

PRIVATE AND CONFIDENTIAL – STRICTLY ONLY FOR THE ATTENTION OF THE  
LEVESON INQUIRY

Third Statement

*This statement (consisting of 31 pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated anything that I know to be false or do not believe to be true.*

I, Neil Wallis will say as follows:-

**Public Knowledge and Understanding**

1. *The Inquiry is interested in the extent of public knowledge and understanding of the relationship between the media and the politicians. Where does that knowledge come from? How is it tested? What use is made of publicly available information (for example about meetings between senior politicians and leading media figures)? Has the change to the Ministerial Code in July 2011 made a difference? (The Code now states: "The Government will be open about its links with the media. All meetings with newspaper and other media proprietors, editors and senior executives will be published quarterly, regardless of the purpose of the meeting".)*

The public's legitimate thirst for knowledge drives the relationship between the media and politicians. In the main, the public neither trust politicians nor are interested in what they have to say. For several decades we have seen a significant decrease and steady decline in election turnouts by voters. The viewing figures for Party Political Broadcasts are virtually non-existent. Single issue and minority parties have grown over recent general elections – UKIP, The Green Party and, in one extreme example,

Signed ...

Neil Wallis

Dated this 13 day of JUNE 2012

an Independent MP was elected in Worcestershire on the single issue of the closure of the local hospital. This reflects the ability of single-issue parties to capitalise on the general apathy about the mainstream political parties and the political process.

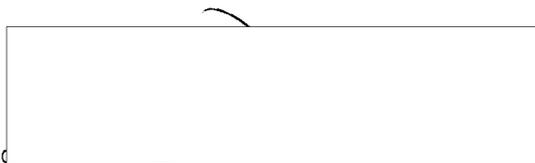
Flagship political programmes such as Question Time and Any Question survive by the inclusion of non-politicians, normally celebrities on their panels without exception.

The BBC broadcast of 'Yesterday in Parliament' has reduced and been sidelined due to low listening figures.

The fact that such programme makers recognise the necessity for the inclusion of non-political figures reflects the responsiveness by the viewing public and the public's understanding and appreciation of the efforts to make politics and current affairs more interesting in order to capture the viewing public's imagination.

Politicians recognise, on an ever increasing basis, the necessity of utilising the press to reach an uninterested electorate. 'New Labour' understood and put this into practice this by targeting the media on a daily basis through headline grabbing initiatives designed to excite and intrigue the press and create coverage. It is no exaggeration to say that the Blair administration revolutionised the relationship as between politicians and the press. For the first time an experienced media savvy expert, Alistair Campbell was at the very centre of government. His brief was to unashamedly court the press on a daily basis. He knew what sold newspapers and how best to sell New Labour.

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However, it must be acknowledged that the public are fully aware of the thirst with which politicians seek to court the media. The acceptance into common parlance of the term 'spin doctor' with its derogatory overtones, illustrates the depth of a lack of understanding should one assume that the public can be conned or duped by an alliance of media and politicians. Such a notion is patronising in the extreme, in a society featuring a dozen national newspapers, a proliferation of digital TV and radio channels, numbering in the hundreds, blogging, twitter, social media and the World Wide Web.

In passing, the Government has conceded that this change to the Ministerial Code has not been adhered to; this information has not been published on a quarterly basis as was revealed during the recent 'Cash for Access' scandal.

**Benefit and Risk to the Public Interest**

- 2. The Inquiry would like to hear views on the specific benefits and risks to the public interest arising from relationships between senior politicians, at a national level, and the media. What does the public stand to gain from this relationship? What does it stand to lose? How can the gains be maximised and the risks minimised? Are there specific considerations that the Inquiry should be made aware of in the run up to general elections and other national polls?*

It is essential for the public to receive a more rounded impression of those elected in their name, as distinct from the one politicians would want them to accept. This rounded impression is not derived from the PR machines assembled by the Governments and other political parties. The views promulgated by the omnipresent

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PR machines are highly partial and contrived. In other words, propaganda. It is through the press and media speaking directly to politicians, civil servants and party officials that the true picture is teased out and emerges. The internecine warfare, which plagued the second term of the last Labour government, reached the public consciousness due to the unauthorised private briefings of individual politicians on the subject. One should not underestimate the true impact and significance of this internal strife, bearing in mind that its chief protagonist, Gordon Brown controlled the purse strings of all government departments. As such, government ministers knew maintaining good relations with the then Chancellor of the Exchequer was essential to the smooth running and effective operation of the department falling within that individual Minister's portfolio. Accordingly, they would tell you that it was deeply dangerous to cross the Treasury.

