“COLLATERAL DAMAGE” FOR THE MEDIA

THE “NEWS OF THE WORLD AFFAIR” AND THE STRUGGLE FOR PRESS FREEDOM IN ASIA

Paul Linnarz

In July, an unprecedented phone hacking scandal resulted in the abrupt demise of the British daily paper News of the World. The media mogul Rupert Murdoch, whose News Corporation group the tabloid was a part of, had to appear in front of a British parliamentary committee to answer questions about his role in the scandal, and Prime Minister David Cameron came under massive political pressure. The phone hacking practices of the newspaper evoked outrage around the world. The countries that keep an iron grip on their own media were especially vociferous. None more so than China, which sees its own stance on freedom of the press vindicated and accuses the Western media of hypocrisy. Yet, calls for more regulation are not going down well in Asian online media and blogs.

END OF “THE WORLD’S GREATEST NEWSPAPER”

The media industry finds a name for each year: 2009 was the ‘Year of the Great Newspaper Meltdown’ during the global financial crisis. Thanks to the huge proliferation of the iPad from Apple, 2010 was named ‘Year of the Tablet’. And 2011 will probably be christened ‘Year of Hackgate’ in retrospect.

The awkward neologism is derived from ‘Watergate’ and represents the scandal centring on the News of the World. Employees of the paper are supposed to have ‘hacked’ into the phones and voicemails of several thousand people for years. The allegations go back all the way to 2006. But it was not until early July that the scandal flared up properly,
when it became known that the *News of the World* had acquired access to the mobile phone of the British schoolgirl Milly Dowler. At that time, the girl was missing and she was subsequently found murdered. The paper is also said to have hacked into the phones of family members of some British soldiers who were killed in Iraq and in Afghanistan.

Close confidants of Rupert Murdoch, among them the *News International* boss Rebecca Brooks, were temporarily arrested in July on suspicion of culpable involvement in the hacking affair. Two high-ranking members of the London Metropolitan Police resigned. British Prime Minister David Cameron came under massive political pressure. He had engaged the former Editor in Chief of the *News of the World*, Andy Coulson, as press officer. When appearing in front of the parliamentary committee, Murdoch himself rejected all personal responsibility in the matter. His tabloid *News of the World*, the self-proclaimed “World’s Greatest Newspaper”\(^1\), was already history at the time of the hearing. The newspaper appeared for the last time on 10 July. Several hundred employees lost their jobs.

Nothing has got the media world more frenzied this year than ‘Hackgate’. For the British public, the scandal was a shock. It is true that tabloid journalism has always been notorious for its insatiable hunger for ‘sex, crime and scandals’ in the UK. But the dirty methods of the sensationalist reporters involved in the affair went beyond even the worst fears; you couldn’t go any lower in the realm of ‘journalistic ethics’.

The outrage soon spilt over into the USA. In his adopted home country, Rupert Murdoch owns the highly respected *Wall Street Journal* and the *New York Post* tabloid. Apart from those, the U.S. TV channel *Fox* is also part of the Murdoch group. The FBI is said to have started investigations back in July. According to media reports, the U.S. federal agents are investigating the question of whether employees of News Corp might have hacked into the phones of family members of the terror attacks of 11 September 2001.

For Anglo-Saxon authors, the German language seems to provide the more appropriate terms in such extraordinary situations: “The Schadenfreude is so thick you can’t cut it with a chainsaw”, wrote Reuters in a report about the reactions of the media competitors. According to The Economist, the Murdochdämmerung has started for the Australian media mogul. But the sunset will take a while in spite of the hacking scandal.

In any case, the stockbrokers don’t want to start intoning the swan song for the 80-year-old corporate boss just yet. This is indicated by the sales figures published in August. According to these figures, News Corp was able to increase its revenues compared to the previous year by twelve per cent to a total of nearly five billion U.S. dollars. News of the World might have been a catastrophe for the image of the company, but ‘Hackgate’ will not affect profits in practice, at least in the short term. Rupert Murdoch has been making most of his money with his TV channels in the U.S. and the UK for a long time anyway. Compared to those, the defunct tabloid represented a small revenue item.

EXAGGERATED HOPES AND OVERRATED ALTERNATIVES

The affair is thus leaving a bitter aftertaste. It looks like corporate empires such as News Corporation, with tentacles extending across several continents and several types of media can remain unscathed by even the vilest of machinations, at least economically. So what has ‘Hackgate’ brought about apart from the resignation of some people in the second row and several hundred unemployed journalists, not all of whom were probably involved in the phone hacking affair? Which lessons can be drawn from the scandal for the press and the media in general?


