New evidence in UK phone hacking scandal implicates the Murdochs

Stephen Alexander 20 August 2011

Explosive new evidence has surfaced in the *News of the World* phone hacking and police corruption scandal, exposing as fraudulent the single "rogue" reporter line of defence pursued by News International, the UK arm of Rupert Murdoch's News Corporation media empire.

The most damning of the documents submitted to parliament's Commons Culture, Media and Sports Select Committee, made public this week, was a letter addressed to News International from Clive Goodman, the "rogue" reporter jailed in January 2007 for commissioning the interception of Royal family voicemails.

The letter dated March 2, 2007, in which Goodman appeals the termination of his employment for gross misconduct, alleges that phone-hacking was "widely discussed in the daily editorial conference, until explicit reference to it was banned by the editor."

This is a reference to Andy Coulson, editor of the *News of the World* at the time. Coulson resigned in 2007 but insisted that he was completely unaware of the practice. He was subsequently appointed by Prime Minister David Cameron as his press secretary, first in opposition and then in government. Coulson resigned the post in January 2011, still maintaining he knew nothing.

In his letter, Goodman describes his termination as "perverse" on the grounds that the phone-hacking practices that led to his conviction "were carried out in the full knowledge and support of..." senior personnel, whose names have been redacted from the letter. He also categorically rejects that he was the only reporter at the *News of the World* who commissioned hacking and other illegal activities from private detectives including Glenn Mulcaire, who was jailed alongside Goodman in 2007.

From the very beginning, company executives, alongside senior *News of the World* journalists, have routinely claimed that phone-hacking and other illegal methods for gathering personal information on national figures did not extend past a single reporter. This explanation was peddled before the Commons Culture Committee in 2009 by Stuart Kuttner, then managing editor; Tom Crone, the News International legal manager; Colin Myler, then editor; Coulson and Les Hinton, the former chairman of News International.

Appearing before the same committee last month, James Murdoch, the deputy chief operating officer of News Corporation, claimed that he had not been aware that more than one reporter could have been engaged in phone hacking until late in 2010.

The new evidence came to light after the select committee requested further evidence from News International in response to allegations from Crone and Myler that James Murdoch had misled parliament.

Both contend that upon seeking authorisation in 2008 to pay out over £1 million to settle legal proceedings brought by hacking victim, Gordon Taylor of the Professional Footballers Association, they had shown James Murdoch an email obtained by Taylor's lawyers which demonstrated that hacking at the tabloid was commonplace. The email, which contained the transcripts of 35 hacked voicemail messages, was addressed to Neville Thurlbeck, then chief reporter at the *News of the World*.

In a letter submitted to the committee Crone states, "I have no doubt that I informed Mr Murdoch of its existence, of what it was and where it came from." His account was corroborated in a letter submitted by Myler.

The Goodman letter indicates further that the reporter was paid to lie in court to cover up illegal activities by News International.

In his letter, Goodman states, "The legal manager, Tom Crone, attended virtually every meeting of my legal team and was given full access to the Crown Prosecution Service's evidence files. He, and other senior staff of the paper, had long advance knowledge that I would plead guilty."

Damningly, he continues, "Tom Crone and the editor promised on many occasions that I could come back to a job at the newspaper if I did not implicate the paper or any of its staff in my mitigation plea. I did not, and I expect the paper to honour its promise to me."

Further documentation reveals that News International bought Goodman's silence, paying him a year's salary of £90,502, compensation amounting to £140,000 and a further £13,000 in legal costs.

Mulcaire's discretion was also bought. He was given approximately £250,000 in legal fees and compensation. These instalments were stopped only last month, after James Murdoch

was questioned before the select committee as to why News International was paying the legal expenses of a convicted criminal. The private investigator was also paid £85,000 in legal costs and compensation in June 2007 on the settlement of an employment tribunal. Mulcaire, who claims the company has a contractual obligation to pay his legal fees, has launched legal proceedings against News International. Separately, a court has been ordered that he name the persons that directed his hacking activities by the end of next week.

With every new piece of evidence, the account of Rupert and James Murdoch becomes more untenable, indicating a systematic cover-up launched from the highest echelons of News Corporation.

Copied on Goodman's letter was Les Hinton, a close confidant of Rupert Murdoch who worked under him for over half a century, and was executive chairman of News International throughout much of the period in which hacking was carried out.

In a parliamentary hearing in 2007, Hinton stated that "I believe absolutely that Andy did not have knowledge of what was going on". In 2009 he insisted, "There was never any evidence delivered to me suggesting that the conduct of Clive Goodman spread beyond him." Last month Hinton resigned as CEO of the News Corp subsidiary, Dow Jones & Company, publisher of the *Wall Street Journal*, as revelations about broader hacking and corruption began to unfold.

Further evidence that James Murdoch lied before parliament, itself a criminal offence, is contained in a letter submitted by law firm Harbottle & Lewis. Former head of legal affairs at News International, Jon Chapman, had contracted the firm to examine email communications between senior journalists at the *News of the World* to ascertain if there was proof that Goodman had acted with "the full knowledge and support" of senior journalists.

The firm wrote to News International in May 2008, confirming that they had found no evidence directly substantiating Goodman's claims. However, the Metropolitan Police have since confirmed that the emails do contain evidence of "alleged payments by corrupt journalists to corrupt police officers," while former Director of Public Prosecutions, Ken Macdonald, said that the emails contained evidence of indirect involvement in hacking. James Murdoch had presented the findings of the law firm before the parliamentary select committee last month as evidence against any wrongdoing.

In an excoriating response to Murdoch's gross distortions to the select committee, the law firm stated, "There was absolutely no question of the firm being asked to provide News International with a clean bill of health which it could deploy years later in wholly different contexts for wholly different purposes... The firm was not being asked to provide some sort of 'good conduct certificate' which News International could show to parliament..."

One would not know from the servile manner in which the

political elite have dealt with the Murdochs and News International that the company was not only involved in hacking the phones of over 12,000 people, but bribing police officers and using ties to the criminal underworld to blackmail and intimidate leading public figures. To this can now be added perjury.

To date, just 13 people have been arrested in connection with this scandal—the latest being James Desborough, the *News of the World's* US-based editor in April 2009, earlier this week.

They all have been released without charge. There has been no demand for the identification and prosecution of corrupt police officers; much less the Murdochs themselves.

John Whittingdale, the chairman of the culture committee, has only indicated that he will recall the Murdochs to clarify what now has been confirmed as complete fabrication.

Cameron himself is deeply implicated in the scandal. Not only did he employ Coulson, but the prime minister has continued to vigorously defend the former *News of the World* editor throughout.

In response to Goodman's letter, Cameron argued, "The important thing to remember is that Andy Coulson doesn't work for the government anymore and, of course, when he was working for the government, no one made complaints about the work that he did."

Labour Party leader Ed Miliband has said only that Cameron made a "catastrophic" error of judgement in employing Coulson. Labour cannot make too many criticisms, however, as, for more than a decade, it enjoyed close relations with the ultra-reactionary media baron—translating Murdoch's every right-wing whim into government policy.

The political establishment's attitude to News International must be contrasted with the vicious state repression being meted out against working class youth in England, following riots last week. The eruption of anger over police brutality and social deprivation has been denounced by all the political parties as "criminality" and "immorality". But when real instances of criminal and immoral practices—on an endemic and conscious scale—by the corporate elite are revealed, the ruling establishment acts to protect those involved from any accountability.



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