City Research Online

City St George's, University of London

Citation: Purvis, S. (2012). 'Managing Murdoch': How the regulator that became a problem then became a solution. Journal of Applied Journalism & Media Studies, 1(2), pp. 143-155. doi: 10.1386/ajms.1.2.143_1

This is the accepted version of the paper.

This version of the publication may differ from the final published version. To cite this item please consult the publisher's version.

Permanent repository link: https://openaccess.city.ac.uk/id/eprint/4059/

Link to published version: https://doi.org/10.1386/ajms.1.2.143_1

Copyright and Reuse: Copyright and Moral Rights remain with the author(s) and/or copyright holders. Copies of full items can be used for personal research or study, educational, or not-for-profit purposes without prior permission or charge, unless otherwise indicated, provided that the authors, title and full bibliographic details are credited, a hyperlink and/or URL is given for the original metadata page and the content is not changed in any way. For full details of reuse please refer to City Research Online policy.

City Research Online: http://openaccess.city.ac.uk/ publications@citystgeorges.ac.uk

‘Managing Murdoch’: How the regulator that became a problem then became a solution

Stewart Purvis *City University London*

Abstract

In 2009 David Cameron, the Leader of the British Conservative Party, then in opposition, announced that ‘with a Conservative Government, Ofcom[1] as we know it will cease to exist’ (Tryhorn 2009; Holmwood 2009). He said the United Kingdom’s communications regulator, the Office of Communications (Ofcom), would be cut back ‘by a huge amount’ and would ‘no longer play a role in making policy’. Three years later, with Mr Cameron half-way through his term as Prime Minister of a Conservative-Liberal Democrat coalition government, Ofcom’s budget had been cut – broadly in line with savings in the United Kingdom’s other public bodies – but it had far from ceased to exist. In fact it had an even wider role in regulation. Cameron’s government had asked Ofcom to regulate postal services in addition to its existing responsibilities for telecommunications and broadcasting.[2] The British Prime Minister said the regulator’s core functions were ‘essential’ (Leveson Inquiry 2012h: 50, par. 157). His government regularly asked for policy input from Ofcom and in 2011 sought advice on how to handle issues of media plurality (Department for Culture Media and Sport 2011). Understanding how such a sudden political change of heart came about provides a case study into an issue which goes far beyond the United Kingdom’s shores – how political leaders, rather than submit to demands from news organizations for the de-regulation of their activities, may find that regulators are, in fact, a useful buttress against media pressure.

Keywords

Ofcom

Rupert Murdoch

UK Telecommunications and Broadcasting

media regulation

Leveson Inquiry

David Cameron

The policy background

In policy pronouncements over the past twenty years British political parties have emphasized the importance of diversity in the news media to the democratic process but have rarely reflected it in legislation. Professor Steven Barnett has argued, 'Thus, despite a policy rhetoric which consistently emphasises pluralism, the UK has seen an inexorable shift towards a relaxation of ownership restrictions resulting in greater permitted concentrations' (Barnett 8).

He identified three causes for this policy shift:

> increasing financial muscle of global corporations, constantly seeking new expansion and investment opportunities; emergence of a dominant free market ideology which has emphasised liberalisation and deregulation while opposing state intervention; and a technological convergence of computer, screen and print, driven by digitalisation, leading policy-makers to question the efficacy of any cross or intra-media regulation.

In May 1995 the then Conservative government published proposals on media ownership which argued that 'A free and diverse media are an indispensable part of the democratic process […]. If one voice becomes too powerful, this process is placed in jeopardy and democracy is damaged' (Department of National Heritage 1995: 3).

The proposals called for ownership limits of 20 per cent to be set in the press, TV and radio markets and a regulator would be empowered to restrict concentration above these thresholds where it was deemed that such concentration of media power would be contrary to the public interest.[3]

But the response from media groups was hostile. Mr Rupert Murdoch's News Corporation threatened that its British newspaper business, News International, would close one of its newspapers, *Today*, because it was inflating Murdoch's market share without making any money. The idea of thresholds on individual media markets was dropped,[4] although ironically *Today* was later closed anyway.[5]

The Conservatives were succeeded by a Labour government which in 1995 similarly called for 'a plurality of voices, giving the citizen access to a variety of views'. But it later legislated to relax restrictions on consolidation.