As far as the official Government line was concerned, relations between the two principals of the then Labour Government were entirely harmonious. Thus only the private briefings given by senior politicians to individual members of the press and media helped to correct the misleading impression given by the Government, senior politicians, civil servants and party officials. This is but an example of Government, any Government maintaining a 'public' stance which contradicts the private reality.

**Role in Holding Politicians and the Powerful to Account**

3. *The Inquiry is interested in hearing views on the conditions that are necessary for a free press in a democracy to fulfil its role in holding politicians and the powerful to account. What is the nature of that role? What is the public entitled to expect the*

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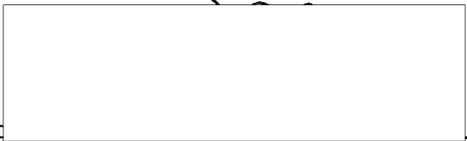
*press in fulfilling it? How can the public see for itself that the press is taking this role seriously and going about it responsibly? Are there some good examples?*

Holding politicians and the powerful to account is the single most important obligation of a free press. The major obstacle to the process of holding to account is that the politicians and the powerful do not want it to happen. The press even against the background of stringent libel and privacy laws has exposed the infidelities of countless corrupt practices of MPs and members of the House of Lords, and public figures. The prospect of a further tightening up of privacy laws has potentially serious implications for the ability of the press to hold politicians and the powerful to account.

The already stringent libel regime immensely hindered the ability of the press to hold account Robert Maxwell and his financial and personal affairs – the author and investigative journalist Tom Bower was subjected to unremitting libel actions to thwart him in his attempts to expose the inner workings of Maxwell.

In France, swingeing privacy laws have facilitated the corrupt practices of leading political figures over the course of decades. Former President Mitterrand of France financially supported his second family at the expense of the State. The French press and media were fully aware of this misappropriation of State funds but, due to the privacy legislation in France, they were unable or unwilling to expose these practices.

It is arguable that the toothless nature of the French newspaper publications is reflected in the negligible circulation figures.

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Neil Wallis

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Many years ago I traced and located Lord Kagan, a politician and former close friend of Prime Minister Harold Wilson, who was 'wanted' on serious fraud charges and who was living in Spain at the time. The fact I traced him in days from a standing start suggests that the authorities could have done so too if the will had been there. Following our exposé he fled to the United States whereupon we again tracked him down in Dallas. The publicity eventually forced the UK Government to act and he was ultimately deported back to the UK and imprisoned. This was undoubtedly as a result of my newspapers stepping into a void left by the authorities in successfully pursuing him.

There are a plethora of examples of unscrupulous and powerful individuals or companies being exposed by newspapers - the scandals of thalidomide and the MMR vaccine exemplify this.

There is a prescient danger that the potential advent of tighter privacy laws at the behest, to a large extent, of highly vocal and resourceful celebrities, aided and abetted by the politicians and the powerful resistant to scrutiny, will be used by unscrupulous individuals to gag the press and media.

The Freedom of Information Act has played a pivotal role in exposing malpractice in public office and consequently, holding to account those responsible. It is no surprise that elements within the political establishment, including the civil service, are calling for its uses to be limited.

Politicians inevitably operate between the insular party political world of the Westminster village and the localised environment of their own constituency life. They lack insight into the more objective outlook of society at large. Classically, this has been reflected in a

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number of recent political scandals – the MPs/Lords expenses scandal was a shambolic episode highlighting the extent to which top level politicians have become detached from their electorate. A further example is the ‘Cash for Honours’ crisis which similarly inveigled the political establishment to the highest level. It is often through private and unofficial face to face meetings with experienced journalists such that the views of the general public can best permeate through the thick skin of political high office, to the benefit of all.

**Perception that Political Journalism has moved from Reporting to seeking to make or influence political events**

4. *Is there a perception that political journalism generally has moved from reporting to seeking to make or influence political events? How far is there evidence for that, and should it be a matter of public concern or not? Does the press have a legitimate function in fulfilling a political Opposition role?*

The proprietors and their newspapers have always sought to influence political events. This is precisely the reason for wealthy individuals seeking to own newspapers. As far back as William Randolph Hearst at the turn of the twentieth century in the United States, Lord Beaverbrook at the time of the Second World War, the first Lord Rothermere, Tiny Rowland, Robert Maxwell through to Rupert Murdoch exemplify the pursuance of political agenda by newspaper proprietors.

