a revolutionary change in the attitude of the bench, it simply isn't. If you read the judgment and go through the links, it's built on lots and lots of other case law and the process of the intense focus that goes into establishing proportionality is very clear.

Now, only the hardest of hard cases can be left to the courts and, in any case, given the very limited access to justice in this country, only a small minority of cases will find their way there anyway.

This brings me to the second question I've been asked to address, which is about the connections between

the public interest and codes of ethics.

The existence of this Inquiry is proof of a failure of public trust in journalism. Not just a failure of trust in one newspaper, either, but, in large parts of the industry in its ethical standards, in the mechanisms which exist to uphold those standards, and this failure didn't just occur in July. It has been coming for a long time and it's associated, most recently, with scandals. We have heard them mentioned today: Robert Murat, Kate and Gerry McCann, Christopher Jefferies, there are others.

In such a crisis, we can't restore trust with denial or cover-up. No doubt, a new regulatory regime of some sort has a part to play, but I'm convinced that nothing will make a greater difference than a change in the mindset and habits of journalists themselves, a change which notably acknowledges the primacy of public interest, the key importance of public interest.

I'm sure that a majority of journalists, in their hearts, are fundamentally motivated by public interest, but having it in our hearts isn't enough. As journalists, we don't accept that it's enough for MPs or doctors or railway operators, or you name it, to mean well. We need to know that they operate in ethical and socially responsible ways and that they are accountable

for what they do. If journalists, when they work on stories of all kinds, learn to consider the public interest, in the way that they consider, or at least that they should consider fairness and accuracy, or the risks of libel and contempt, then that would be a step towards rebuilding trust.

Now, many will say they already do that, but we need to go further. We need also to be transparent and accountable as we ask others to be. For example, ethical and public interest considerations should be frankly discussed in the newsroom when they arise and those discussions, and any decisions that follow, should be placed on the record at the time. That way, not only might ethics be taken more seriously, but there would be proof that it was. Would this slow down newsrooms? Perhaps, but not much in the electronic age, and we insist that the police and doctors do such things. Are we more important than they are?

Now, that's just an example of a measure to embed the public interest and the ethical codes in journalistic practice in a way that would help restore the public trust that has been lost. It's certainly not the only possibility and no doubt others will be discussed but, make no mistake, there's no ducking change in the culture of journalism now. If these

issues continue to be blurred, if the public interest is treated as an afterthought, as a fig leaf to be retro-fitted to stories, for the benefits of the courts, as we know it sometimes is, and if the public is left to continue with the impression that much of our journalism is about what sells and nothing more, then restoring trust will be much more difficult and, inevitably, it would depend much more on the force of regulation.

Thank you.

SIR DAVID BELL: Thank you very much. So we are going to divide our discussion into two bits: the first bit, picking up where Alan left off and then, after tea, going back to those two presentations about the public interests and the issues that arise from that.

Who would like to kick off on the question of the importance of a free press and the points that Alan was making?

QUESTIONS FROM THE FLOOR

JOHN KAMPFNER: Thank you very much John Kampfner, Index on Censorship. You very kindly invited me to give a presentation next week on free expression, so I just had two points to pick up on Alan Rusbridger's remarks.

The first, when he was warning, quite rightly, against notions of licensing, he referred to history, British history. I would also seek to refer the Inquiry

and the audience to the present day and to international presidents. We have -- we monitor free expression curbs around the world, and one can always talk rhetorically about Zimbabwe, Syria and countries of a greater censorship. We also have licensing in the European Union, we have extraordinary restrictions in Italy and France and elsewhere, and we have, last year, a new media law in Hungary, that revolved around licensing and it has produced an extreme version of a chill on free expression and the European commission chose to be powerless to do anything about it.

The second point, I just wanted to -- again, not to pre-empt either the discussion between the divergent views of Trevor and Brian -- but to talk just a tiny bit about the weaknesses of journalism. In my decade or longer in the lobby, Westminster lobby, but I think it's replicated in City journalism, sports journalism, anything else, it was a weakness of journalism, it was an excessive pliability, gullibility of journalists, a great reluctance to bite the hand that fed. One could read a byline and one knew instantly who the political operator was that planted the story.

Often the stories were deliberately false. They were there to do down another politician, "Minister X is performing badly, sources say", and you had and you

still have journalism, in my view, as stenography, huge amounts of valiant exceptions to the rule but that, I would also venture to suggest, is an area to pursue.

I'll just end on this tiny anecdote. A political journalist known to us all, who then went off to be head of news at a government department -- and this was in the early 2000s and it was a week when Tony Blair was getting a real kicking across the media about a series of issues going on, and I said to him -- it was his first week in the job, and I said "God, what must it be like in that department, tin hats on, all this kind of stuff", and he laughed and he said "One thing I have come to discover in my new job is that on a good day you lot, journalists, find out perhaps 1 per cent of what went across my desk". So I just simply leave that thought with you, that when one talks about, as legitimately the Inquiry will be doing, all areas of regulation, of public interest, et cetera, also don't forget the inherent weaknesses and the inability of journalism, to use that old cliche, to hold truth to power.

ELINOR GOODMAN: I don't think Simon Calder(?) is here and I think he is the only editor that I have read who has endorsed the idea of licensing. I just wonder if there are any other views on the issue of licensing, which

Alan raised.

IAN WALDEN: Ian Walden, Press Complaints Commission. The point I wanted to raise about licensing is, of course, part of the concern of the regulatory regime is what happened with Northern & Shell withdrawing from jurisdiction in respect of the Press Complaints Commission, and there's been talk about how you get the newspapers to participate in a self-regulatory system and, therefore, that is why -- that has driven some of the debate in respect of co-regulation.

Of course, any sort of mandated participation, through some sort of subscription system, or some sort of levy, inevitably has a feeling of a licensing scheme, so I think one of the challenges to you as the Inquiry is to see where you can get a line between mandation and participation, whether in co-regulation or self-regulation, without giving a flavour of licensing, without acting as a barrier to entry.

Thank you.

ELINOR GOODMAN: Any more on licensing? In the front here, Brian.

BRIAN CATHCART: Just two observations about licensing. One is, it isn't all that long since most journalism was a post entry closed shop, and you had to have, as you heard earlier, an NUJ card, for the most part, to

practice. I'm not in favour of licensing, I don't think it's a good idea, but it's not all that alien from what many people in this room experienced once, for what it is worth, as I say.

The observation is about, you know, the -- we talked about the history of the press and Alan rightly referred to events in the 17th century. I would just say that nobody -- I'm second to nobody in my pride in the history of the free press in this country and of the journalists who fought for it, but it would be wrong to imagine that Wilkes and Cobbett went to jail and went into exile to protect the sorts of activities we've been talking about today.

GEORGE JONES: When we talk of free press and Trevor Kavanagh mentioned the Daily Telegraph and I think anybody here would agree it's a very bold decision that it took on MPs' expenses. I mean, I don't know whether Tony Gallagher, in terms of what Alan has said, would be prepared to share the kind of thinking that went through his head. I mean, it -- you know, I think other newspapers offered this and said they weren't going to do it because it might break -- would've been breaking the law -- I don't want to place you in an embarrassing position but, since we're talking about a free press, is there any thought you feel you

could give us? Did you have lots of sleepless nights or, in the end, did you just think this is a story, we're gonna go for it?

TONY GALLAGHER: I mean, it's only right to say I wasn't the editor at the time the ultimate decision was taken, but I was intimately involved in the process and, I think, put simply, without taking up too much of everybody's time, the case for the public interest was overwhelming, the evidence of what we thought was criminality was very clear and the public's right to know was utterly overwhelming. The fact that other newspapers passed on the disk, I think, is a matter for them, and I can't explain why they -- they chose not -- I mean, various reasons have been advanced for why they declined to publish that information, but I think it's a matter for them to explain why it was that they passed, when we took up the challenge, but we were very clear from an early stage that it was something that we were very keen on. We were determined to do, we wanted to do every MP and we had a lot of discussion about it but I can't pretend we had sleepless nights.

ELINOR GOODMAN: Were your lawyers confident that you would be all right?

TONY GALLAGHER: Yes, and to come back to a point that I think you were asking earlier, the lawyers were

involved at a very early stage in the process in terms of whether we would have law on our side, what happened if an MP sought an injunction and, from the outset, weeks before we went into publication, the lawyers took -- were alongside us and took a very clear view and gave excellent guidance, which we were very happy to follow.