The Labour Party, then in opposition, had also wanted to restrict the share of the newspaper market that any one group could have. This was widely seen as an attempt to limit the influence of Rupert Murdoch's newspapers which had traditionally been hostile to the Labour Party.[6]

This most-quoted example of this hostility was after the 1992 election when Britain's best-selling newspaper, *The Sun*, carried a front page headline 'It's the Sun Wot Won It' claiming that their attacks on the Labour leader, Neil Kinnock, had prevented him winning the election.[7]

It became a conventional political – and media industry – wisdom that this was indeed the case. While some academic research suggests that editorial slant can have an impact upon elections, other observers take a more cautious line, arguing that such a conclusion is too simple. Colin Seymour-Ure, for instance, observed,

> clearly it would be absurd to suggest either that the press has no influence over voters at all, or that it can manipulate them at will. But the range of possible influences […] is so complex that it makes little sense to make such sweeping claims. Even *The Sun* itself retracted. (1996: 217)[8]

Nevertheless, Seymour-Ure also noted, 'How far papers contributed to this volatility and shaped voting intentions remained extremely difficult to establish. Party leaders were probably wise to assume at least some connection, just in case there was one' (217). Whatever the real power of *The Sun*, Labour did indeed assume there was some connection between its editorial stance and the result of British elections. Rather than try to limit Murdoch's influence they sought to harness it.

The Blair strategy: 'Manage Murdoch' and empower a regulator

When one of Mr Kinnock's successors, Tony Blair, found time in 1995 to fly to an island off Australia to speak to the senior global management of Rupert Murdoch's News Corporation, a further conventional wisdom was established.[9] This was that because Blair wanted the support of Murdoch's UK newspapers to get elected (he later succeeded on both counts) he was prepared to do deals with him over media policy.

Murdoch's empire, which already had one-third of the newspaper market, had extended into broadcasting and gained management control of the leading pay TV broadcaster, British Sky Broadcasting (BSkyB). Media ownership rules at the time focused on limiting cross-holdings between newspapers and terrestrial television. There were no limits on cross-holdings between newspapers and satellite television operators such as BSkyB.

Blair was asked to look back at this era when, in 2012, he appeared before an inquiry into the press, which had been set up under Lord Justice Leveson in 2011, which became known as 'The Leveson Inquiry' (see below).

Blair admitted that it had been part of his political strategy to get Murdoch's papers 'on board', but said this did not extend to making deals. 'I didn't feel under pressure in relation to commercial interests from the Murdoch people, or indeed anyone else' (Leveson Inquiry 2012c: 33). 'Actually, we decided more stuff against the Murdoch interests than we did in favour of it' (Leveson Inquiry 2012c: 32).

But Blair was aware of the power of Murdoch and other newspaper groups to inflict political damage on his party. He therefore sought to 'manage' them. 'I took the decision – and this I'm well aware could be subject to criticism – I took the strategic decision to manage this, not confront it, but the power of it is indisputable' (Leveson Inquiry 2012c: 32).

Part of the strategy of avoiding confrontation appears to have been to avoid a direct collision on media ownership rules. Blair's government published a consultation paper on media ownership rules whose policy rhetoric again emphasized the importance of media plurality to British life. 'Plurality maintains our cultural vitality. A plurality of approaches adds to the breadth and richness of our cultural experience.'[10] But the legislation which followed made no mention of this cultural rationale for controls. There was to be no tightening of media ownership rules, if anything the rules were to be loosened.[11]

Blair was open about this when he looked back in 2012:

> I decided I was not going to take this issue on […] I had taken the decision we weren't going to do a big inquiry into cross-media ownership. I thought it would be a distraction for the Labour Party coming into office. (Leveson Inquiry 2012c: 43)

If that was the 'don't confront' part of the strategy, there were, however, two counter-weights to Murdoch's power – and both involved regulation. Though not specifically cited in evidence by Blair, in hindsight these may appear to have been another part of the 'Manage Murdoch' strategy.

His government merged seven different content and competition regulators in the broadcasting and telecommunications market into one 'converged' regulator, the Office of Communications or 'Ofcom'.

The Communications Act of 2003 gave Ofcom strong powers and the government ensured it also had ample resources in order to attract high-quality people who would use these powers. The first chairman and the two top executives also happened to be supporters of Blair's government.

