

News of the World hacking scandal throws spotlight on Murdoch media empire

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The private investigator at the centre of allegations of widespread phone hacking by Rupert Murdoch's *News of the World* (*NoW*) has reportedly admitted that executives at the newspaper were aware of the practice.

According to the *Guardian*, Glen Mulcaire has made the admission in a statement given to the high court. The document is also said to confirm that Ian Edmondson, *NoW*'s assistant editor (news), asked Mulcaire to hack into voice mail messages left on a mobile belonging to Sky Andrew, a football agent. Two weeks ago, the *NoW* announced it had suspended Edmondson before Christmas pending a separate legal action by actress Sienna Miller against the newspaper, in which he was named.

Mulcaire and Clive Goodman, *NoW*'s royal correspondent, were jailed in 2007 for six and four months, respectively, after they were found guilty of illegally accessing the mobile phone messages of members of the royal family. The royals had called in police to investigate, after a number of stories appeared in the *NoW* on Princes Harry and William.

Despite evidence that the potential victims of the phone hacking ran to the hundreds, if not thousands, and involved government ministers, police and defence chiefs, the case was confined solely to the royals and Goodman was the only *NoW* journalist to be charged.

The *NoW* claimed throughout that Goodman was a rogue reporter, and Mulcaire an out-of-control investigator. Andy Coulson, then editor of the *NoW*, resigned his post when the two were jailed. He vigorously denied any knowledge of the phone hacking, but said he took responsibility, as it had happened on his watch. Not long after, Coulson went to work for Conservative leader David Cameron, then in opposition. He is now employed as Cameron's director of communications.

It is not clear why Mulcaire has named Edmondson now, after years of denying the involvement of anyone other than Goodman, or how Edmondson will respond to his claim. There is speculation that the *NoW* was forced to move against Edmondson because its rogue reporter defence had become untenable. He may be sacrificed, it has been suggested, to draw a line under the scandal and protect Coulson and others.

Mulcaire and Goodman received payoffs for unfair dismissal from the *NoW*—with Mulcaire receiving £80,000 and Goodman an undisclosed amount rumoured to be as much as £1 million. As both settlements were subject to confidentiality agreements, it has never been explained why the *NoW* would make payouts to those

found guilty of criminal offences. There are also claims that Mulcaire's legal fees, thought to be running at some £500,000 so far, are being paid by News International, which publishes the *NoW*.

The scandal raises questions about relations between Murdoch's corporation and the police, and reaches right into the heart of the political establishment.

For several years, it appeared that the allegations of extensive phone hacking by the *NoW* had been laid to rest, after the Metropolitan Police ruled out further charges. Declining to publish the evidence it had collected from Mulcaire, the Met said it would instead inform those thought to be victims privately.

In July 2009, however, the *Guardian* alleged that the list of potential targets was far wider than previously assumed, including John Prescott, former deputy prime minister, and then minister Tessa Jowell. Prescott challenged why police had never informed him that he could have been a target, but Andy Hayman, then assistant commissioner at the Met, repeatedly insisted that there was no evidence that Prescott's phone had been hacked.

Further investigation by the *Guardian* revealed that the police had recovered 4,000 full or partial names and nearly 3,000 full or partial telephone numbers at the time of the 2007 trial, but had named just eight individuals.

In March 2010, the *NoW* settled with publicist Max Clifford for intercepting his voice mail, agreeing to pay legal costs and an undisclosed personal payment that has been reported to be as high as £1 million. Clifford had won a court ruling that the *NoW* must disclose secret information of the journalists involved in the hacking. The deal meant that this information could not be made public.

The Clifford settlement was in addition to some £1.5 million reportedly paid in other out-of-court settlements. An investigation by the *New York Times* in September 2009 quoted lawyer Mark Lewis stating, "Getting a letter from Scotland Yard that your phone has been hacked is rather like getting a Willy Wonka golden ticket. Time to queue up at Murdoch Towers to get paid."

At least six lawsuits are thought to be under way, with many more being prepared against the *NoW*. In addition, 11 people are taking legal action against Mulcaire. Prescott and former deputy Met Police commissioner Brian Paddick—subsequently identified as a potential victim—are seeking a judicial review into the police handling of the investigation.