GEORGE JONES: Do you think that, as an instance is, something which you know reinforces what you think is a free press and the right of what you would think is the press to possibly "break laws" or take action, which they can defend in the public interest?

TONY GALLAGHER: Well, bear in mind that if that information had not come out, a number of MPs would not have gone to jail, so they were covering up information that was incredibly in the public interest. It did enormous damage to a number of MPs in the House of Commons a small number of whom went to jail and some of whom for whom criminal action remains outstanding. So the case for the public interest would be very hard to dispute.

GEORGE JONES: Did you think at the time that it would have the explosion, as it were, and the impact that it was?

TONY GALLAGHER: Not in a million years. You know, it was the story of -- the story of a lifetime. None of us thought it would have the kind of impact and resonance

that it would have, to the point where we're still talking about it today and there is still criminal action outstanding against one MP, in my certain knowledge.

ELINOR GOODMAN: Can I ask going back to Alan's opening remarks? To what extent do people feel in any way constrained by the existing laws in making it more difficult to hold individuals in governments to account and perform the role as a press. Is that an issue? Some people quote the Defamation Act.

TONY GALLAGHER: Do you wish me to respond?

ELINOR GOODMAN: Whoever.

TONY GALLAGHER: As I have the microphone -- you don't underestimate the extent to which the law has constrained us already. Defamation, libel, superinjunctions, the European Human Rights Act, the checks and balances we go through every day before contentious stories, in particular, make their way into print or online are substantial.

ELINOR GOODMAN: How do you think that compares now with ten years ago. If anyone else would like to come in on this one.

TONY GALLAGHER: From my point of view, it's far worse than ten years ago, in as much as the effect of a de facto privacy law, European law, the way lawyers will reach

for superinjunctions, all make it much harder. I'm sure others will have more experience in that than me though.

GEORGE JONES: As a day-to-day editor -- what is the main -- is it what you would see as the privacy or the development from privacy law that now is the most -- impinges most upon you and your time with the lawyers before you publish stories?

TONY GALLAGHER: I mean, it's getting it accurate getting it right, rather than any of the above. If you get a story wrong, it's far more onerous than anything else, but it's embedded now in our working lives in a way that these things weren't even five years ago.

BOB SATCHWELL: Bob Satchwell Society of Editors. Can I just pick up on that point about the chilling effect of law?

Perhaps the simplest way of looking at it -- I mean, I got into journalism 40 years ago and there's a little book called the Essential Law for Journalists. It's about 100 pages thick. Now, you have to have, sort of, half a degree in law to get through all of the -- all of the law which affects journalism and newspapers -- some newspapers probably spend almost as much on their lawyers as they do on their journalists and the chilling effects are, actually, largely to do with costs. I mean, it's not just the bald point about libel, but

it's contingency fees, no win, no win -- no win, no fee agreements, which basically have stopped newspapers, particularly at all levels, all levels of journalism doing some stories.

In some regional papers I know, if a letter arrives from a lawyer, you know they go into a mild panic, or a big panic, actually, and say, "Well, let's get rid of this as quickly as we can", because they won't want the costs to build up.

Very good law, the idea of giving people access to justice, and it wasn't meant to constrain journalism but there are these unintended consequences. The unintended consequences of the Bribery Act, where politicians sort of tried to make clear at the outside, I think -- or, certainly, they said to me it's nothing to do with journalism, but I know that there are many journalists now who are concerned they can't buy someone a cup of tea, and they certainly wouldn't be able to pay a whistleblower, where the story was absolutely in the public interest.

So the idea that -- the idea that there aren't huge constraints, in fact, they have been building, you know, is quite clear. I think just one -- one -- that probably is the most dangerous point at the moment. That's why we've got to roll back the time.

Going back to Alan's point, right at the start, about 400 years of fighting for freedom of the press, bear in mind, way back with the Bill of Rights, that's when freedom of expression was mentioned for the first time.

100 years later in America, when they came to write their constitution, their First Amendment actually referred, specifically, to the freedom of the press and I think that's one issue that we need to look at, because if you go out into the streets now and you say to the public "Are you in favour of freedom of expression", everyone would say, "Of course, we are in for freedom of expression". If you go out on the street and say "Are you in favour of freedom of the press or freedom of the media" they will say, "yes, but" and therein lies the danger, because, as Alan says, and lots of other people have made the point today, the free press plays a very important part in democracy and we've got to rebuild in the public mind why the press has to be free.

LIONEL BARBER: Yes, Lionel Barber, the editor of the Financial Times and a daily reader of the Daily Mail and other tabloids.

Could I just offer a couple of observations as an editor covering largely business and financial news

from around the world.

First, libel is a serious problem for us because we cover rich people, sometimes resident in the City of London, who are determined to protect their reputations and who have no interest in the press asking how they acquired their hundreds of millions of pounds, and these people, who can resort to law firms who specialise in what is called "reputation management", who are extremely aggressive and who will demand that articles are removed forthwith, within 12 hours, otherwise proceedings will start, and this can result or does result in regular large amounts of time in dealing with these complaints, but also, referred to it earlier, huge costs.

There does come a point where you have to weigh the consideration of cost against the disadvantage of a protracted battle and what happens then is the laundering of reputation and it's extremely concerning to me in my six years as editor of the FT.

Second, and I know Alan Rusbridger has been -- has referred to this as well. It's a serious problem about the law of confidentiality in dealing with supposed financial reporting, which is considered by the authorities an abuse of markets. This affects all financial journalists at the moment. It's got more

serious because the regulatory authorities want to abandon soft touch regulation, light touch regulation, and seem to be coming down hard on insider trading.

In my view, and this is shared by some editors, the current regulations are seriously detrimental to free speech and the exchange of information, not for investors, not institutions or insiders, but for investors as a whole. So I would ask the panel to take a look at that.

Just to sum up, one person -- a very quick personal experience. Financial Times acquired the prospectus for the sale of the Northern Rock after it was collapsed in -- in late 2007, and the financial -- the bank advising Northern Rock took out an injunction and prevented that document from being -- details of it being published, even though this was being circulated to interested parties around the world. We decided not to fight that. I think, in retrospect, it was a mistake.

JONATHAN HEAWOOD: John Heawood, English PEN. With Index on Censorship, we were behind the libel reform campaign. I just want to add to the points about the chilling effect on the press, just to, kind of, to emphasise to the panel and to Lord Justice Leveson that, if anyone takes away the impression from the scandal affecting the

regulation or organised crime, which they will not go near. So there's a huge at the visit there not just in the day-to-day publishing of the newspapers but in the broader information that is available to the public through very credible book publishers, which is also being simply taken out of the public domain, because of these very threatening and chilling laws. Thanks.

ELINOR GOODMAN: Can I just briefly go back to Bob Satchwell? Can you just -- very briefly, what is the problem in the no win, no fees, in relation to the kind of case that you're dealing with?

BOB SATCHWELL: Well, in simple terms, it's that balance where -- where it's judged that it's simpler to settle a legal action. When you've got a perfectly -- a perfectly good case, you've got all the facts, all the evidence there.

ELINOR GOODMAN: Why does no win, no fee make it worse?

BOB SATCHWELL: Well, it makes it worse because the bills build up so fast and so long -- there's no interest in trying to settle the case at an early stage. Some lawyers will probably argue differently, but that's not been the experience of the industry, and it's certainly that there's also the incidence of after the event insurance and so on. The bills become so big and so a simple judgment is made that it's better total than

News of the World and, perhaps, other newspapers, the idea that we need tougher media laws, for instance, libel, they need to be very aware that these laws now affect the press. It's only a very small contingent of the people who are chilled and potentially silenced by the laws. We've seen scientists, medical researchers, NGOs, charities, citizen journalists, bloggers and others who are forced to take material down, which may be true, may well represent honest opinion, may well be in the public interest, because they can't afford to defend a libel action.

So the Libel Reform Bill, which is now about to go through Parliament, we hope very much will not be derailed by an attempt to find a specific problems about phone hacking, surveillance, and so on, at certain newspapers, which is a very different problem from the problem of the chilling effect of the current libel laws, which actually need to be reformed in the other direction.