Second, even though Blair's government had not included new limits on the Murdoch empire in the draft bill, a Labour member of the Upper House, the House of Lords, took it upon himself to initiate one. As Chairman of the Parliamentary Committee scrutinizing the bill Lord (David) Puttnam, negotiated a deal with the government. The full story only became known in 2012 when confidential official papers were released to the Leveson Inquiry.

It was known that the government wanted to lift a statutory restriction which prevented News Corporation, as a company with more than 20 per cent of the national newspaper circulation, from ever owning the terrestrial television channel, Channel Five. Lord Puttnam ran a campaign against this.

A previously confidential memorandum co-written by the then Media Minister, Tessa Jowell, to Blair suggested that a deal could be done with Puttnam. Jowell reported that in a conversation with Puttnam he 'agreed that if we can reach a common position on media plurality he will not push the Channel Five amendment'. The deal was done and the 'public interest test' was born (Leveson Inquiry 2012f: 41).[12]

Any proposed media takeover or merger could be referred by the relevant minister to Ofcom who would conduct a 'public interest test' to decide if it might result in an

unacceptable diminution of news plurality. This test would be followed, if necessary, by a full-scale inquiry by another British regulator, the Competition Commission. After the process, the minister could, if he or she wished, block the takeover or merger on the grounds that the remaining plurality would be insufficient. But later this test was to assume extraordinary political importance.

The Cameron Strategy Number One: The regulator is a problem

When David Cameron became Leader of the Conservative Party in 2005 he faced almost the same problem as Tony Blair had when he was elected Leader of the Labour Party ten years earlier. Rupert Murdoch had been supporting the incumbent party for many years, how was the opposition party to break this link and win the support of his newspapers? Especially at a time when, it was rumoured, Murdoch was apparently not very impressed with the new Conservative leader.

In a 2006 interview with the American broadcaster, Charlie Rose, which was broadcast on US Public Television, Rupert Murdoch was asked what he thought of David Cameron,

> Not much. He's bright. He's quick. He's totally inexperienced. I do not know what substance is there or what he really believes. He's a rich young man, educated at Eton and Oxford […] I would like to see, well before the next election, a match up between Brown [Blair's heir apparent Gordon Brown] and the new Conservative leadership and just see how they look. (Wapshott 2006: 18)[13]

Cameron's then Press Secretary, George Eustice, now a Conservative Member of Parliament, was asked in a 2012 television programme how the first meeting between Cameron and Murdoch had gone.

> I think it's difficult to say, I think probably cordial and a little awkward, in that Murdoch wasn't hearing what he wanted to hear and David Cameron probably stood up saying, 'well I'd no intention of telling him what he wanted to hear' and Rupert Murdoch wasn't particularly moved by what David Cameron was saying about modern compassionate conservatism. (*Dispatches* 2012)

In 2007, after negative press coverage, Cameron's press secretary detected a change of approach. 'I think there was a feeling that if we continued to be rather aloof, to keep our distance, to disregard and not care about our relations with the media, it would be difficult to sustain that' (*Dispatches* 2012). Two years later an opportunity arose to form a common policy approach between the Conservative leader and News Corporation.

Rupert Murdoch and his son James, who was now running News Corporation's activities in Europe, had never been supporters of the regulation of British broadcasting. It did not fit their ideology. But their concerns became commercial as well as ideological when Ofcom decided in June 2009 to intervene in the market for pay-TV sports rights. In order to improve competition between rival broadcast platforms, the regulator proposed that BSkyB should make its sports channels available for sale to consumers on rival services.[14] BSkyB announced that 'we will use all legal avenues to challenge' what it called Ofcom's unwarranted intervention (Anon. 2009). The next month, July 2009, David Cameron, whose party had privately been neutral-to-positive about Ofcom, took a very publicly negative

position on the regulator. In a speech titled ‘People Power-Reforming Quangos’ he said that his Minister for the Media, Jeremy Hunt, had concluded that

> Ofcom currently has many other responsibilities that are matters of public policy, in areas that should be part of a national debate, for example the future of regional news or Channel 4. These should not be determined by an unaccountable bureaucracy, but by ministers accountable to Parliament. […] So with a Conservative Government, Ofcom as we know it will cease to exist. Its remit will be restricted to its narrow technical and enforcement roles. It will no longer play a role in making policy. And the policy-making functions it has today will be transferred back fully to the Department for Culture, Media and Sport. (Anon. 2009)