It is naïve in the extreme to suppose that newspapers simply report on stories of the day without seeking to influence political events. An obvious example is the coverage of The Budget – the Daily Mail will portray a tax cut as a long overdue fiscal stimulus,

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whereas the Daily Mirror will report it as a 'bung to the rich' at the expense of the poor and needy.

The public fully understand and appreciate the different slants on the coverage of political events, as reflected in their choice of newspaper.

Occasionally, newspapers will put into practice the public's thirst for effective scrutiny of those in power by assuming the mantle of the Unofficial Opposition where the Official Opposition is perceived as being particularly weak and ineffectual. This occurred in the immediate aftermath of the re-election of the Labour Government in 2002 and, it could be argued that has been the case recently in light of the perceived weaknesses in the current Labour party leadership.

The press can also take it upon themselves to act in an opposition role on specific issues about which the readership feels strongly, for example, Europe, Immigration and policies on Crime- these are all examples where the popular press has expressed strong views when faced with, what is perceived as, political ineffectiveness or apathy in Parliament.

**Media Influence on Public Policy**

5. *The Inquiry is interested in the nature of media influence on public policy in general (for example in areas such as criminal justice, immigration or European policy). Do you have views, or any specific examples, about how that influence is exercised and with what effect? How transparent is the process? Is the public well served by it?*

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In this country, the influence of the media on public policy is partially reflected by the absence of a political elite, such as has emerged in France.

The media have succeeded in keeping politicians grounded, in touch and taking them out of the Westminster bubble. In so doing, the media are transparent in this process. One may not like the political stances of the Daily Mail or the Guardian but their political allegiances are plain and straightforward.

Media lobbying for a particular policy will usually only be effective when the Government of the day is so inclined in any event and will never be effective where it flies in the face of public opinion. The key lies with the Government, however, and there are numerous examples of media-driven attempts to influence Government policy which, although garnering substantial popular support, have failed, Europe is a classical example. A useful example of media influence on public policy occurred in the run up to the 1997 election when Labour was keen to secure the endorsement of the Sun. Tony Blair, in print and via his press advisor Alastair Campbell, undertook never to take Britain into the Euro without first holding a referendum, a pledge which caused him considerable difficulty some years later when whilst anxious to take Britain into the Euro he did not wish to risk a referendum.

In the public policy area of Media, Culture and Ethics, a successful example of media pressure emerged in the setting up of the Leveson Inquiry in itself. This came about due to the lobbying of the media as opposed to any desire on the part of the Prime Minister to appease the Labour Opposition.

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Influence of the Media in the content and timing of a Party's Media Policies

6. *The Inquiry is particular interested in the influence of the media in the content and timing of a party's media policies, and in a Government decision making on policy or operational issues directly affecting the media. Do you have any personal examples of how this works in practice? Are the media effective lobbyists in their own causes? Do any risks arise from the Government's role in the determination of takeovers and/or mergers of media organisations? Is there a need for additional safeguards or limits on such involvement?*

Every industry will attempt to engage with Government on the issues that affect it. For example, the electricity companies will lobby central Government on their policies towards nuclear power stations, the oil companies will lobby on the question of the regulation of emissions, tobacco companies about marketing restrictions etc.

The media, both as a collective and also as separate entities, will engage closely with central Government on issues affecting them ranging from the VAT zero rating of newspapers to ratepayer – funded 'free' local newspapers damaging the independent local newspaper industry and raising questions about local democracy.

The issue of conditional fee funded libel and privacy actions highlights the potential impact of coordinated lobbying by the print media on an issue affecting them directly. Lobbying aimed at a party political level by the Society of Editors and The Newspaper Publishers Association of the outgoing Labour Government and the Coalition has succeeded in drawing attention to potential scope for such contingency funding of libel/privacy actions to be overused by high profile celebrities. The legal profession

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are willing to take on such high profile individuals, due to the enhancement of their fees which is accompanied by a successful resolution to the action on their client's behalf.

The up-lifting of costs in the event of a successful resolution has greatly impacted on the willingness of local newspaper organisations to run investigative pieces exposing individuals, not necessarily of a high profile, for fear of that individual instructing a firm of lawyers who prolong litigation which becomes drawn out leading to an escalation in legal costs and the threat that, upon successful resolution, such costs will be up-lifted by up to 100%. As a response to the coordinated lobbying in this regard, the Government set up an inquiry which led to proposals that such uplifting cease.

Through my membership of the PCC, The Society of Editors and the Editors Code Committee of the PCC, I have been involved in meetings coordinating the response and lobbying across the newspaper industry about such matters. As such, The Society of Editors has periodic 'off the record' lunches with Government Ministers at which I have been present and contributed together with assorted media figures and successive Home Secretaries and Culture Secretaries.