Just as a very quick example of the chilling effect, I mean, two thirds of book publishers have told the Publishers Association, they won't touch certain subjects, the kinds of subjects that Lionel is talking about in the City. A third of publishers won't touch certain topics, even, whole areas of financial

face a huge, huge legal bill.

STEPHEN WHITTLE: Stephen Whittle, I'm going to give a very simple example of a CFA in action which affected the BBC when I was controller of editorial policy. It concerned a 12 second piece of speech on a regional news programme. It was the subject of a CFA supported action, which meant that the law firm involved was on uplift of 100 per cent of its fees and the BBC discovered after three months that it was in, potentially, for a bill of £1 million, even if the case never actually reached court. The court, in fact, did get the case, the BBC stuck by its guns and the complainant was not successful, but that's a very huge gamble to take, even for a well funded institution like the BBC.

DAVID SEYMOUR: David Seymour, formerly of the Mirror group.

The thing that worries me, a couple of things -- one is, when Alan talks about getting at the truth, the fact of the matter is there is not absolute truth. It's almost nothing that there is an absolute truth over -- Theresa May's cat is a classic example, depending on which newspaper you read -- what is true and what is not true and Trevor Kavanagh's view on Europe and mine are diametrically opposed and we both think that we're right and the other one is wrong.

Also, Tony has been talking about the public interest, for example, the public interest over the publishing of the MPs' expenses. We can all agree that it absolutely was in the public interest to reveal evidence that was evidence of criminality by MPs. On the other hand, was it in the public interest to go on and on and on and to so undermine the work that MPs do and the standing of MPs in society that they've been lowered to worst than journalists?

I'm not saying it was wrong and I'm not saying it was right. What I'm saying is I think these are much wider issues and I think almost philosophical issues, and I think there's a danger with what's been going on since the phone hacking broke and with how the Inquiry might go, is to look as if there are absolute answers to things, right or wrong. Frankly, you need the freedom of the press to be able to say whatever it is, whether it's, you know, Trevor and I disagreeing about something or whether it's the MPs disagreeing with the Telegraph or what we do. It's only the freedom of the press which allows that to happen in the free society.

SIR DAVID BELL: I wonder if there are any lawyers here who would like to respond any of this, because I think their voice hasn't so far been heard.

GRAHAM SHEAR: Hello, my name is Graham Shear, I am

a commercial litigation partner of Berwin Leighton Paisner. I've acted for claimants against the newspapers and other media for about 20 years. I'm also a claimant in the News International actions and I act for several claimants in those actions.

I find what's being said this afternoon very interesting. I strongly believe in a free press but what I hear repeated over and over again are the merits of freedom but without the words that should be tagged on of "responsibility" or "accountability", those seem to be missing.

When we heard Trevor Kavanagh speak about his vision of the involvement or intrusion of the legislature, of the courts, of the judges, he spoke with disdain and I think he was actually speaking on behalf of the vast majority of the print media here today and it's actually that disdain which has created and furthered an environment of a sense of impunity.

This is just my view and the feeling I get when I deal or have dealt with the media over quite a long period, that that has become engendered, in a sense a little like, perhaps, the 70-mile an hour speed limits on our motorways, that it's seen as a perceived impediment that, perhaps, does not have to be taken to heart or felt that it was necessary to live by, and

that's part of the dilution, or the reason behind the dilution of the ethical conduct.

Let's not forget the reason why we're actually here today and the reason is because of the unacceptable conduct of a section of the print media, and whilst I started by saying I endorse and I believe in a free press, which is absolutely vital, it is the checks and balances that match that freedom, and the way in which it's applied and upheld by those that have the responsibility for undertaking the role of -- within the print media.

To use the examples of CFAs as being something that are unacceptable or the unacceptable face of the checks and balances, as a sort of a mantra for why is the press should carry on in the way they're going, is absolutely nonsense, frankly. The only time that a CFA has an effect on a newspaper is when it loses an action. It's not an effect if you actually have a strong and -- a case in which you believe. When the Jackson Inquiry looked at the statistics and they did it empirically, they looked into the statistics of what were the chilling effects of that kind of feature they found, actually, there were relatively few cases.

So the point is it comes home to the print media to take on board its responsibility and accountability and

for us and the Inquiry to find ways and means to have a correct and appropriate balancing effect so that the freedom of the media can continue whilst it remains accountable and we don't have the excesses which caused this Inquiry.

GEORGE JONES: Can I just ask, as you raised these two issues of accountability and responsibility, what -- what do you actually want to see? I mean, they're fine words, but in your experience, what would have been the media acting responsibly or accountably?

GRAHAM SHEAR: Well, I think, firstly, it's a change in culture where, perhaps, the dilution of ethics, which in certain instances, have led to, not only conduct which is illegal, so far as perhaps privacy is concerned, but unlawful, so far as phone hacking is concerned, are condoned and systemically underwritten. That is unacceptable. You know, when we hear about it being limited or isolated to one area, I mean, what we heard about this morning was actually, the -- what I've always perceived as the relatively small and slightly incestuous village of the print media.

I mean, journalists go from institution to institution, from business to business, and whilst some organs of the media are extremely good at ensuring their accountability and their responsibility and the accuracy

of their reporting and, perhaps, have a very strong culture which promotes that, others perhaps have not acted in -- with such principles in mind, and that that has led to the dilution of that.

Now you ask what can one do about it? Well, you know, the PCC, I hate to be -- I hate to be critical of them, because they're sitting right behind me, but I just don't believe that they have been an effective organ, especially when you get a situation where -- it is by self-regulation, they can't be compared to, for example, the RICS or a regulatory body, such as the FSA or perhaps the Law Society.

I would suggest that one of the things that the print media should be doing is actually looking at creating a regulator that actually has real teeth, so that it can impose the sense of ethics that the notion of accountability and credibility requires for the continuation of your business. You know, the public have lost trust and confidence because of these issues and I actually think that if it's not corrected you will no long be able to differentiate between the free media that is obtainable on the Internet, as opposed to the credible and accountable and valuable paid for media that you are actually investing in and selling.

That's the difference.

CHRISTOPHER ELLIOTT: Chris Elliott, I'm the readers editor for the Guardian, which is a kind of an internal ombudsman and I was a managing editor before that, and reporter for millions of years before that, that's the way it felt, anyway.

One thing which I don't think we really are taking on board here, I realise we're talking about the principles of the freedom of the press and freedom of expression but it's quite important that -- everyone keeps talking about the print, the press, the print media -- the web, the effect of the web, I mean, a lot of what we're looking at, even since the whole business of phone hacking, when we think those first few dates four or five years ago, the way the web has come forward, most of the major national newspapers now have tens of millions of people on their websites, and the speed with which decisions have to be made, in terms of the web, in terms of doing the right thing --

Bob talked about Essential Law for Journalists. When I started, there were about 12 Acts, there are about 40 and Essential Law for Journalists is that thick. So, as an internal ombudsman, I get about 100 emails a day and nearly all of those are about things that people have read on the web and when companies, organisations and individuals are concerned, they are

less worried about getting the apology for what is in print and much more concerned about getting you to change what is there, already on the web. So it's about curation.

So when you're thinking about freedom of expression and we look back over the last 300 or 400 years and you're setting things for the future, you absolutely have to be quite clear about how the web the changes the way we think and the speed with which people have to make decisions.

TREVOR KAVANAGH: Yes, thank you. I just wanted to respond to our friend the lawyer over here who seems to have been only partially present during the debates today. For instance, in my case -- I actually quoted a much more eloquent view of the European judges, which was Lord Justice Hoffmann, who put in words, better than I could possibly have done, his view of their high-handed attitude towards the customs and practices, which they don't understand in Britain.

As for the question of responsibility, I think that just about every speaker today has pointed out that there are responsibilities as well as rights when it comes to freedom of the press and I did too. When it comes to comparing, say, the PCC with the -- the FSA it was the FSA that decided to let off the Royal Bank of

Scotland with a 173 word report about the appalling practices which brought down the British -- almost brought down the British economy. I don't think there's a comparison there.

LIZ HARTLEY: My name is Liz Hartley. I'm now an in-house legal advisor for Associated Newspapers and have been for the past three years. Before that, I was in private practice for 27 years as a partner of a law firm, Reynolds Porter Chamberlain.