At that time I was a senior executive at Ofcom responsible for the Content and Standards Group, which enforced the statutory regulation of broadcast content. I had known David Cameron socially when he was a Special Adviser to John Major’s Conservative Government and professionally when he worked for Carlton Communications which was a broadcaster and a shareholder in the British broadcast news provider, ITN, where I was, at the time, Editor-in-Chief. I was therefore asked by Ofcom colleagues what I thought were the motives behind this new Conservative position. I offered four possible explanations:

- At Carlton, Cameron would have been frustrated dealing with the then regulator, the Independent Television Commission.
- Since the speech was mostly about cutting back regulation Ofcom may have been singled out simply because it was one of the best known regulators.

- He regarded Ofcom as a creation of the Labour Party and its Chief Executive, Ed Richards, had previously worked for Blair and his successor as Prime Minister Gordon Brown.
- Cameron might have been telling News Corporation what they wanted to hear about Ofcom.

The next month, August 2009, James Murdoch told the Edinburgh Television Festival that 'a radical reorientation of the regulatory approach is necessary if dynamism and innovation is going to be central to the UK media industry' (Murdoch 2009: 7). Conservative and Murdoch policy now appeared to be in tandem. Just one month later, on 30 September 2009, *The Sun* switched its allegiance from Brown's Labour to Cameron's Conservatives.[15] In the General Election a year and a half later, the Conservatives were the largest party but needed a coalition with the Liberal Democrats to achieve a working majority in Parliament.

The Cameron Strategy Number Two: The regulator is a solution

If winning *The Sun*'s support and the subsequent election success were to be the highpoints of whatever it was that brought Cameron and the Murdochs together in a common policy focus, the next two years, 2010 and 2011, were to witness an extraordinary change of direction.

The cause was a toxic combination of Murdoch's ambition to grow his media business even more and the misdemeanours within one of his British newspapers. And the implications were significant for Ofcom. The regulator that had seemed to be part of a problem now became a part of a solution.

First, the ‘public interest test’, which Labour had agreed to insert into the 2003 Communications Act, was used by Cameron’s Government to inquire into News Corporation’s bid to acquire the 60.9 per cent of BSkyB that it did not already own. Ofcom was set to work. The Ofcom process and the subsequent processes lasted a year and a half and were due to end with clearance for the bid when what had become known as the ‘phone-hacking’ affair climaxed. It was confirmed that reporters from the *News of the World* newspaper had hacked into the voicemail of a 13-year-old girl Millie Dowler while she was missing and feared murdered. She was later found dead.

Over the next two weeks after this revelation, parliamentarians of all parties condemned the *News of the World*, Rupert Murdoch closed down the paper, News Corporation withdrew its bid for all of BSkyB, and David Cameron announced an inquiry into the standards of the press to be chaired by a judge, Lord Justice Leveson. He admitted to the House of Commons Liaison Committee that he had allowed himself to get ‘too close’ to media proprietors and editors (House of Liaisons Committee 2011).

Ofcom then used its powers to announce that: ‘In the light of the current public debate about phone hacking and other allegations, Ofcom confirms that it has a duty to be satisfied on an ongoing basis that the holder of a broadcasting licence is “fit and proper”’ (Ofcom 2011). In other words the phone-hacking affair threatened to damage Rupert Murdoch’s broadcasting business in the United Kingdom as well as his newspaper business, and Ofcom had the final say.

A further irony came when the Minister for the Media, Jeremy Hunt, was accused by political opponents of being ‘the Minister for Murdoch’ and favouring News Corporation during his handling of the BSkyB process (Anon. 2012). At one point, when Hunt heard that the bid had received clearance from the European authorities on competition grounds, he

texted James Murdoch ‘congrats on Brussels, just Ofcom to go!’ a reference to the final clearance which the UK regulator would need to give.[16] This positive tone contrasted with the neutral ‘quasi-judicial’ stewardship that Hunt was required to give when he took over responsibility for handling the bid. Hunt’s defence – repeated no less than three times during the Leveson Inquiry – was, ‘I was getting independent advice from Ofcom and the OFT (Office of Fair Trading), so I was going to wait until I heard from them before I made my decision’ (Leveson Inquiry 2012d: 46).