Such lobbying tends to be drawn out and fairly tortuous due to the comparatively low ranking of such media matters in the agendas of central Government – such issues do not win votes.

Media inspired campaigns may coincide with considerations of self-interest, although this is not the motivation. News International has always passionately opposed Government regulation, commercial interference and restrictive market rules based

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on a philosophical and ideological defence of the free market. Of course, such policies inevitably benefited News International within its own industry, as well as the business community at large.

**Need for Plurality of Voice in News Providers within Press**

7. *Is there a need for plurality of voice in news providers within the Press, in providers of other types of news media or across the media as a whole? How does access to news information through the internet affect the need for plurality? What level of plurality is required? Is plurality of ownership a sufficient proxy for plurality of voice?*

Plurality in the media exists in this country. We have the BBC, four other terrestrial channels, hundreds of digital TV channels, including English language, news channels from Africa, the US, the Middle East, France, China and Russia. Via the internet one has access to thousands of radio channels across the world and hundreds of UK based radio channels. We have 18 national newspapers, a substantial magazine industry and hundreds of local paid for or free newspapers. In addition the World Wide Web has led to an explosion in bloggers and social media forums such as twitter, Facebook, Reddit. Anyone wanting a platform can make themselves heard and their success is defined by the audience they are able to attract. In no other country in the world is this plurality matched, including the USA, the "home of free speech".

However, the craving for plurality is a double edged sword. A recent example of the potential for the desire for plurality to be self-defeating occurred in the South East where one local newspaper group attempted to buy out several titles from a rival

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newspaper group. Plurality was used as a reason for blocking such a move by the Monopolies & Mergers Commission of Northcliffe Newspaper Group acquiring certain titles from KM Group with the unfortunate consequence that a host of local titles closed down, with the obvious negative impact on local democracy and news coverage.

There is a potential for such thinking to be applied to the national newspaper market with similar consequences, in light of dwindling circulations and a fall off in advertising revenues.

Most newspaper groups struggle for profit, if they're lucky enough not to lose money. If, say, profitability at the Mirror national titles sank so low they were in danger of going broke, would say the Mail group be allowed to buy them? Or the Telegraph and Express Group merge? There are obvious cost benefits from pooling back office staff, printing presses, advertising spend, and so on. But would it be allowed to happen in the names of ensuring plurality? Not just in the print area either – there was huge debate about whether the then-failing Channel Five should merge with struggling Channel Four to pool their diminishing revenues. A white knight called Richard Desmond came along and made the discussion academic, but there was much dissent against the idea in the name of plurality.

**Media Influence on Public and Political Appointments**

8. *Is there evidence of media influence on public and political appointments (including the tenure and termination of those appointments)? The Inquiry is interested in*

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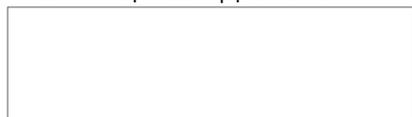
*examples, including of cases where the public interest was, and was not, well served by such influence.*

There is a history of prominent newspaper journalists being appointed to public office by the parliamentary political parties. Most recently, Simon Jenkins – former Editor of the Evening Standard and The Times, has been appointed by the Countryside Commission, a quango role. Andy Coulson, former Editor of the News of the World, was appointed as the Press Secretary to the Conservative leader David Cameron when he was leader of the opposition, prior to him becoming Prime Minister. Alastair Campbell was appointed as Press Secretary to Tony Blair when he was leader of the Opposition before he became Prime Minister.

The point here is that these individuals were appointed to their positions due to their experiences and skills and expertise as career journalists. Their ability was reflected in their rise to executive positions within their respective newspapers organisations which brought them to the attention of the party political machines and made them attractive propositions. In other words, they were not appointed as a result of any *'media influence'*.

It is, however, true that the media can exert influence over Government decisions in appointing certain affected individuals to positions which suddenly attract a high media profile, and whose candidatures are championed in the media. Two obvious examples concern the appointment of Sarah Payne to become "*Victims Tsar*" and the actress Brooke Kinsella who was invited to become part of a Government working party on knife crime following the stabbing to death of her brother. Other examples of media inspired appointments in similar circumstances would include the parents of

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Stephen Lawrence and Damilola Taylor. In such circumstances the print media will engineer meetings with a Government Minister by accompanying the person in the spotlight, having raised the profile of the person affected and call upon the Government to meet the individual – an offer which the Minister cannot very well refuse.