What I would like to say and what I would urge this Inquiry to seriously consider is obtaining expert evidence from an assessor on the practices in newsrooms, because what I'm hearing today just conveys to me that there is a real misconception about the standards of care taken in relation to accuracy and the importance, where public interest is relevant -- and it isn't always relevant. There is, after all, an enshrined right on the freedom to impart and receive information, but where public interest is a relevant factor, it is considered and we've made submissions to Lord Justice Leveson that it would be appropriate for somebody with news expertise to be appointed as an assessor and I very much hope that will be given serious consideration.

Thank you.

MARTIN MOORE: Martin Moore from the Media Standards Trust.

To back up to some of the things that have been said already in terms of the need for greater freedom for public interest journalism, I think there is an extremely strong case for that, for reform for greater protection and in cases such as Amelia Hills who is here today and for protection for journalistic sources. But I think we need to distinguish that, as I'm sure we're going to do later this afternoon, from freedom around intrusion on privacy and, in particular, phone hacking and the fact that what we're really talking about here is, in some ways, too much freedom in one particular newsroom and possibly more, and especially, in terms of freedom, it seems from almost any accountability and Alan Rusbridger spoke eloquently about the lack of accountability from regulators, from police from politicians and from all of the press.

Just to bring in, if I could, the public have been mentioned quite a few times today, the public interest and also what the public believe. I thought it was worth quoting a couple of statistics of what the public actually responded, and these were gathered before the first revelations about phone hacking, so these were gathered in 2009, a few months before Nick Davies' first revelations.

The first is to do with -- in answer to the

question: do you think there are far too many instances of peoples' privacy being invaded by newspaper journalists? 70 per cent of people said "Yes, there was". The second is very relevant to the question about judges and judges' right and responsibilities to make judgments around privacy. The opinion survey by Ipsos Mori asked: "Do you think newspaper editors can be trusted to ensure their journalists act in the public interest?" 10 per cent of people said, "Yes, they could".

SIR DAVID BELL: I think that is time for us to break for a cup of tea and then come back and continue. This will move seamlessly into the debate around what Trevor and Brian said. So, we reckon, a quarter of an hour?

A quarter of an hour for tea. Tea is downstairs where we had lunch. See you back at quarter to four.

(3.32 pm)

(A short break)

(4.00 pm)

SIR DAVID BELL: Okay, I think it's about 4 o'clock, so if we could resume. We thought that it would be good for this session if we could focus quite hard on the second half of the question that was the subject of this afternoon's seminar, which is: can we arrive at a common view of journalistic ethics and, if so, what should it

be based on, what are the pillars?

It was very interesting listening earlier this afternoon that there were some people who were saying all newsrooms are actually the same and the values and the process is very similar, whoever you're working for, and others who were saying that absolutely is not the case, and it would be very helpful for us to explore this issue of whether there is a kind of corpus(?) basic journalistic ethic and, if so, what everybody feels should be part of it, which was the second half of what we were going to be talking about this afternoon. Maybe we could focus on that and we thought it might be interesting to start -- is Stewart Purvis here?

STEWART PURVIS: Yes.

SIR DAVID BELL: Simply to look at another environment in which the ethics, the ethical code is, if you like, more set out, in contrast to the way it is in newspapers, and just to take it from there. So would you mind starting off?

STEWART PURVIS: Well, David, just to explain to those who don't know me, my background is in broadcast journalism but I have been involved in the print media from time to time. In fact, I have to confess that my first job in journalism was working for a provincial news agency in Devon that used to sell stories about dirty vicars to

Sunday papers, which is about as down below as you can get.

So, against that background, it is worth saying quite clearly that there are two completely different traditions. The tradition of the broadcast regulated space, based on scarce spectrum, based on the fact that if you wanted to broadcast there was only so much capacity and, therefore, there had to be a regulatory regime put in to decide who could broadcast, and the responsibilities that went with that broadcasting. Then, the non-broadcast space which says, actually, there's no comparable sense of spectrum scarcity, there's only so much paper in the world, but there's no real limit to how much people can express themselves in that space.

The interesting thing the United States, they don't see it like that. The concept of impartiality being effectively a state doctrine breaches a whole number of areas in the American constitution. So the kind of impartiality code we have in broadcasting I think is actually unconstitutional and has never really applied in the United States. So again you have a sense that there's a British model -- in a sense, it's a European model -- of what broadcast regulation looks like and there's certainly a North American, certainly

a United States model, which is completely different, and obviously in Commonwealth countries people have tended to follow the British model.

Now, what is quite striking to somebody who has mostly been in broadcasting but has been in print as well is how surprisingly comfortable the two separate traditions sit alongside. I do remember once being on a flight with David English and Max Hastings and John Birt and we were the two broadcasters sitting on one side of the aircraft and sitting next to us were English (inaudible) and they absolutely hammered us. They saw us as being weak, basically not being prepared to get up and attack people, not having an agenda. So I'm not saying there aren't tensions between the two but, by and large, they sat alongside each other.

But for those who are inside the broadcasting regulation framework, they absolutely understand the rules of the game. The most striking example of this is Richard Desmond, who does not recognise the jurisdiction of the PCC in any way shape or size, completely recognises the jurisdiction of Ofcom. He meets Ofcom, he obeys Ofcom rules occasionally when his adult channels have breached Ofcom rules they have eventually paid their fines, et cetera. So he doesn't appear to have a problem with regulation when it's a part of the

way of doing business, he appeared to have problems about the PCC and the way it works and outside that, it seems to me to be a serious problem which any future model has to resolve, if you like, the Richard Desmond issue.

But for those inside the broadcast model -- I think the interesting thing -- Steve Barnett may want to speak to this -- it's interesting whether broadcast journalists feel as inhibited by the law which applies to both, as was implied in the session just before. My instinct is that they don't feel that this chilling effect is quite so chilling. They feel that they know what the Ofcom rules are, they know they have to follow them and they know that litigation can apply to them the same way it would to the press, but if they were here they would put a different perspective on it.

So where does that take us? It takes us to the fact that, to me, the challenge is whether you can have a regime which is statutory but which the state does not get involved in and I'm organising an event later, 1 November, where I'm bringing over a couple of people, including one from Ireland, where there is a regime which is not statutory in the sense that the state runs the regulatory system but it recognises the regulatory system and it provides incentives for people to work

within that regulatory space.

So I think that is possibly a challenge to be taken up, could you have the best of both worlds, if you like, something which is recognised, which has incentives to belong to it, but isn't actually the kind of interventionist state regulation that the press fears so much.

So, in conclusion, you would be surprised how many people, how many active broadcast journalists, quite like being within the Ofcom style regime, given that some of them came from a regime which is much more relaxed and much loser. Why do they do that? I think, frankly, the regulator -- I don't work there any longer, and I just happen to be sitting next to the chief executive, but that's a coincidence, he just sat down -- they respect the regime, they respect the people who run it, they respect the judgments that go with it and when I, for instance, have argued for a more deregulatory regime, which I did in a lecture last year, hardly anybody took up a cry for a deregulated content regulation system within broadcasting. I was very surprised.

You can conclude from that that there are a whole group of people who have become so sated with statutory regulatory they just don't know any other version of it,

or they know the system they don't want a different system, but there is no outcry saying "Release us from these terrible statutory regulatory bonds and allow us to be regulated in the same way that newspapers are". I hope that's helpful.

MARK JEMPSON: Mark Jempson, again. I thought it would be interesting working in lots of different countries and looking at the different regulatory codes. In answer to your question, there are a number that appear in almost every single one. I just jotted down: one of them is accuracy and putting things right, it's usually right at the top; defending press freedom is in there and that includes defending sources; avoiding plagiarism is an interesting one that crops up less here and more elsewhere, but that is partly to protect peoples' livelihood; respecting privacy appears in one form or another; avoiding discrimination and distinguishing between facts and comment, I would have said those are the key elements of almost every single code that exists around the world.

STEVE BARNETT: Steve Barnett. Just following up from what Stewart was saying, I just want to emphasise that, for me, the important thing about broadcast journalism is -- and what we might learn, in terms of a read across, is not about the impartiality regime, and I think the

answer to Stewart's question about why there wasn't a follow-up to his call for deregulation is that, actually -- and Elinor might have a view on this -- an awful lot of television journalists understand that regulation act as a liberating mechanism for an awful lot of good television journalism. Because the regulatory structures are, there you can have programmes like Dispatches on Channel 4 and nobody would accuse Channel 4 of being chilled, in terms of its approach to current affairs and free speech.