Hunt’s ability to cite the independence of Ofcom in this process arguably helped save his political career. Hunt also asked Ofcom to take on a role that gave him further future distance from News Corporation. He asked the regulator to ‘undertake some work into the feasibility of measuring media plurality across platforms and recommend the best approach’ (Department for Culture Media and Sport 2011).

In Ofcom’s response, published nine months later, the phrase ‘this is all very difficult’ never actually appeared but many technocratic equivalents did (Ofcom 2012).[17] Ofcom suggested a review of plurality every four or five years using a ‘basket’ of different measures of plurality but with no prohibition of market share. On the issue of what is sufficient plurality, Ofcom was happy to point out that ‘Parliament may wish to provide further guidance’.

The net effect of the review was that Ofcom helped the Government put the media plurality issue to bed for a few years. It was perhaps not surprising that the Prime Minister wanted to keep his distance from decisions involving media groups. His former head of communications, Andy Coulson, previously a Murdoch editor, has been charged with perjury.[18] A close personal friend, Rebekah Brooks, another former Murdoch editor who

texted him that ‘professionally we are in this together’, had been charged with conspiracy to pervert the course of justice.[19]

A deal or not a deal

In his evidence to the Leveson Inquiry the former Labour Prime Minister, Gordon Brown, alleged that there was a direct connection between the Murdoch agenda, as set out in James Murdoch’s MacTaggart lecture, and what became Conservative policy.

> So the BBC licence fee was to be cut, they were to be taken out of much of the work on the Internet, their commercial activities were to be reduced, Ofcom was to be neutered, the listing of sporting occasions was to benefit News International, product placement was to be allowed […] I think what became a problem for us was that on every one of these single issues, the Conservative Party went along with the policy, whereas we were trying to defend what I believe was the public interest. (Leveson Inquiry 2012d: 38)

At Leveson, David Cameron’s response was,

> there was no covert deal, there were no nods and winks. There was a Conservative politician, me, trying to win over newspapers, trying to win over television, trying to win over proprietors, but not trading policies for that support. And when you look at the detail of this, as I say, it is complete nonsense. (Leveson Inquiry 2012e: 88)

So what then lay behind his speech about Ofcom in 2009? Cameron chose to recall his days as the Director of Corporate Affairs at Carlton Communications.

> One of the reasons I picked Ofcom was because of my own experience from television of remembering what the Independent Television Commission had done, the ITC, the precursor of Ofcom, and also remembering the sort of levels of pay that there were in the ITC compared with Ofcom, and I did think Ofcom was quite a good example of a quango that had got too big, too expensive, and the pay levels were pretty excessive.[...] At this time Ofcom was actually being roundly attacked on this basis by ITV, by the BBC, with which it had almost nothing to do, and also by commentators on the left of politics like Andrew Rawnsley, who were all saying Ofcom seems to have got too big and too bureaucratic. (Leveson Inquiry 2012: 93)

Analysis of the commentaries which Andrew Rawnsley wrote in *The Observer* newspaper reveals just one relevant mention of Ofcom, in March 2008, in an article called the 'swollen quangocracy'. Rawnsley's charge against Ofcom was very specific:

> Visitors to the plush citadel which houses Ofcom, the broadcasting regulator, are surprised to be offered bottled mineral water emblazoned with the organisation's logo. Why does a broadcasting regulator need to have its own branded water? Let them drink from the tap. (Rawnsley 2009)

The following week the Finance Director of Ofcom wrote to point out 'There is only one problem with this story – the water in question is tap water in reused bottles' (Smith 2009). Cameron's evidence to support his allegation of Ofcom being 'roundly attacked' is therefore

slim. So why launch such an attack in 2009? My conclusion now is that the four possible explanations which I offered to Ofcom colleagues back then all have some merit.

- It was partly based on his own experiences in commercial television.
- It did provide a headline example for his attack on ‘quangos’.
- An attack on a Labour-created quango had particular value.
- And if News Corporation were to conclude that there was symmetry between his views and their views that would have further value.