The other way the media try to affect public appointments is where they go to war with a politician they find themselves regularly disagreeing with. A recent example is The Sun's attempt to get Ken Clarke sacked as Justice Secretary after repeatedly clashing with him over his departments policies. It rarely makes a difference, at least in the short term. There are times though when the media will turn as a pack on a politician and try to drive him out over perceived wrongdoing, the very recent example being Jeremy Hunt over the BSkyB bid. That succeeds periodically.

There is unquestionably media influence on political and public appointments, but usually to terminate an individual's position. Alastair Campbell for Labour and Andy Coulson for the Tories, both highly capable men, were each driven from office when they became the focus of the media storm. Damian McBride too was forced to resign as Special Advisor to Prime Minister Gordon Brown over an email scandal revealed in the Daily Telegraph. Liam Fox, a long-standing very senior Tory figure was forced to resign as Defence Secretary after media scrutiny over a friend mis-using his access.

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Politicians ensuring Media's Conduct, Practices and Ethics

9. *How far do you think Politicians feel inhibited from acting in the public interest to ensure that the media's conduct, practices and ethics are themselves in the public interest? Why might that be? What would make a difference?*

As a general principle, politicians will not want to go to war with the media. Their lives are demanding enough under constant sniping from the media as their initiatives are attacked and being disparaged to their cabinet colleagues. There is no doubt that being on the receiving end of a media onslaught is deeply unpleasant and wearing. Politicians will only put themselves at the centre of a media maelstrom when they have something to gain. A recent example is the stance taken by Tom Watson and other Labour MPs. A cynic may question whether, had The Sun supported Gordon Brown at the last General Election and Labour re-elected, there would have been quite such enthusiasm to chase the phone-hacking issue. It is certainly true that when the Phone-hacking case erupted in 2006-7 there was a deafening silence from all parties and all senior politicians at the time.

It has since been alleged revealed that various members of the Commons Culture Media and Sport Committee were placed under surveillance very briefly at one stage in the phone-hacking scandal. If such activities did take place then this is plainly unacceptable.

In light of these revelations it has been periodically suggested that MPs have been in fear of pursuing newspapers in case they themselves come under intense media

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scrutiny. I am doubtful that this is the case. Indeed, I highlight the example of Madeleine Moon, a Member of Parliament from Wales who mounted a high profile campaign against media reporting of a series of teenage suicides. Although the media industry disagreed with the bulk of her views some of her criticisms were taken onboard by the media and this acceptance of her concerns reflects the respect forwarded to her and her elected office.

In my experience it was unheard of for fishing expeditions to be launched by media against otherwise unremarkable MPs. I do know of cases where MPs have attracted attention for their lifestyles, but it was always case specific. It is true, of course, that many MPs can be extremely sensitive to any coverage which they deem as negative even if this where this amounts to nothing more than a feature writer or columnist disagreeing with their point of view.

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Politicians with whom I have established contact over the years:

John Smith QC, Leader of the Opposition (July 1992 – May 1994)

He was the leader of the Labour Party from July 1992 to May 1994.

I was Deputy Editor of The Sun under Stuart Higgins' editorship at the time, having been appointed to this role in 1994.

I met John Smith with Stuart Higgins, Trevor Kavanagh – then Political Editor at The Sun, Simon Walters who was Deputy Political Editor at The Sun, together with, I believe Hilary Coffman – John Smith's Chief of Staff and two or three other advisors.

The dinner took place in a private room at The Savoy.

The purpose of the meeting was to build bridges after the Neil Kinnock era during which relations with The Sun were notably strained, fuelled by The Sun's promotion of the Conservative Party in the 1992 election which featured some renowned newspaper headlines in the days and weeks directly before the May election.

Unfortunately, 48 hours later John Smith QC died of a heart attack.

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Neil Wallis

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Tony Blair, Leader of the Opposition (July 1994 – May 1997)

Tony Blair's Press Secretary, Alastair Campbell, is someone who I have known for years since he was a respected journalist with the Mirror Group. Tony Blair took over leadership of the opposition in 1994.

Alastair Campbell realised the importance of maintaining good relations with the tabloid press and, of course, the Rupert Murdoch elements of the tabloid press as the market leaders at the time. Consequently, soon after Tony Blair took over the leadership of the Labour Party he attended a lunch at Wapping, attended by Les Hinton (Executive Chairman of News International), Stuart Higgins, Trevor Kavanagh, several other executives from The Sun newspaper and Alastair Campbell and Hilary Coffman.

