

Thatcher papers show how Murdoch's media domination was secured

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The private papers of the former prime minister, Margaret Thatcher, have been opened to the public. They contain a note written by Thatcher's press secretary, Bernard Ingham, of a private meeting she held with Rupert Murdoch, the owner of News International.

The meeting took place on January 4, 1981, at a lunch at Chequers, the grace and favour home used by sitting prime ministers. The note strongly suggests that a deal was agreed there that enabled Murdoch to bypass parliament's Monopolies and Mergers Commission.

This document has yet to be taken up or even referred to Lord Leveson's Inquiry, despite its stated intent to investigate the "Culture, Ethics and Practices" of the newspaper industry and illegal phone hacking/police bribery by Murdoch's media empire.

Ingham's note explains how Murdoch, with Thatcher's approval, was able to establish a dominant position over the press in Britain that has been used over the last 30 years to manipulate public opinion and prop up successive right-wing governments.

Ingham wrote to Thatcher, "in line with your wishes, the attached has not gone outside number 10, and is, of course, to be treated Commercial-In Confidence."

His note explains that Murdoch had asked for the meeting, where he detailed "his intention of buying *The Times* newspaper and its supplements from the Thomson family".

In 1981, Murdoch already owned two tabloids in the UK, the *Sun* and the *News of the World*, and it was doubtful he would be allowed to get his hands on any more. The Fair Trading Act 1973 required that only businesses that were certified unprofitable and under threat of closure could be taken over.

Murdoch "stressed the inevitability of progress" and told Thatcher he hoped to make the *Times* operationally

profitable by bringing in new technology and "achieving a 25 percent reduction in overall manning," while "standing-up to the powerful Fleet Street unions".

This was music to Thatcher's ears, and subsequent documented events show she was determined it was Murdoch that would secure a near-monopoly over the UK newspaper Industry.

Ingham's note records that Murdoch referred to others also interested in acquiring the *Times* titles, including James Goldsmith, Tiny Rowland (then owner of the *Observer*), Robert Maxwell, (then owner of the *Daily Mirror*) and a consortium of *Times* journalists. Also present at the lunch was John Biffen, then secretary of state for trade. These bids were deemed to be neither practical nor desirable.

It is telling that the Chequers note makes no mention of Lord Rothermere, then proprietor of the *Mail* and Murdoch's most serious competitor. Ingham's note also makes no mention of whether Murdoch's bid should be referred to the Monopolies and Mergers Commission.

Just three weeks after the secret meeting, other papers in the archives contain the minutes of the first official meeting to discuss the takeover issue. This was the Cabinet Economic Strategy Committee held on January 26, 1981, which Thatcher chaired and at which she raised the possibility of an exemption under the Fair Trading Act 1973 that would allow Murdoch's bid.

The rationale given for this dubious position was that although the *Sunday Times* was profitable, if taken together with the *Times* the two were losing money. Therefore, it was claimed Murdoch's bid was in accordance with the FTA rules and didn't have to be referred to the Monopolies and Mergers Commission. The next day, Biffen told the Commons there would be

no referral.

It should be pointed out that the print union leaders also backed Murdoch's bid, telling their members that it was the best chance of saving jobs. The harm this has done to printers and the entire working class ever since cannot be overstressed.

In January 1981, the first Thatcher government had already become deeply unpopular. Following the Labour government of James Callaghan, which had formed a pact with the Liberals and pursued right-wing wage-cutting policies throughout the "Winter of Discontent", Thatcher had come to power in 1979 and intensified the state's attacks upon the working class.

A leftward movement in the Labour Party had seen Callaghan's replacement by Michael Foot. Murdoch's newspapers carried out a campaign of character assassination against Foot aimed at discrediting Labour and shifting politics ever further to the right.

These efforts bore fruit, paving the way for Thatcher to win a second term and encouraging a right-wing breakaway from Labour that led to the creation of the Social Democratic Party—now a significant element of the Tories' current coalition partners, the Liberal Democrats.

The ruling class went on a sustained offensive against the working class and youth that has continued ever since.

A seminal moment was reached with the bitter defeats of the one-year 1984-1985 miners' strike and the Wapping Printers strike that followed in 1986. Murdoch shifted production from Fleet Street and brought in automation that led to 6,000 print workers being sacked and replaced by scabs organised by the electricians' union, the EETPU. The striking workers were confronted on the picket lines by police/Army state forces. Murdoch achieved both his reduction in manning and fostering a new era of de-facto company unionism.

Murdoch's newspapers acted as number-one cheerleader for the "Iron Lady", but the Labour Party and the Trades Union Congress did all they could to curry favour with the man now regarded as the political kingmaker.

After the 1992 defeat of Foot's replacement, Neil Kinnock, by the Tories under John Major, Murdoch boasted "It's The Sun Wot Won It." Labour wholly concurred and shifted its lurch to the right up a step,

ending with the official abandonment of its constitutional commitment to nationalisation and the formation of the 1997 "New Labour" government under Tony Blair and Gordon Brown.

Murdoch supported Blair's election, concluding that Labour could now be entrusted with securing his interests and those of the entire super-rich against the working class. He was not to be disappointed by a government whose guiding spirit, Peter Mandelson, professed to be "intensely relaxed about people getting filthy rich".

Terry Evans, former editor of the *Sunday Times* and the *Times*, was asked to respond on Radio Four's *Today* programme on the secret meeting between Thatcher and Murdoch.

"The whole thing is so squalid," he replied. "I don't know whether to laugh or cry on being vindicated".

The leader of the unsuccessful last-minute management buy-out group told listeners, "All this time... I sometimes speak of the episode as being 'hypocrisy on stilts'."

He was not surprised to learn Murdoch and Thatcher had got together to cook a deal because he had suggested as much in the past. He spoke disparagingly of the "leader of the country being in hock" to Murdoch.

Aside from such conflicting interested parties, however, very little has been said in the media about these revelations. In part, this is because large sections of the ruling elite continue to be in hock to Murdoch. But still broader layers have no interest in drawing unwelcome attention to the way parliament does the bidding of oligarchs such as Murdoch behind closed doors.



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