So if the argument against some kind of stricter regulation is it will chill free speech, it will prevent watchdog journalism, television demonstrates that is simply not the case and television journalists, as Stewart has said, are not only comfortable within those structures, they like those structures because they see them as liberating. A quick commercial break: I actually have a book coming out on television journalism next month, which is -- if Claire can do it this morning, I can do it this afternoon.

Just one more point, if I may. I don't actually think there is a direct read across in terms of having Ofcom -- an Ofcom-type structure, an Ofpress. I really don't. There is a compromise and I hope that this committee will see the grey areas between the black of

statutory regulation on the one hand and the white of complete self-regulation on the other.

For me, one of the models is the way the law is -- the way lawyers are now regulated. They were dragged kicking and screaming into the 20th century through the Clamenti report. They are now -- solicitors, as I understand it, are now self-regulated through the SRA and that is the way -- we can have a system of self-regulation. Behind the SRA sits the legal services board, which does have statutory -- is bound by statute. Parliament has dictated what the LSB should do, but a reconstituted PCC or a genuine self-regulation, which is meaningful, which has sanctions, which the editors really do abide by, they should hold no fear if they are told that, behind that, there is a statutory body because they've said they want to do it anyway.

SIR DAVID BELL: I will come in on this issue, which is very important. Adam, could I ask your perspective as a television person?

ADAM BOULTON: Yes. Adam Boulton from Sky News, and I am one of those journalists who likes working in television, and isn't particularly bothered by the regulatory regime, although I think it is right to point out that my bosses, if you like, both John Riley(?), the head of Sky News, and James Murdoch have both made the

obvious point that, certainly, the area of impartiality, with the multiplicity of video outlets through the Internet, and elsewhere, there clearly comes a point where, to apply the sort of restrictions on due impartiality that govern ourselves and ITV and Channel 4 and the BBC, wouldn't be appropriate. I mean it still beats me why Guido Fawkes(?), whoever it is, can't actually get it together to have a channel with their particular sort of political opinion and I certainly wouldn't want to stop that.

I mean, it does seem to me, perhaps it's because you phrased this afternoon in terms of interest, that everyone is getting tied up a little bit in knots. I mean, what we do in television, I think, is we seek to inform and, you know, people can decide afterwards whether it's in their interests or whether, indeed, they are interested in it and I suspect that that is really what much of the print media do as well, and the question which slightly worried me, in some of the friendly fire coming in, you know, the mention was made of, well, we had the closed shop a few years ago, well, we didn't think the closed shop was a particularly good thing. I don't think that's a particular reason for bringing it back.

As far as sanctions, you know, you -- people perform

journalistically badly, they can get sacked or they can get prosecuted. I don't understand why there seems such an obsession, in certain corners of this room, to create a whole new legislative framework. I mean, you know, it seems to me that common law and professional standards are the way to do this.

SIR DAVID BELL: We don't want to lose sight of this question of ethics, really because that was the subject. Yes.

STEVEN WHITTLE: Steven Whittle. I should say, from the outset, a negative identification because hard pressed people who Google will get a Steven Whittle who is a campaigner for transgender issues. I could make it clear, immediately, that's not me. I was controller of editorial policy at the BBC and was author with Glenda of a Reuters Institute report on privacy, probity and public interest.

To follow what Stewart has been saying, we found no evidence that broadcasters felt in the least bit inhibited around the regulatory regime in relation to infringements of privacy. It didn't prevent or hinder very important investigations in the public interest.

That is because Ofcom applies a two stage test, if you like, and I think this is the principle to hold of, not whether there is a statutory regulator, but the

principles that lie at the heart of this and the two stage process is, first of all, can you justify the infringement in the first place and, secondly, can you justify what you then went on to broadcast? That brings with it, in the wake of that principle, certain practical actions which have to do with what Brian was talking about earlier, in terms of proportionality, and that is, first of all, you have some reasonable evidence to pursue the cause you are pursuing, secondly you are doing it in a proportionate way, thirdly that you can demonstrate the process that you went through, in order to get to where you got and in order to get to what you published.

That is not an infringement on freedom but a demonstration of responsibility and accountability and I don't think there's been a single major broadcast investigation that has, in any way, fallen foul, whether it's Olympic fixing, whether it's the investigation of the police and racism, whether it's the investigation of counterfeit forges, it's the principle of being able to demonstrate that what you're doing is clearly in the public interest and, of course, the difficulty is around the question between the public -- the important public good around private life and the important public good around freedom of information.

There are checks and balances which have to be applied by someone. Currently, they are being applied by judges when news organisations get it wrong. Far better if news organisations get the test right themselves in the first place.

SIR DAVID BELL: Yes.

GAVIN REES: My name is Gavin Rees and I work for the Dart Centre for Journalism and Trauma. We're basically opening(?) a global think-tank based at Colombia Graduate School of Journalism in New York and we work with journalists who cover stories about violence and trauma so that can be anything from local crime to war stories or to disaster stories, things like Soham, particularly, the McCann story, all those spring to mind.

If the question is how do we make this discussion about ethics, then I think we have to be very wary of approaching these stories from a great height, you know, from like an aeroplane, a thousand feet in the sky, and bring it down to very, kind of, practical real issues, which are to do with the actual interactions that journalists have. So the question would be: how does a journalist approach a family that has been affected by trauma? How do they contain the traumatic reactions they themselves may have if they are involved in story?

In a previous role at Bournemouth Media School, I did some research on how people interview people, how journalists interview people, and one of the big things that came out of that research was an industry-wide reluctance to talk about these issues through. So a standard response would be "Ah, well, it's all common sense, it's a journalist who has been doing that for 15 years". But in another part of the interview, when I asked what was it like the first time you had to do a death mark and knock on a family's door and find out what happened, they would say, "Oh, it was terrible, I didn't know what to do, I hid in the toilet, I couldn't work out to say". So that common sense came through 15 years of professional practice and it wasn't discussed.

So Brian said this earlier today, it is really initially to do with the profession owning its own ethical codes as well. So, kind of, put regulation aside for one moment and it is a question of training and how individual journalists own these issues, and to the extent that they talk about them, and whether they can find ways of resisting pressure from perhaps editors and other people to follow best practice.

Last week, I was in Northern Ireland and I was attending workshop with journalists who had spent

25/30 years covering the Troubles and it wasn't so much the cases in which they'd been shot at or received death threats that they really wanted to talk about, it was the times when they turned up at funerals or turned up at houses and felt that they had pressure to steal photographs or they had pressure to intrude on peoples' grief and it was just from a personal impact.

So there is a interesting concept that's worth thinking a bit about in terms of all the well being of us as journalists and practising journalists doing these stories and that's the question of moral injury.

So in trauma science is this new concept in which people used to think that the thing that wore people down and caused burnout and caused people to become alcoholics was fear and inability to contain the threat against them.

Now, I work looking at soldiers and police officers, doing things like child protection stories I have realised that actually it's often the sense of not doing the right thing by other people, a sense of moral betrayal that can be particularly wearing. So there is also a health issue in the way that we approach people and work. In some reporting on the hacking affair, there were -- it came out in some of the stories and, kind of, personal testimonies of some of the

journalists, who admitted to doing things that they felt perhaps they shouldn't have done, was how it hadn't improved them.

So I think it's a question of having these conversations because if we don't talk about real interactions with real people then we can't work out what the ethical considerations are, unless we know what the practical realities of those interactions are like.

SIR DAVID BELL: Can I ask Peter Wright how you would deal with those issues? If you could stand up.

PETER WRIGHT: Sorry. I mean, I think every time that you ask your journalists to seek an interview with someone who has been through some sort of trauma, it is a unique situation, there aren't really any rules.

All you can do, and early in my career I did quite a lot of this myself, is to be as polite as possible, as sympathetic as possible, and not to have any expectation of the type of response you're going to get, and I -- I discovered as a young reporter that there were certainly some people who absolutely didn't want to see you, and sent you away, usually with a flea in your ear, and that on those occasions you should disappear as fast as possible. There were many other people who welcomed you into their home and who actually relish the opportunity to talk about what had happened, to share

their experiences and -- and who regarded -- this was on a local paper -- regarded a local institution which they respected taking an interest in the death of a loved one, as a way of society marking respect.