This was purposefully for them to meet the team at the helm of The Sun newspaper.

During the meeting, new Labour policies were discussed, issues which we thought mattered to our readership, such as Europe, trade unions, the tax regime, amongst other topics.

Tony Blair, Prime Minister (May 1997 – June 2007)

I was invited to attend the private residence of Number 10 Downing Street for breakfast, together with Stuart Higgins and Cherie Blair and Fiona Miller, who was a close personal advisor to Mrs Blair.

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It is difficult to be specific about what was discussed during this meeting but, during a host of meetings which I had with Cherie Blair over the years, we discussed topical political issues, issues which Cherie Blair had with her perception/profile in the media at the time and various causes which were promoted by The Sun at the time, such as the Police Bravery Awards which were conceived at around 1997. In promoting the Police Bravery Awards, we successfully secured the attendance of the Prime Minister and/or, Mrs Blair at both 10 Downing Street and at the ceremony itself.

I was invited to a number of functions at Number 10 synonymous with the 'Cool Britannia Party' label after Labour got in.

In 1998, I moved to become Editor of The Sunday People.

I met Tony Blair every Labour Party conference for dinner with the Editors of the other Mirror Group newspapers of the time, together with two or three political advisors of the Prime Minister, including Alastair Campbell. Mrs Blair would attend frequently, as would Fiona Miller and the Chairman of Trinity Mirror, Sir Victor Blank.

We discussed policies, issues of the day, issues which concerned our readership at that time.

I secured two set piece interviews which I myself undertook with Tony Blair whilst Editor of the Sunday People.

It is true that the Labour Government knew that they could rely on the support of the Mirror Group politically and, consequently, they had to work less hard and be less

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persuasive towards the editorships of the Mirror Group tabloids in relation to their policies as opposed to the editorships of The Sun and The News of the World.

As a consequence, my lengthy experience and the enduring trust of Alastair Campbell assisted me in securing exclusives for The Sunday People during my tenure as Editor.

Through Alastair Campbell, the dominant figure at the time, I was able to cultivate my connections with other senior Government ministers of the time.

**Blairite/Brownite Era**

In 2003, I re-joined News International as Deputy Editor of the News of the World. I believe that I am unique as a senior editorial executive in having left News International to go to Trinity Mirror and then being recruited back into the fold at News International.

As Deputy Editor at the News of the World, I continued my involvement with politicians and party politics as part of my Home Affairs brief.

New Labour was in the midst of a period of increasing upheaval with public acrimony between the Blairite and Brownite factions assuming a high profile. The Brownites were particularly aggressive and in my opinion once Alastair Campbell left the Government in 2003 the Blairites lacked the ability to withstand the incessant briefings and disinformation planted by Gordon Brown's allies.

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Against this background, the suggestion that Alastair Campbell described Mr Brown as “psychologically disturbed” came as no surprise to me in view of the vituperative nature of the antics of the Brownites during the post 2003 period.

### Succession

Meetings with high ranking Government Ministers became particularly febrile in the immediate aftermath of the 2007 announcement by Mr Blair that he was resigning as Prime Minister.

The apparently anointed successor was Gordon Brown but, in fact, he had to be formally elected by the Labour Party. Many Blairites believed that the concept of Gordon Brown as Prime Minister would be disastrous and so plotted furiously to prevent it, trying to persuade other candidates to stand. Although Mr Rupert Murdoch made it well known that his newspapers supported Mr Brown, I privately disagreed and dined with a number of senior cabinet ministers – John Reid, Charles Clarke and David Miliband to discuss their options in standing against Mr Brown. I know that at least one of them subsequently received a phone-call from a very senior News International figure urging him to publicly withdraw and avoid the brunt of a newspaper campaign against him. I also met and spoke to other New Labour figures at their request during this time about these issues, not least because they wanted my impressions of the national newspaper landscape on the succession issue and where, I felt, the public were positioned.

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Gordon Brown, Prime Minister (June 2007 – May 2010)

Mr Rupert Murdoch was a supporter of Mr Brown not least because of their common opposition to Britain joining the Euro.

When Mr Brown toyed with the idea of calling a snap general election, we at the News of the World commissioned an opinion poll in vital marginal constituencies with surprisingly negative results from Mr Brown's point of view. The results were immediately relayed to Mr Rupert Murdoch and, later that day, Mr Brown publicly issued a statement announcing that there would be no snap general election.

However, the reaction to the economic woes of the credit crunch soon established that Mr Brown was struggling with every area of the media; moreover it was apparent that he was failing to convince the electorate of his abilities. His troubles increased when Les Hinton, his long-standing Murdoch contact, left and was replaced by James Murdoch as Executive Chairman.