Optimists hope for stricter rules against the increasing media concentration. “For those of us who’ve been warning about the dangers of too much media power concentrated in too few corporate hands, this scandal is a godsend”, rejoiced Jeff Cohen, founder and director of the Park Center for Independent Media. His colleague Craig Aaron from Free Press seconds this with the demand “to contend with the serious damage the Murdoch empire has done to our media system over the past few decades”.

Thinking along the same lines, there are many who believe that it is already a step forward that News Corp withdrew its bid to take over the British TV channel BSkyB under massive political pressure once the scandal had become public. On the other hand, News Corp already holds close to 40 per cent of the shares in the company. James Murdoch, the son and likely successor of the ‘Teflon mogul’, was actually confirmed as head of BSkyB in late July by a unanimous vote of the Board of Directors. This is not at all what the dismantling of a media empire would look like.

Bloggers and online visionaries, Ariana Huffington being one of them, reckon that due to the phone hacking scandal, the end of all classic media is nearly upon us, or at least they think that it was actually the internet that uncovered what had gone on. According to Huffington, “it was new media that played a huge part in bringing the News of the World down so fast”. By this, Huffington means the microblogging platform Twitter on the one hand; she also indirectly credits mumsnet.com with particular achievements. The popular British website “by parents for parents” had spontaneously organised protest campaigns against the News of the World in online forums and on Twitter. That it was actually mumsnet.com that made the phone hacking affair around the tabloid a political issue

is also the opinion of William Dutton, Professor at the Oxford Internet Institute. “There had been rumours about private voicemail being hacked into for years, but nobody had looked into the matter seriously.”

Peter Apps from Reuters concludes: “The rise of the internet and particularly social media are revolutionizing the structures of who controls information – and therefore to a certain extent the resulting structures of power.”

And who would seriously contradict this statement seeing the events happening in the Middle East! But what people tend to forget is that it was not bloggers or virtual friends who initiated the ‘political issue’, but the British daily paper The Guardian. It was this paper that published the first online report about Milly Dowler’s voicemail being hacked into on July 4th after months of investigation. It was only then that the storm of outrage erupted on the internet.

In 2009 a News of the World reporter had been arrested because he had induced to hack into the mobile phones of the royal family. The Guardian proved that this was not a one-off incident.

For observant newspaper readers, the hacking into voicemails by the News of the World must actually have been more than just a ‘rumour’ much earlier. It was back in 2009 that a reporter working at the paper had been arrested because he had engaged a private detective to hack into the mobile phones of the royal family. At that time already, in July 2009, it was once again The Guardian that was able to prove that this was neither a one-off incident nor a single perpetrator. But at that time, there were no protest campaigns against the News of the World.

One thing is clear: Twitter in particular often responds more quickly than classic media. First hints of the death of Osama bin Laden, for instance, initially made the rounds on Twitter before the news agencies and the remaining media reported it. Generally however, microblogs and virtual networks mainly pick up on matters previously published in the press and on the radio, as was last the case in the UK. Also, the editorial offices themselves are

now making use of Twitter, Facebook & Co. The UK daily paper *The Guardian* is one of the pioneers in the new era of media convergence.

Hopes for greater media pluralism and less concentration in the media world might not be unfounded in the aftermath of the ‘Hackgate’ affair, but should be viewed with some scepticism. Especially in transition countries, the topic is at the very top of the agenda. Television in Indonesia, for instance, is dominated by four large holding companies (Emtek, MNC, Transcorp, Viva). They control just over a dozen channels between them. In principle, the 2002 Broadcasting Act was meant to guarantee decentralised structures, and the Indonesian government had envisaged a type of ‘federal’ system with independent TV channels in the individual regions; but the implementation failed due to the resistance of the large corporations. Instead, the corporations have used the last decade to buy up the local channels one by one. In April, it became public knowledge that Emtek would now also like to take over Indosiar, which would contravene the law according to the Indonesian Broadcasting Commission, but which represents no problem according to the Capital Market and Financial Institution Supervisory Agency (Bapepam). The Supervisory Agency has the last word on planned mergers and acquisitions, which is why Emtek will probably manage to realise its intentions unless the Ministry of Information and Communication sides clearly with the Broadcasting Commission in the end.

During a media event in Jakarta arranged by the German Embassy and the International Institute for Journalism (IIJ) of GIZ, a German organisation for international collaboration, Meidyatama Suryodiningrat, Editor in Chief of the *Jakarta Post*, pointed out the dangers linked to the conglomerates, but also said that he was not expecting to see effective regulation for Indonesia until ten years down the line at the earliest.