But what I think I missed and every commentator missed was that although the ‘cease to exist as we know it’ line was newsworthy, nothing that Cameron proposed would reduce Ofcom’s powers in relation to Murdoch and BSkyB. The changes he outlined would not have prevented Ofcom’s intervention in the pay-TV market and did not remove Ofcom’s role in the public interest test on media plurality.

And what happened subsequently when Cameron came to power confirms this interpretation. Ofcom’s budget was cut, its staff numbers were reduced, its Chief Executive took a pay cut and eight of its powers were removed or amended (Sweney 2010). But none of these changes restricted Ofcom in its dealings with News Corporation.

There was a striking change in tone between the ‘unaccountable bureaucracy’ whose ‘remit will be restricted to its narrow technical and enforcement roles’ (2009) and the organization whose ‘role in monitoring the plurality of media provision for consumers, licensing the spectrum in the UK and ruling on breaches of the broadcasting code is essential’

(2012). But in matters of substance little changed. It remains open to conjecture whether this was always the plan or a scenario dictated by events.

The legacy of 'Managing Murdoch'

After three years of extraordinary and unpredictable events, British politicians rediscovered the value of regulators as a buffer zone between themselves and news organizations which seek to influence their agendas on media policy. The political consensus on 'reducing regulation and red tape' in British life noticeably did not result in any significant deregulation of the media. Government ministers went as far as trying to increase their separation from some matters of media policy.

Cameron told the Leveson Inquiry: 'One specific proposal which has been debated in Parliament and raised in public discourse is removing politicians from decision-making positions in respect of media takeovers. I believe that this idea merits further consideration' (Leveson Inquiry 2012h: 19, par. 53). And his Media Minister, Jeremy Hunt, said independent regulators could fill the gap vacated by politicians (Leveson Inquiry 2012: 95–96).

Perhaps the lessons learned in the United Kingdom will guide governments around the world who are faced with influential news organizations which seek to change their policies on media issues.

References

Anon. (2012), 'Jeremy Hunt: Minister for Murdoch', *The Guardian*, 24 May.

Anon. (2009), 'Ofcom wants BSkyB to offer top-flight football and movies to rivals', *Daily Telegraph*, 26 June.

Barnett, Steven (n.d.), *What's wrong with media monopolies? A lesson from history and a new approach to media ownership policy*, LSE Electronic Working Paper No. 18, http://www2.lse.ac.uk/media@lse/research/mediaWorkingPapers/pdf/EWP18.pdf.

Department for Culture Media and Sport (2011), *Ensuring Media Plurality*, Rt. Hon. Jeremy Hunt MP (Secretary of State for Culture, Olympics, Media and Sport) to Ed Richards (Chief Executive, Ofcom), [letter], October, (CMS 188245/mk), http://www.culture.gov.uk/images/publications/CMS_188245_Ensuring_Meda_Plurality.pdf.

Department of National Heritage (1995), *Media Ownership: The Government's Proposals*, (Cm2872), London: HMSO, par. 1.4, p. 3.

Dispatches (2012), 'Murdoch, Cameron & the £8 Billion Deal', Channel 4, 11 June 20.00.

Holmwood, Leigh (2009), 'Ofcom hits back at David Cameron', *The Guardian*, 6 July, http://www.guardian.co.uk/media/2009/jul/06/ofcom-david-cameron.

House of Commons Liaison Committee (2011), 6 September, (Q266, p EV 53), http://www.conservatives.com/News/Speeches/2009/07/David_Cameron_People_Power_-_Reforming_Quangos.aspx. Accessed 30 May 2012.

Leveson Inquiry (2012a), *Transcript of Afternoon Hearing 14 May 2012*

Leveson Inquiry (2012b), *Transcript of Morning Hearing 25 April 2012*

Leveson Inquiry (2012c), *Transcript of Morning Hearing 28 May 2012*, London: Merrill Corporation, http://www.levesoninquiry.org.uk/wp-content/uploads/2012/06/Witness-Statement-of-David-Cameron-MP.pdf.