David Blunkett, Education Minister/Home Secretary (June 2001 – December 2004)

I met David Blunkett for lunch, together with a close aide of his on a couple of occasions, both when he was Education Minister and subsequently when he was Home Secretary.

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I remember at the time that David Blunkett was trying to liberalise the education system and make schools self-governing to facilitate this process. He was pro-parents' influence, but he encountered problems with the teaching lobby.

**Charles Clarke, Home Secretary (December 2004 – May 2006)**

He succeeded David Blunkett as Home Secretary at the turn of the millennium.

Apart from functions at Labour Party conference when I would meet him in company with others, I met Charles Clarke on a one to one basis every few months in such places as the Cinnamon Club and other such restaurant establishments.

We would discuss issues of the day and also political figures of the time. Most notably, Gordon Brown. This continued after he left the cabinet when he resumed as an influential backbencher.

**John Reid, Home Secretary (May 2006 – June 2007)**

I have dined with John Reid on a number of occasions. Amongst matters which we discussed was his plan to divide the Home Office into two, thus creating a new Ministry of Justice. We also discussed succession issues relating to the resignation of Tony Blair.

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**Alan Milburn, Secretary of State for Health (October 1999 – June 2003)**

I had various meetings with Alan Milburn who was receptive to feedback on his NHS reforms. We maintained contact in the post-Blair era in relation to the succession and the Brown Government.

**Jack Straw, Home Secretary/Foreign Secretary (October 1994 – May 1997)**

As Home Secretary, I met Jack Straw two or three times a year for lunches. He was tasked with implementing the Government's policy "tough on crime, tough on the causes of crime" and the introduction of ASBOs and the promotion of stiffer sentencing. He was keen to receive feedback from me on my newspaper readership's perceptions of sentencing and the concept of ASBOs and whether we would support such a concept. We would often meet up at formal functions and parties and discuss Home Office and party political issues. This continued when he returned to the backbenches.

**Tessa Jowell, Minister for Culture, Media and Sport (June 2001 – June 2007)**

I lunched with Tessa Jowell on a number of occasions on a one to one basis. We discussed issues relevant to her portfolio including press regulation. I got on well with her.

Signed ....  
Neil Wallis

Dated this 13 day of JUNE 2012

Conclusion - Relationship between the Media and Politicians

I have voluntarily submitted a third statement to the inquiry dealing with the issue of the relationship as between the press and politicians, I have sought to answer the questions posed as fully as possible, however some general observations need to be made to ensure that any recommendations made by the inquiry reflect, in part at least the experience of senior newspaper editors with many years of experience.

In my opinion the fundamental point that must be understood is this, politicians 'need' the press far more than the press 'need' politicians.

The press can report the news, comment on policy and criticise individual politicians without ever speaking to a politician directly.

It is recognition of this simple fact that prompts the political elite to court the press, to seek to control, inform and "spin" news stories.

My experience, particularly of Mr Murdoch, was that he rarely had to woo politicians – they would crawl over broken glass to get to him, whatever party they were.

Powerful editors too have always had immense sway – IF he was interested, no-one would doubt that Paul Dacre could have dinner with any cabinet minister (and probably Prime Minister) of his choosing. Both Rebekah Brooks at the Sun and Piers Morgan when Editor of The Mirror were similarly powerful and could almost always see who they wanted at a time to suit them. Lesser Editors and significant journalistic

Signed



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figures could also relatively easily meet and break bread with senior figures of all parties. I personally did so on innumerable occasions over the years.

However, this is always against a principle that news comes first; no matter how supportive a particular newspaper may be of a particular political party, news always comes first.

Whilst we have a "free" press the public have a right to know the news behind the news, it trumps everything else.

As a general rule of thumb, whoever is in power at any particular time, politicians are naturally secretive and newspapers are naturally inquisitive.

One only has to consider major news stories in the last 30 years to realise what newspapers, whether broadsheet or tabloid, are fundamentally trying to achieve:-

Lord Archer

Jonathan Aitkin

Allan Clarke

Cecil Parkinson

MP's expenses

Robert Maxwell

Cash for Honours

Cash for questions

Thalidomide

Signed



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None of the above listed stories would have been reported but for the determination and diligence of various newspapers. The point being the political elite does not volunteer information, it seeks to conceal news whilst the press seeks to expose and report news.

One only has to consider the establishment of this very inquiry into phone hacking; this was driven by sections of the press not politicians.