So ‘Hackgate’ might have rekindled awareness of the topic of ‘media concentration’ around the world, but the economic interests of the powerful corporations go against stricter rules and regulations. An alarming development in...
this context not only in Indonesia but also in Bangladesh, for instance, is that increasingly licences for newspapers and radio channels are being issued to major companies from other economic sectors. This allows the companies to virtually dispense with their PR work, running their own media instead. So far, they have tried to bring journalists onto their side with gifts, free travel or, as is quite common in many Asian countries, with envelopes full of money. They now control the reporters and editors as owners or employers, by means of the monthly pay cheque.

RECKONING WITH THE WESTERN MEDIA

‘Hackgate’ is making it more difficult to promote freedom of the press. The New York Times talks about the “collateral damage” of the affair. Seen by itself, ‘Hackgate’ has not redefined the role of social online networks and micro-blogging platforms, nor will the scandal result in the dismantling of the oligopolies in the global media markets any time soon. But one thing is sure: ‘Hackgate’ is making it more difficult to promote freedom of the press. The New York Times talks about the “collateral damage” of the affair.⁸

The phone hacking practices of the News of the World were the cause; but the arguments were furnished by the reactions in the political arena, which were no doubt largely necessary or at least understandable. Zimbabwe, for instance, was one of the first countries responding to Cameron’s statement that he wanted to fundamentally overhaul press regulation in the UK because of ‘Hackgate’. The British Prime Minister’s comment that he did not want to restrict the freedom of the press in doing so was ignored. Instead, the Zimbabwe Broadcasting Corporation is talking about a “lesson to the Third World”. Making reference to “media analyst” Alexander Rusero, the radio channel calls “the concept of free media [...] a myth” and says that “people should judge from the way the British government has reacted to the scandal that even the West can not practice what they preach”.⁹


In Asian countries where freedom of the press is non-existent or restricted, the media were happy to adopt any critical comment emanating from the USA or the UK. Every piece of writing in the Western media, which tore into Rupert Murdoch, his News Corporation or the *News of the World*, was gratefully reprinted locally making reference to the foreign source.

In September, the International Press Institute (IPI) reacted with a ‘breaking news’ discussion on the occasion of its annual world congress held in Taipei under the heading: “Poisoning the Fight for Press Freedom”. In an advance announcement, IPI Director Alison Bethel McKenzie stated: “However, we will continue to work towards ensuring that journalists around the world are not punished because of a few bad apples.” At the same time, the Institute, which is based in Vienna, fears that the legal proceedings against *News of the World* “may set unique precedents for how courts treat newspapers, and make it easier for governments around the world to suppress the media”.

David Schlesinger is confronted by this scenario practically every day. He has been managing the activities of Thomson Reuters in China since February 2011. The news agency Reuters is part of this group. Schlesinger is also a Director of the Committee to Protect Journalists (CPJ). As IPI does, this non-profit organisation based in New York promotes freedom of the press. While the topic was still prominent in the headlines in the UK, Schlesinger gave a talk at Sun Yat-sen University in the Chinese city of Guangzhou in July entitled “Media, Murdoch and Social Responsibility”. Without putting a gloss on events, he started by pointing out that “it is clear that the *News of the World’s* actions have thrown the role and responsibility of the press in society into disrepute”. But then Schlesinger went on to stress the “watch dog” function that the media have to “expose excesses, corruption and problems”. In his opinion, that could only be done effectively if the press and broadcasting media regulated themselves and this

---

regulation was not performed by precisely the organisations that the media are calling to account.\footnote{Cf. David Schlesinger, "Media, Murdoch and Social Responsibility", speech in July 2011, http://cpj.org/blog/Schlesinger%20Cai%20speech%20July%202011%20v2%20_2_.pdf (accessed October 14, 2011).}

Of course this comment referred to the spontaneous reactions of the British government to the phone hacking affair in its own country. But where else would Schlesinger’s demand for self-regulation have also been more apropos than in China? No other country in Asia and hardly any other country in the entire world is criticised more frequently and more harshly for its media censorship than the ‘Middle Kingdom’. It should therefore not have come as a surprise to anybody that foreign comments on ‘Hackgate’ were eagerly accepted, translated and published widely. But unlike the controlled media landscapes in the neighbouring Asian countries, such as Vietnam, Myanmar and Laos, China did go further. In a country where journalists tend to be discouraged from reporting on ‘sensitive’ issues, they were now actually officially encouraged to report more extensively, more freely on the affair.\footnote{"Over all my years in the business, the internal instructions have always been ‘you are not allowed to report on such and such’ or ‘we have to toe the line on such-and-such.’ But this is the first time that we’ve received an advisory saying we can report more extensively, more freely. We’re totally overwhelmed with gratitude, and we don’t know what to do now!", Ji Ye, senior employee at Phoenix Television, quoted from: http://chinadigitaltimes.net/china/media-control (accessed October 14, 2011).}