Leveson Inquiry (2012d), *Transcript of Morning Session 11 June 2012*

Leveson Inquiry (2012e), *Transcript of Morning Session 14 June 2012*

Leveson Inquiry (2012f), *Transcript of Morning Session 21 May 2012*

Leveson Inquiry (2012g), *Transcript of Morning Session 31 May 2012*

Leveson Inquiry (2012h), *Witness Statement of David Cameron MP 4 May 2012*

Murdoch, James (2009), *The Absence of Trust*, MacTaggart Lecture, 28 August, http://image.guardian.co.uk/sys-files/Media/documents/2009/08/28/JamesMurdochMacTaggartLecture.pdf.

Ofcom (2011), 'Statement on Fit and Proper', 6 July, http://media.ofcom.org.uk/2011/07/06/statement-on-fit-and-proper/. Accessed 22 June 2012.

Ofcom (2012), *Measuring Media Plurality*, 19 June, http://stakeholders.ofcom.org.uk/binaries/consultations/measuring-plurality/statement/statement.pdf.

Rawnsley, Andrew (2009), 'The long party is over for the public sector, whoever wins', *The Observer*, 22 March, http://www.guardian.co.uk/commentisfree/2009/mar/22/treasury-politics-public-sector.

Seymour-Ure, Colin (1996), *The British Press and Broadcasting Since 1945*, 2nd edn.

Smith, Alastair Gilmartin (2009), 'Keep your hands off our pay and pensions', *The Observer*, 29 March, http://www.guardian.co.uk/society/2009/mar/29/letters-pensions-public-sector.

Sweney, Mark (2010), 'Ofcom to cut 170 jobs and reduce budget by 28.2% over four years', *The Guardian*, 21 October, http://www.guardian.co.uk/media/2010/oct/21/ofcom-job-losses-spending-review/print.

Tryhorn, Chris (2009), 'David Cameron's Attack On Ofcom Derided By Communications Minister', *The Guardian*, 10 July, http://www.guardian.co.uk/media/2009/jul/10/lord-carter-david-cameron-ofcom.

Wapshott, Nicholas (2006), 'The World According to Rupert', *Independent on Sunday*, 23 July, p. 18.

Contributor details

Stewart Purvis is Professor of Television Journalism at City University London. He is a former Editor-in-Chief and Chief Executive of the British TV news producer ITN and from 2007–10 he was a senior executive at Ofcom responsible for the regulation of Content and Standards. Additional research was carried out by Jeff Hulbert, a visiting research fellow at City University London.

Contact: Department of Journalism, School of Arts, City University London, Northampton Square, London EC1V OHB, UK.

Notes

[1] Ofcom, operates under the *Communications Act*, 2003. It is responsible for regulating the United Kingdom's 'TV and radio sectors, fixed line telecoms, mobiles, postal services, plus the airwaves over which wireless devices operate'. For more information see Ofcom's website, in particular, http://www.ofcom.org.uk/about/what-is-ofcom/.

[2] This responsibility was added by the *Postal Services Act*, 2011 and Ofcom officially assumed the responsibility on 1 October 2011.

[3] Rt. Hon. Stephen Dorrell MP (Secretary of State for National Heritage), HC Deb, 23 May 1995 (c710): 'For the purposes of consultation, I propose total media market share thresholds at 10 per cent of the national media market, 20 per cent of a regional market and 20 per cent of the individual press, radio or television sectors.'

[4] See, for instance, Donald Macintyre, 'MPs bid to scrap limits on control of media', *The Independent*, 20 May 1996, p. 7; Andrew Culf, 'Murdoch in Fresh Attack on Media Ownership Controls', *The Guardian*, 26 October 1995, p. 9; and David Newell, 'Bottomley Cuts the Media Cake', *The Times*, 24 October 1995.

[5] It closed on 16 November 1995; see Emily Bell, 'Murdoch's Last Laugh', *The Observer*, 19 November 1995, p. 18.

[6] See, for instance, Robert Peston, 'OFT To Scrutinise Newspaper and TV Ownership', *The Independent*, 17 February 1989.

[7] *The Sun*, 11 April 1992, front page. At the Leveson Inquiry *The Sun*'s proprietor, Rupert Murdoch, was asked whether he had appreciated the headline. Murdoch said 'I understand that Mr [Kelvin] Mackenzie [the paper's then editor] said I gave him a terrible bollocking […] I don't remember it. I thought it was a little over enthusiastic, but my son, who is here today and was apparently beside me, said I did indeed give him a hell of a bollocking' (Leveson Inquiry 2012b: 53). For more information see Peter Chippindale and Chris Horrie, *Stick it up your punter!* (Pocket Books, 2005), pp. 433–35. The authors noted, 'Linking newspaper coverage to electoral behaviour is a notoriously unreliable exercise. But this time some sort of direct relationship seemed to have been established, as senior Tories were quick to admit' (p. 434).