Somewhat to my surprise, I would say that in 60 or 70 per cent of the cases where I had to visit the relatives of people who died, that was the response I got. In the others, you could really do nothing but be polite and go back down the garden path as fast as you could.

SIR DAVID BELL: I think there is somebody right at the back. Yes.

MARK LEWIS: I am Mark Lewis. I am a solicitor. I wonder what ethical code is needed to stop people hacking into the phone of a murdered schoolgirl or to stop hacking into the phone of other people? This is all about access to justice and people -- I know Bob talked about CFAs but when we're talking about CFAs, no win, no fee agreements, are they the ones that were against or the ones that used to defend the Daily Telegraph? Are they the ones who used to defend a British cardiologist who was sued by American companies? Are they the ones that are used to defend people who are Sheffield Wednesday fans, who are sued(?) by Sheffield Wednesday?

These are all issues of access to justice and if we

stop CFAs, which is a great move amongst the popular person, amongst the politicians, then when what happens is that the News of the World would be still out, it would come out on Sunday and people could talk about, over breakfast, who else's life is ruined. Ethics wouldn't even apply and we'd have a huge, huge problem that they would trammel on peoples' lives.

Everybody knows -- everybody knows that they shouldn't have hacked Milly Dowler's phone. Everybody knows that the cases that have come out over the last couple of days, that we've read about, shouldn't have happened. That is nothing to do with ethical considerations. It's to do with access to justice people are able to fight back. Sometimes they have to, to defend themselves, to defend themselves by pursuing a claim and to defend themselves as newspapers are allowed to do. If newspapers want to use CFAs then they can do. The Daily Telegraph does.

Thank you.

JOAN SMITH: Joan Smith. I'm here in a sort of dual capacity because I've been a journalist all my working life and I'm now a columnist on the Independent titles. I am also a claimant against MGM(?) operation, having been contacted by Operation Weeting back in April.

When I started out in journalism, I worked for

The Sunday Times insight team. We did a lot of stories which involved the relatives of people who had been bereaved -- people who died in police custody, things like that. There was a period in my life when, in the space of 24 hours, I interviewed three of the surviving victims of the Yorkshire Ripper and it was very traumatic for them, it was very traumatic for me to do that.

What I always did was say to people, I would like to talk to you, if you don't want to talk me I will go away and that seemed a simple matter of humanity. What seems to me to have happened over the years and what's really shocked me about the whole hacking business is that some journalists seem to have lost their sense that the people they are dealing with are human beings, whether they're celebrities, whether they're victims of crime. They seem to have this idea that these people are not people at all, they're simply a story.

Early this year, I was out in Australia at a university, where I've done some teaching in the past, in western Australia and I was talking to journalism students and what I was really impressed by was the fact that the impact of their journalism and their -- on both themselves, in traumatic circumstances, and on the people they were interviewing, who were involved in the

stories they were writing about, was the core part of their education at the university, and it was a subject they raised with me because they wanted to know how I handled it in the past.

But these kids, who are 20/21 were already thinking about this and so that's -- one of the things I would like to say is I think there should be much more of this kind of looking at the impact of trauma and journalism in the actual education of journalists at a very early stage. Thanks.

ELINOR GOODMAN: Could I just come in and ask some of the other editors here whether or not they do consider the impact of their stories on the people they're talking about? I have the press code in front of me and it says, for example -- it governs the way you should deal with intrusions into grief or shock. Is that a consideration that you take into account when you're considering the story or is the public interest in knowing always going to outweigh that? Is there anyone who would like to answer that? There must be somebody. Thank you.

PETER WRIGHT: In default of others, yes, it is a consideration and I'm not -- I can't, I'm afraid, give any details because there are stories we didn't publish because I thought they would cause damage either to the

individuals involved or to their relatives, but there have been stories that we could have published in the last year and have not done so, simply for that reason. There would have been a good public interest defence for publishing these stories, but when I had considered, as best I could, what I knew about the circumstances of the people at the centre of them, I thought that possible damage would be greater than the benefit in the public knowing the thing which had taken place.

CHARLES REISS: Charles Reiss, formally Evening Standard. I'd like to pick up on something Brian Cathcart said earlier. I think my note is correct:

"If journalists are citizens like everyone else they can't choose when to obey laws and when not."

Of course, that's true and I share his concerns about the lack of trust, but I do think that is, ethically, only part of the story. If you consider a good citizen, the good citizen is never dishonest, a good citizen can be trusted at all times as a reliable friend, loyal and reliable, the good citizen doesn't test the laws and regulations to their limits. But good journalism at times breaks all these codes. Legitimate journalism can and sometimes does involve dishonesty, if only in a small way. I could give an example but, at the moment, time forbids.

What about trust and friendship? I had contacts who -- sources at the House of Commons, civil servants and politicians who became quite good friends. Nonetheless, good journalism required, and this harks back to the point raised by John Kampfner that, from time to time, I wrote stories that could and did give offence or did real damage. Now, biting the hand that feeds you is not normally regarded the code of good behaviour, yet for healthy journalism it is essential.

Final point, we come to the question of the limits of the law and a good journalist will, from time to time, without romanticising the thing too much, test the law or the rules to the limits and that inevitably means, does it not, that that limit might be crossed accidentally or be subject to legal challenge.

My final point is that this carries us, I think, into the area described by Lord Leveson as, and I quote "the wider practice of the public good". It's in that wider realm, outside some of the normal conventions, that journalists can, paradoxically, sometimes be at their best as citizens and that is why I do worry about attempts to fetter.

GEORGE JONES: If I could ask Trevor a point. It was interesting, when we had Kevin Maguire this morning talking about the fact that he worked on the

Daily Mirror, the Guardian, the Daily Telegraph, back on the Daily Mirror, and felt he could immediately fit into either newsroom and working -- that there wasn't anything greatly different between working as a journalist on those papers or not.

I was wondering whether Trevor would feel that he could go and work for Alan Rusbridger, and work on the Guardian, and do you feel that there is any difference or that -- can you try and explain to us what it is in an active Sun newsroom, which may be different from a Guardian newsroom or a Daily Telegraph newsroom? Do you think there is something different that the Inquiry kind of needs to take account of?

TREVOR KAVANAGH: Well, I have been offered jobs by various other newspapers, but the Sun's just too much fun to work for and so I haven't taken them up and so I guess they must have thought I could work for a different newspaper or agency or television even. As for the Guardian, I think the thing that would bar me from working for the Guardian is a political situation, since I really only do politics these days, and I don't think the Guardian would offer me a job, either as a columnist or as a reporter so the situation doesn't arise.

In terms of the simple process of writing, I think a story, is a story, is a story, and you should be able

to write it and one of the things working for tabloids does for you is to train you to be succinct, and I think that is an element of journalism which is not necessarily the case in areas where they have more space to indulge themselves, but apart from that, I don't think there's any problem with a crossover.

GEORGE JONES: In terms of ethics, do you think there is a different set of ethics, a different sort of journalistic approach in, you know, if you tabloid, it seems as though -- I don't want to use a pejorative expression -- but in a newsroom like the Sun it is different -- do you think journalists are operating to a different set of ethics than they are on, say, the Guardian or the Telegraph? Do they think they are and is there something there that needs to be taken account of?

TREVOR KAVANAGH: Again, this worries me, George, because the implication or the inference to be drawn from what you're saying is that there is a difference in ethics between --

GEORGE JONES: Well, the difference has been made by some people in the audience and that's why I'm trying to draw out whether you feel, as a journalist, a successful journalist on a tabloid newspaper, that there is something we need to take account of? It's purely

seeking information, not trying to make any judgment.

TREVOR KAVANAGH: Well, I don't think, frankly, that good journalists, who go about the practice of journalism professionally are any different, ethically, from one paper to another. We may have a different writing style, we may have a different emphasis, we may have a different interpretation of things but we don't set out to distort a story, we set out, I think, to try to inform and enlighten our readers and it may be that, as I point out, the difference between the Guardian and the Sun is one of a political dimension, but every newspaper needs to have its own political character, its own personality and it's that that people buy the newspaper for, in many cases, not always, but certainly partly. I think that they are -- those ethics or whatever it is, the Code of Practice, or perhaps just good conduct, good behaviour, is translatable across all the media.

SIR DAVID BELL: Do you think I might ask Alan Rusbridger, Alan, do you -- I mean, leaving aside whether you would hire Trevor or not -- but do you feel that there is a Code of Conduct issue here or an ethical issue or do you think it's right that, actually, it's the same right across the whole waterfront?