Quite a few of these comments and quotes read like a reckoning from the era of the Cultural Revolution. At the end of July, the national news agency Xinhua, for instance, wrote in an English language online article: “The recent revelations of the outrageous escapades of the News Corp. have laid bare the hypocritical, legal and moral problems of the Western media.”\footnote{Xinhua, "Phone-hacking exposes Western media’s hypocritical, legal, moral problems", July, 29 2011, http://news.xinhuanet.com/english2010/indepth/2011-07/29/c_131016601.htm (accessed October 14, 2011).} Another comment stated that Hardly any other country is criticised more frequently and more harshly for its media censorship than China. This is why foreign comments on ‘Hackgate’ were published widely.
Rights’ they have long boasted about are all but hypocritical” and that instead “the ultimate goal of the Western Media is to maximize their commercial gains”.\textsuperscript{14} Chen Xun, Professor at the School of Journalism and Communication of Renmin University, is quoted – without quotation marks but in the indicative – with the following statement: “Under the cover of ‘media freedom,’ they [comment by editor: the Western media] wantonly challenge the privacy of the public, which is a direct example of the human rights violation [...]”\textsuperscript{15}

In addition, there are evaluations and comments circulating in the People’s Republic, which could, at least in part, feature in any British or U.S. magazine. An analysis published mid-July by the\textit{ China Daily}, for instance, stated: “If proved, the British newspapers [comment by the editor: besides the\textit{ News of the World} also the criticised popular papers \textit{The Sunday Times} and \textit{The Sun}], and the media professionals involved in the scandals, will not only have broken the law, they will also have seriously violated universally applied media ethics.”\textsuperscript{16} The\textit{ Century Weekly} magazine summed it up as follows in an editorial that appeared in \textit{Caixin Online}: “But, in fact, the core issue is simply whether the law was broken. Period. It would be wrong to suggest that press freedoms should be restricted as a result of the scandal. Neither are tighter regulations in order.”\textsuperscript{17}

\textbf{THE “FIFTH ESTATE” ON THE NET}

China’s verbal assaults against ‘the Western media’ on the one hand and the simultaneous criticism of the demands currently emerging in the UK and in the USA for greater


supervision of the media seem to suggest a contradiction at first sight. But if you look more closely, this turns out to be an ongoing process with a number of hurdles. Online social networks, microblogging platforms and internet-capable smartphones play a considerable part in this, not only in China but also in Malaysia or Singapore, for instance.

For the free or mostly free media landscapes in Europe, North America and Latin America as well as for countries in Asia such as the Philippines and Indonesia, the idea of a “Fifth Estate” (William Dutton), which Twitter, Facebook & Co. are representing separate from the traditional media, might be somewhat overstated. Because in the end, as ‘Hackgate’ has shown, even ‘sensitive’ topics will find their public via all channels of dissemination in a pluralistic landscape. In strongly regulated or even censored media markets, on the other hand, bloggers, Twitter users and ‘virtual friends’ are continually testing the limits of their freedom. And by doing so, they are putting considerable pressure not just on politicians but also on the traditional media.

With respect to the recent elections in Singapore, Kelly Choo from Brandtology is concluding, for instance, that “online media has definitely been a game-changer in that it allows for the democratisation of all voices”. Prime Minister Lee Hsien Loong also observed that due to “the impact of the social media” on the internet there had been a “distinct shift in our political landscape”.^18

On his Facebook page, the Malaysian Deputy Inspector-General of Police Khalid Abu Bakar defended the massive police action against the people taking part in the ‘Bersih 2.0’ demonstration in early July by stating that the police had thereby prevented a “nightmare”, such as the UK had experienced with the violent protests there in the summer. Abu Bakar then saw himself heavily criticised on the internet, where there is a great deal of freedom in Malaysia contrary to the traditional media, one of the accusations

---

being that he had not understood the difference between a peaceful rally and violent rioting. Earlier, Prime Minister Najib Razak had already distanced himself from the action the police took against the demonstrators.