Politicians at the most senior level had known of this issue for some time, but lacked the political will to fully expose it; it was only when sections of the press made it an issue that politicians reacted.

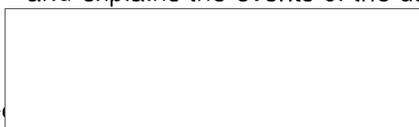
The reason for this lack of political will is simple, all parties benefit from a free access to the press. Each political party has a newspaper that broadly supports its position and reports its policies favourably.

No one can realistically say that the public is not well served by the press.

We have a public who are far more politically aware than 50 years ago; every political issue is fully reported from all sides. Politicians are held to account, as are their policies far more than used to be.

One only has to peruse newspapers on any particular day to see the range and depth of coverage of topical political events, the Euro crisis, banking crisis, health issues, local elections etc. the point being the press serves the public, it informs, exposes and explains the events of the day.

Signed



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It is vital that this Inquiry keeps at the forefront of its mind that the vast majority of the British electorate and public vote on a daily basis, with their money, to receive their news through the medium of the tabloid and mid-market press as distinct from the broadsheets. This is reflected in the stark disparity in the circulation figures.

The changes to the ministerial code in July 2011 is a commendable effort to bring transparency to the relationship as between press and politicians, but fundamentally what will it achieve? The public knows that politicians speak to the press, and would not be at all surprised that meetings are frequent, such quarterly publication will not embarrass the press but it will embarrass the politicians, which will lead to reluctance to speak to the press generally. Ultimately it is the public who will suffer as the depth and explanation of policy will inevitably be effected.

If a politician cannot speak to an owner or editor of a newspaper to explain a policy, justify a political initiative or seek support for a potentially unpopular social legislation then newspapers cannot fully report the story, and the public will suffer.

**Suggested Reforms**

A means of regulating the press is to allow self-regulation to continue, with enhanced powers in the hands of the PCC, compulsory registration to avoid opting out by any particular newspaper is essential.

A revamped complaints procedure is essential to guarantee that those affected have a speedy and effective means to address or correct any excesses of press reporting.

Signed ....

Neil Wallis

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Most significantly, the decision to refer a prospective takeover or expansion of a media organization to the competition commission must be taken out of the hands of a politician. This will avoid the clearest conflict of interest. A new body wholly independent of government should determine such issues.

Many journalists guard their sources jealously and will refuse to disclose the "source" of a story even to an editor. 'Sources' are often personal to a journalist. To guarantee that no news story is sourced by illegal means it will be necessary to put in place a lawyer within the newsroom to police the use of sources. I envisage a situation that if an editor wishes to check legality of a source would direct an individual journalist to disclose, confidentially, to a lawyer that information. The lawyer whilst maintaining confidentiality would confirm to the editor that the story has not breached the criminal law or the code of ethics. Alternatively this role could be filled by a senior newspaper journalist executive who is answerable directly to the company chairman as opposed to the editor. Tenure should be limited to a five year period to avoid the independent figure becoming too close to the journalists they monitor.

It has been established that phone hacking took place. The criminal justice system is more than capable of investigating and prosecuting those responsible.

The very existence of this Inquiry will doubtless ensure that no journalist or newspaper proprietor permits a recurrence. The reputational damage and repercussions plainly are immense.

Signed  .....  
Neil Wallis

Dated this 13 day of JUNE 2012

A simple but effective reform would require any invoice from a private detective to fully particularise the precise nature of the work undertaken, who directed the inquiry and who authorized payment of the invoice. This will ensure that a paper trail exists and those authorizing the use of a private detective are properly held accountable.

**Epilogue**

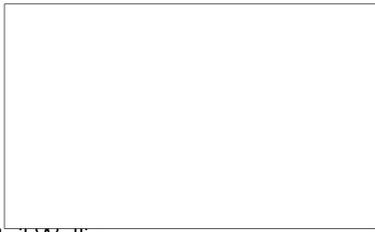
It would be naïve to think that after the length and expense of this inquiry reform is not on the cards.

However, to use a vernacular expression, one must not be tempted “to throw out the baby with the bathwater”.

We have a press which is effective; it is fit for purpose and, whilst transparency and effective regulation are essential, a free press must continue – that is free of all political control.

For over 25 years former French President Mitterrand kept, a state expense, a second family. The French press knew of it and conspired with the political elite to conceal it from the French public. This would never happen in our country.

Laws are prone to being abused and misused by the determined, the rich and the powerful.

Signed ..  ..  
Neil Wallis

Dated this 13 day of JUNE 2012