ALAN RUSBRIDGER: I don't know. That's going to be the big

job for the Inquiry to find out. I think it's probably not helpful to be making distinctions between (inaudible) broadsheets and tabloids and that language -- it becomes complicated. I mean, I think the code that we all sign up to is a good code. I was perfectly happy to serve on the code committee of the PCC because I think it is a good articulation of the professional standards and ethics that we all aspire to, so that the problem comes in the observance of that code and whether people genuinely believe it or not.

I think the interesting thing in the privacy cases that were fought this spring -- there was a lot of heat around those and warnings that we were marching into a (inaudible) police state, and so on and so forth -- but there is a link between the work of the courts and the PCC which was articulated in the Human Rights Act and which was put in error at the request of the press, which was section 12, which asks the judges to look at the relevant code. That's what the judges do and if you read all these judgments they always turn to the newspapers and say, are you pleading the public interest under the code? The interesting thing is that, in the majority of the cases that broke out in the spring, the newspapers didn't plead the public interest under the code.

So I think that the code is not the problem, I think it is a good code and it would be perfectly workable code to go into the future. The question is, and I think Brian Cathcart hinted at this, is whether people are observing this code in the spirit, and the interesting thing, as I say, about those cases that were fought during the spring was that, in the majority of the cases, actually people weren't arguing for the public interest. Then, you know, then the judge is in a very difficult position because he has been asked, at the request of the press to pay attention to the code and certain newspapers say "No, we are not arguing this, this isn't in the public interest", it makes it difficult to get over that hurdle.

So I think -- you know, I think that: (a) the code is okay; and (b) let's not make broad brush distinctions between tabloids and broadsheets, because I would probably agree with Trevor, I think. There's no reason why Trevor couldn't join the Guardian, apart from his batty views on Europe.

ELINOR GOODMAN: Could I just ask one of the editors of the tabloid papers whether the nature of celebrity journalism means that you have to press the privacy laws further than somebody who is dealing with some other kinds of stories. Is it implicit in tabloid journalism?

I think there is somebody there.
RICHARD CASEBY: No, it's not really -- my name is Richard Caseby. I was managing editor of The Sunday Times for 13 years and I'm now managing editor of the Sun, so I would like to address the question of whether there are two different types of newsrooms or two different types of ethics there. So having been walking around some of the upstairs rooms at Downton Abbey, I am now downstairs and, if anything, what I have seen is that, because there is a tougher tightrope to walk in tabloid or mass market newspapers, regarding celebrity, regarding privacy, the sort of decision-making process is much, much more thorough sometimes than it is necessarily found in a so-called quality newspaper, and I've been really impressed by that on The Sun newspaper.
I also say that every Sun journalist signs up to the PCC code and they will be subject to disciplinary procedures should they breach it in any way. I am pleased to see that there have been disciplinaries to enforce that code. It's a good code, as Alan Rusbridger said, it's a very workable code. It's a code that's revised. The only criticism I would ever have made of the PCC is I think, during the last year or so, it could've done with much stronger leadership, but the code is a good code and the vast, vast majority of

journalists adhere to it.
Just before the break, I think someone from the Media Trust gave an example of a survey of people of what they thought about celebrity journalism or privacy and that sort of thing and how they all thought it was a terrible, terrible thing. Well, every day the Sun has its own poll, it sells just shy of 3 million copies every single day, it has a readership confirmed by the NRS of about 7.8 million. In the past year, 19 million people have read a copy of the Sun. That's 38 per cent of the entire adult population and I hope that many of the assessors fit into that 38 per cent and they have read a copy of the Sun. I would say that I have been tremendously impressed by what I've seen in the brief time I've actually been there.
ELINOR GOODMAN: When you talked about the tougher checks, how would they manifest themselves those checks, the thing that's impressed you so much?
RICHARD CASEBY: For example, in recent months, two years ago we had the Fraud Act and recently, this summer, we had the Bribery Act. The Bribery Act is very, very broad indeed. In fact, it's so broad, I don't think it was necessarily written to capture journalists but the way it has been written it looks as though it does capture journalists so we will have to see how it's

implemented.
Most mass market newspapers pay for stories, they pay tips to people and you don't necessarily know who those people are. Well, as a consequence of that and a consequence of the Bribery Act, one has had to put in put in a whole new set of governance as to how those payments might be made, and we have done so at the Sun and I am quite proud of the way that that process has been put in force. But I have to say these are the sorts of tightropes that people walk on a mass market newspapers on a popular newspaper that broadsheets don't even have to think about and those are some of the things we were dealing with just this summer.
GEORGE JONES: In terms of the PCC code that you mentioned, and journalists being banned by it, when they come and joined the newspaper and signed a contract, they then signed a contract and agreed to be bound by it, is there any kind of ongoing --
RICHARD CASEBY: Absolutely, we've had numerous seminars by the PCC. They come in and we go through particular case histories of stories, and we present our own sort of dilemmas and they will talk to us about those and we'll thrash those out. There have been numerous seminars at the Sun.
GEORGE JONES: Executives or the journalists?

RICHARD CASEBY: The journalists obviously because those are the people at the sharp end who are writing the stories. We had health professionals coming into the Sun, for example, on Broadmoor one must always talk about "patients" and don't talk about "cons" and things like that and we have a constant educational service, almost, to journalists of education. I don't think this is either known or it's not something we shout about but perhaps we should do.
One other thing I would just like to address, I hope I don't take up too much time, on mass market newspapers. I was rather disturbed by some of the things that Brian Cathcart was saying about public interest. Public interest, as defined by the PCC code is a good definition, it's a great definition and we all abide by it but there is a wider public interest in the nature of the mass market popular newspapers. Yes, they make money but they are an important way of disseminating information on the issues of the day to a mass market readership and to sometimes do that you have to mix the sort of things that you might find vulgar.
For example, I think about one issue in July. It had a great double page spread, the Sun, on the Greek debt crisis and the £1 billion European bailout, and it was headlined "I owe ouzo". It was great fun, great

graphic, great detail, great percentage GDPs, it was lovely, great example of popular journalism. Right next to it, on the next page, was a story about Lady Gaga's father, about how he had hired a stripper to teach her the piano when she was a child.

Yeah, you can get that mix of stories, and as this morning we heard, it's about the package. You've got to give the package to get the mass market readership to get the story about the Greek bailout and there's a real public interest in a functioning democracy to get those sorts of issues to people at their breakfast table every day. Thank you.

SIR DAVID BELL: Mark Damazer, do you want to say something?

MARK DAMAZER: I just want to return to the question about public interest and interest of the public and, actually, go back to something that was said right at the beginning of the day by Phil Hall and somewhat amplified by Trevor Kavanagh later on, which is about hypocrisy, the way it justifies putting into the domain stories about private live of public figures and, sometimes, clearly times that must be right.

I also want to say that it's absolutely clear that without the tabloid press, a tremendous amount of fantastically important stories would not have been broken and would not have been amplified subsequently by

the BBC, who did not break those stories. Let's just remind everybody, I'm not speaking for the BBC, I'm now at Oxford.

But the notion that any kind of hypocrisy justifies any kind of invasion of a public figure is one that I think at least invites scrutiny. If we were all put to the highest possible standard of leading a singular and unified life around the purest of moral codes none of us would be able to get out of this room very easily. There are obvious cases where intrusion seems to be to be justified in publication.

You could certainly say that somebody who uses in their election literature a tremendous amount of stuff about their family inviting trouble. You can say that a celebrity who has made a fortune out of selling images of their family to celebrity magazines is asking for trouble. It's not clear to me that each and every case that happened over the last 20 years, whether it has been published first by a tabloid or a broadsheet, and whether it had been subsequently amplified by the BBC or not, falls into that criterion.

The 1990s John Major back-to-basics case were all posited around the fact that Major had invited a degree of scrutiny that justified publication. Well, maybe. The Charlie Kennedy case on drink, open and shut case,

obviously, significantly in the public interest. I'm not John Prescott's agent, in fact, I've never spoken to him, but I'm not entirely clear in my own mind's eye whether Prescott was guilty of great hypocrisy, whether he was guilty of incompetence, because he was spending some time with his mistress, or whether it was that he was a figure of fun and any politician is fair game, no matter what is said about them.