The *Times* investigation cited several former *NoW* journalists

stating that Coulson had “actively encouraged” phone hacking. “In fact”, the newspaper continued, “an examination based on police records, court documents and interviews with investigators and reporters shows that Britain’s revered police agency failed to pursue leads suggesting that one of the country’s most powerful newspapers was routinely listening in on its citizens.”

This was followed by a Channel 4 “Dispatches” programme, in which it was alleged that Coulson had personally listened to hacked messages.

Two parliamentary select committees are involved in inquiries concerning the hacking, and the House of Commons voted to refer allegations of hacking against politicians to the Standards and Privileges Committee.

In February, the cross-party culture, media and sport select committee reported that the exact number of victims of this criminal activity “will never be known”, not least due to the silence of Goodman and Mulcaire and the “collective amnesia” at the newspaper group. But it was certainly more than “a handful”, it said.

It was “inconceivable” that no one else at the *NoW* knew of the hacking, the committee stated. It registered its concern about the “readiness of all of those involved: News International, the police and the PCC [Press Complaints Commission] to leave Mr. Goodman as the sole scapegoat without carrying out a full investigation at the time.”

It added that while no details had been forthcoming on any payoffs to Goodman or Mulcaire, the committee was “left with a strong impression that silence has been bought.”

Despite such reports, in December the Crown Prosecution Service said police had failed to find “admissible evidence” to pursue legal action, and the case was closed.

In response to the allegations now made against Edmondson, it was announced that a panel of prosecutors and police will be set up to review any fresh evidence—although it is considered unlikely that the case will be reopened.

As Henry Porter noted in the *Observer*, “Imagine these allegations being made about any other organisation...and you realise that this kind of cover-up, involving the payment of so much money to so many people, is unprecedented.... The truth is that no other organisation in Britain could have acted in this way and come so far without suffering serious penalties and public humiliation.”

It has been suggested that the Met police were reluctant to investigate lest it damage its relations with News International. What precisely these relations consist of has never been spelt out.

Andy Hayman, who led the investigation into Goodman and Mulcaire, is now employed by Murdoch’s *Times* (of London) as a columnist.

A 1999 police investigation into corruption within the force revealed a detective agency run by former officers acting as intermediary between police and the tabloids. In 2004, further arrests were made as the result of investigations into the links between police and “several media” organisations, involving the handing over of criminal records.

In 2003, Rebekah Brooks, then editor of Murdoch’s *Sun* tabloid, told a parliamentary committee that the newspaper paid police for

information. News International immediately issued a denial.

As for the political establishment, the close relations between Tony Blair and Murdoch are legendary. The multibillionaire’s access to government has certainly not been diminished by the change from Labour to the Conservative-Liberal Democrat coalition, as Coulson’s appointment signifies.

It is Conservative Culture Secretary Jeremy Hunt who is currently looking into Murdoch’s News Corporation’s planned £8 billion buyout of BSkyB. The acquisition is opposed by many other media outlets, including the *Guardian*. If cleared, Murdoch would control half of Britain’s TV revenues and half its newspapers’ revenues by the middle of the next decade, according to Will Hutton.

The *Guardian* noted that in December, the corporation “was handed a gift when the hostile business secretary, Vince Cable, was stripped of his role in judging whether to allow the takeover after saying that he had ‘declared war on Murdoch’ to two undercover *Daily Telegraph* reporters.”

That is something of an understatement. Cable was due to decide whether Murdoch’s bid should be passed onto the Competition Commission. As a result of the undercover sting, the decision passed to Hunt.

Hunt is on record as stating that he is not opposed to the takeover. It has subsequently emerged that he held a private meeting with Murdoch’s son, James, absent civil servants last June, just after the BSkyB bid was made public.

Only last week, the *Financial Times* reported that Hunt had been warned by lawyers to be careful to avoid legal challenges, after he sent Murdoch’s company a key document concerning the bid. “Three competition experts”, had said this “could give News Corp [Murdoch’s international media operation] the ability to offer pre-emptive ‘remedies’ that would cut out the need” for investigation by the Competition Commission, the *FT* reported. “News Corp pursued this tactic when the European Commission was considering the bid, which was eventually passed unconditionally.”



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