[8] For a recent view suggesting the latent potential power of the press, see, James N. Druckman and Michael Parkin, 'The Impact of Media Bias: How Editorial Slant Affects Voters', *The Journal of Politics* (67: 4, 2005), pp. 1030–49. The authors write about 'compelling evidence that editorial slant influences voters' decisions. Our

results raise serious questions about the media's place in democratic processes' (p. 1030). The subject receives a fuller treatment in D. Butler and D. Kavanagh, *The British General Election, 1992* (Palgrave Macmillan, 1992). Brian McNair noted in *News and Journalism in the UK* (Routledge, 2003) that *The Sun* 'subsequently took exception to the suggestion that its readers could be so malleable and so stupid as to be affected by headlines such as "Nightmare on Kinnock Street". This uncharacteristic denial was, in large part, a defensive response to growing public concerns about the bias of the British press' (p. 158). See also, Jonathan Powell, *The New Machiavelli* (The Bodley Head, 2010), p. 190, for a later view from a Labour Party Downing Street insider on the impact of the 1992 *Sun* headline on the party's future public relations strategy. Kenneth O. Morgan, *Britain Since 1945: The People's Peace* (OUP, 2001), pp. 510–13, discusses the result in a wider context which diminishes the impact of the press. Arthur Marwick, *British Society since 1945* (Penguin, 2002), p. 339, argued that voters' distrust of Labour was more widespread, a view also shared by Peter Clarke's *Hope & Glory* (Penguin, 2004), p. 406.

[9] This trip, which took place on Sunday 16 July 1995, has been covered in a large number of published sources: see, for instance, Alastair Campbell, *Diaries Volume One: Prelude to Power* (Arrow, 2011; repr. edn). There are various entries about the invitation, preparations, the meeting and the political reactions to it: June and July 1995 (pp. 214–55). See also: Tony Blair, *A Journey* (Hutchinson, 2010), pp. 96–98; Anthony Seldon, *Blair* (Free Press, 2005), p. 251, 446 and 475. The Hayman Island visit was also covered in various Leveson Inquiry module 3 hearings – see, for instance, Rupert Murdoch (Leveson Inquiry 2012b: 64–65); Alastair Campbell (Leveson Inquiry 2012a: 12–16); and Tony Blair (Leveson Inquiry 2012b: 60–66).

[10] Department for Culture Media and Sport, *Consultation on Media Ownership Rules*, 26 November 2001.

[11] *Communications Act* (2003).

[12] The document referred to by Inquiry Counsel, Robert Jay QC, was located at 'tab 101' in the Inquiry compendium of exhibits, which at the time of writing had still to be released.

[13] Asked about the remark at the Leveson Inquiry by Inquiry Counsel Robert Jay QC, Rupert Murdoch said that he did not remember making the remark (Leveson Inquiry 2012b: 1).

[14] http://media.ofcom.org.uk/2009/06/26/ofcom-proposes-measures-to-improve-competition-in-pay-tv/.

[15] See, for instance, '*The Sun* Says Labour's Lost It', *The Sun*, 30 September 2009; and George Pascoe-Watson, 'Chumps With The Hump; They Don't Like It Up 'Em... Labour's Fury We're Feeling Blue', *The Sun*, 1 October 2009, pp. 6–7, for *The Sun*'s reaction to Labour's anger.

[16] Robert Jay QC to Jeremy Hunt (Leveson Inquiry 2012f: 35).

[17] For instance, the report summarized three distinct approaches: 'There are three categories of metrics relevant to measuring media plurality: availability, consumption and impact. All should be included in a review of plurality, but the consumption metrics, especially reach, share and multi-sourcing, are the most important' (par. 1.5).

[18] Andy Coulson was charged with perjury on 30 May 2012 in connection with evidence that he gave in the Tommy Sheridan trial in December 2010.

[19] Rebekah Brooks, her husband Charlie Brooks and four others, were charged with perverting the course of justice, on 15 May 2012