There may be any number of dimensions, which either justify it or don't, but I don't accept as an axiom that any fall from grace, from any figure who is in the public eye justifies the publication of that story. In many cases, it is, but I don't think it's blanket, and the suggestion, I think, that has been made one or twice during the course of the day is that any form of hypocrisy justifies any form of publication, and I just wish to challenge that, not that I wish to legislate against it, because I wouldn't be in favour of that.

GRAHAM MATHER: Graham Mather, European Policy Forum. If I could just follow Mark's point, which I think leads exactly back to Stephen Whittle's final point, about how do we decide what the public interest is.

I'd like to draw the Inquiry's attention to the fact that this does occur in other sectors. In the area of takeovers and mergers, for example, there's a long

history of decision-taking by the Monopolies Commission, the Competition Commission, on what is or is not in the public interest and, in that area, it's actually probably more difficult to define than in this area. We've heard that there are, sort of, three codes, the Ofcom, the PCC and so on, which define it quite tightly in this area. In the world of takeovers, the legislation was very broad. Panels could take into account anything they thought was in the public interest, and that might be quite useful, because it allows you to capture the changing public mood and attitude.

I think there are only two caveats to this useful learning experience from another sector. One is that, for it to work, those deciding what is in the public interest, obviously have to have no conflicts of interest, they have to be purely independent. Secondly, the legislation itself has changed recently and moved away from the public interest to a narrow competition test. What was interesting when that happened was that the public interest almost immediately reappeared. Legislators decided that you couldn't just decide things on competition if, for example, a takeover might damage the security of the nation or upset financial stability. So the public interest immediately reappeared in that

area.
So my offering is simply to say I think these broader lessons and these other legal histories, histories of cases, may help the Inquiry.
JOHN KAMPFNER: I am John Kampfner. I just want to come back to something Charles Reiss said earlier but it follows on from this discussion we are just having now about public interest. Ultimately, pretty much everything comes down to a determination of public interest. Underhand behaviour, unethical behaviour, illegal behaviour can, in the right circumstances, be justified by a public interest defence, so whether that's secret filming, secret recording, listening to telephone calls or impersonation, everybody, for example, look at -- everybody talks now about the Telegraph and MPs' expenses, slam dunk, good story. Look at the Vince Cable impersonation story, I would reckon if you did a straw poll in this room, people would come down 50-50 on that one. That was a public interest determination.
Just a little anecdote, which I think shows a delicious irony. I was doing, at the height of hackgate, a quick two-way on the BBC News channel and they played into the interview with me something they literally just got, which was an audio recording, secret

recording of a pep talk to staff by Rebecca Brooks, trying to -- just before she resigned, trying to justify what she was doing. She presaged her remarks, according to this audio recording by saying: "Please can I entreat everybody here not to record this and not to publicise it". So they play this and the obvious point which I made at the beginning of my remarks was, you have just done something underhand, but you have done it, you have made a determination on public interest.
So it's these areas, it's -- it is try -- I don't accept the view that the press -- the PCC's determination -- current definition of public interest is good enough. I think a considerable amount of work on all these issues, particularly those that pertain to investigative journalism, needs to focus on that specific determination.
IVOR GABER: Ivor Gaber. I wonder if I could give a quick rule of thumb picking up on John and Charles' point. It's not as elegant as the PCC code, but when I teach students, one of the first questions -- and Joan picked up this point -- they are very keen to know about the ethical issues and how can you justify breaking the law or not telling people exactly what you are investigating whatever, and I say that, essentially, there is a subjective test, which becomes, if you like,

objective. The subjective test is I say to them:
"Look, ask yourself this question: if you use this underhand method and then the story goes out then the underhand method is revealed for one reason or another, would you feel comfortable, would you think that the story you obtained justified that method or would you -- once you're in the 'I'm not sure' camp, then don't do it, but if you are convinced that this story merits what you're doing, then I think that's not a bad way to move forward but, ultimately, it comes down to your sense of is this right is this wrong."
That involves a whole other range of ethical considerations, but it's a start and I don't think we should underestimate young journalists' interests in these matters. It's not just people who sit around in meetings in this, people going into journalism are concerned and worried and take these issues very seriously.
ALAN RUSBRIDGER: Just one thing which we inserted in the Guardian's code, which came, actually, from a completely different world, which was the intelligence world, because journalists are obviously not the people who grapple with these interests, with these complex ethical decisions, especially involving intrusion. I was sent a five point test that Sir David Oman who used to run

GCHQ, had floated in a lecture. They seemed to me five good points that any journalist could ask themselves.
The first one is the harm, ask yourself about the harm that is going to be caused by your story, which, you know, includes distress but does what are you going to do justify the harm that is going to be caused.
The second is the public good that is going to be caused. So you want to measure the harm against the public good.
The third is proportionality, the methods that you are thinking of applying. Are they proportionate, are they the minimum possible methods in order to get the story that you want?
The fourth is about the chain of command and the proper authority and oversight, which in the light of phone hacking is an incredibly interesting question to be asking.
The fifth is about fishing expeditions, no fishing expeditions.
I thought they was a five simple easily memorable tests. A, sort of, five-bar gate which any journalist could easily ask themselves and, if you go to Brian Cathcart's point, could be noted, in advance of any story being published so that you have an audit trail and I thought they were rather thoughtful things

by a rather thoughtful man from the intelligence world, which read across quite easily into the journalist world.

SIR DAVID BELL: I don't know if there are any other questions anybody wants to raise, any points?

MIKE JEMPSON: I just wanted to go back to the beginning of today and talk about money again, because one of the justifications for a lot of stories that the tabloids publish is that the public are just interested and one of the ways they prove this is by asking people to sell them information. If you look on their website, they encourage people, if they think they've got a story that might be of interest to their readers, slightly different thing to the public interest, get in touch and we'll look after you.

Subsequently, if there are problems with these stories, editors frequently will say "Oh, well, it's because they were after the money", and there have been numerous cases of that. So I think you have to be looking at those issues. What is the notion of selling, encouraging people to sell stories because they slept with a footballer or whatever?

There was another financial area that was beginning to be touched on this afternoon, which I think needs to be looked at, which is the cost of in-house lawyers and

are part of the team that are behind this Inquiry, who have put a huge amount of time into getting this to work in what is, by the standards of inquiries like this, an incredibly short time. So I just wanted to thank all of them and anybody else who has been involved, who I haven't mentioned, for having got us to this quite remarkable day, I think. With that --

LORD JUSTICE LEVESON: Well, those who have managed to struggle through to the end, this seminar has achieved what I wished for it. That is to say, a broad and open discussion of a number of very important issues. I am very grateful to everyone, not only for making time to attend, but also for doing so much to contribute to the debate and provide the different perspectives which they have.

The context for this part of the Inquiry is therefore much clearer. I do hope that you'll all feel able to return on 12 October when we discuss approaches to regulation, supporting the free press and high standards.

Equally, and dealing with an issue that was raised this morning, I assure you that I will pass on to modules which deal with relationships between the press and the police, and relationships between the press and politicians, and I may well seek to organise further

the sorts of decisions that we heard from the Murdoch crew in Parliament, about how they make their decisions about whether or not to pay somebody off. We never know how many cases are settled out of court, rather than risk running up huge legal bills.

Maybe if newspapers had a bit more temerity and published a list of the stories, or the arrangements they made with people who are challenging them and saying "We've paid them off, we're not gonna publish this story about them", maybe we would have few fewer of those, then they wouldn't be quite so chilled by the libel laws.

CONCLUDING REMARKS

SIR DAVID BELL: Well, we thought we would probably finish at about five o'clock and it looks to me as though we are pretty well close to 5. Unless there's anything anybody else wants to raise, please feel free to do so. If not, before I ask Lord Justice Leveson to close up, I just wanted to say one or two thank yous. First of all, to all of our speakers who prepared what they had to say, really, with very little notice and I thought did a really excellent job; to Elinor and George for being here; and to the broadcast team who are all around us, whose work we'll be able to see very shortly on the web; finally to Ruby, Kate, John, Amanda and Rachel who

seminars on these topics in the future.

Can I end by thanking David Bell, Elinor Goodman and George Jones for maintaining the flow of these important discussions and repeat my thanks to each one of you for the very real care that you have taken in the contributions that you've made.

Thank you very much.

(5.00 pm)

(The hearing concluded)