There is probably no place where the conflicts connected to the proliferation of online media are currently emerging more strongly than in China. As many as 60 to 70 per cent of the students studying journalism at the renowned Shanghai International Studies University (SISU) think that freedom of the press in the People’s Republic needs to be improved. That was the result of a survey presented by Professor Guo Ke, Director of the Center for Global Public Opinion of China at the SISU, in August at a KAS media conference in Beijing. At the same time, over 70 per cent of the respondents stated that they were convinced that ‘freedom of the press’ was a relative term and not an absolute quantity.

One might initially assume from this reservation that the students favour a type of ‘Chinese freedom of the press’ as opposed to a U.S. or European concept. But this does not seem to be the case, or at least not consistently. Because only 10 to 20 per cent of the respondents were in agreement with the proposition “freedom of the press is a Western concept, from which we can learn”. And only 30 to 40 per cent of the students stated that freedom of the press in China had to adapt to the local circumstances and conditions.

In his survey, Professor Guo distinguished between students of the Chinese and the international journalism courses of study. One feature of the international course is that classes are held in English. And the students there work with foreign lecturers, especially from the USA. The objective was to find out whether the orientation of the respective course has an impact on the students’ opinion on the topic of ‘freedom of the press’.

In fact, there are discrepancies. The number of students who would like to see an improvement in freedom of the press for China was a little higher in the international course than amongst the fellow students in the Chinese language course. And conversely, a slightly larger proportion of the latter group advocated making the development of freedom of the press dependent on the circumstances and conditions in China.

Comparable differences also exist with respect to the question of the role played by the media. Traditionally, journalism teaching in China lists three characteristics for this: media should be communicative, educate or inform, and entertain. That the media should also be ‘independent’ does not form part of the conventional understanding of their function. The Shanghai students were asked to give their opinion on this topic as well. With interesting results.

About 90 per cent of the respondents thought that the media should be communicative. What this refers to, for instance, is interaction with listeners, readers and viewers. Around 70 per cent of the students thought that the media should educate or inform. Between 40 and 50 per cent confirmed the attribute of being ‘entertaining’ as relevant. An impressive 82 per cent of the students on the international course and no less than 74 per cent of the respondents on the Chinese language course considered ‘independence’ a prerequisite for the work of the media.

Although the topic of ‘freedom of the press’ therefore appears to be more important to the students on the international course than their fellow students being prepared for working in Chinese language media, it is not a case of clear differences; the discrepancies are less than ten per cent. And for the students on the Chinese language course, the independence aspect also figures directly in second place behind the attribute of being ‘communicative’.

Journalism teaching in China lists three characteristics: media should be communicative, educate and entertain. That it should be ‘independent’ does not form part of the conventional understanding of their function.
INTERACTION AS SAFETY VALVE IN EVERY-DAY LIFE

To Guo Ke, the fact that ‘freedom of the press’ is obviously important to the students according to the results of the survey is almost even less meaningful than the minor discrepancies in their opinions. The Professor views the fact that a majority among those on the Chinese language course also advocated an improvement in freedom of the press as a ‘dilemma’. On the one hand, students at the 360 journalism schools (2009) in China still have to take compulsory classes in the subject of ‘Marxism’, if for no other reason than that there are more funds available for those from the state education budget; on the other hand, the teaching contents for future journalists are based on the relevant U.S. courses of study down to the level of detail. “To Chinese people, it is still unfamiliar to conduct an open discourse or to argue.” On the other hand, says Guo Ke, “we motivate our students to express their thoughts freely and join in the discussion”. And that has consequences.

Although the Beijing leadership seriously tightened the controls once more from February onwards after the onset of the ‘Jasmine revolution’ in Tunisia and ahead of the celebrations for the 90th anniversary of the Communist Party in early July, it could not prevent the Chinese internet community, which currently comprises some 485 million people, from venting its anger about the collision of two high-speed trains in innumerable microblogs. The accident at the end of July left 40 people dead and over 200 injured. The reason for the outrage was provided by the spokesman of the Ministry of Transport, the hook initially by the traditional media – as was the case in the UK with the ‘Hackgate’ affair. At a press conference, they had asked the ministry spokesman about mistakes made during the rescue work. The railway representative then added the following comment to his non-credible answer: “Whether you believe me or not, I believe it.”

This phrase subsequently made the rounds on the internet at lightning speed. The spokesman had to hand in his resignation.
Attempts to prevent or at least greatly limit the protests in the city of Dalian by means of censorship in mid-August also failed. The reason for the citizens’ anger here was a chemical plant operating within the city limits. SMS messages about the demonstration and even the name ‘Dalian’ were temporarily blocked on the internet. In the end, over ten thousand people came all the same. A different location will now have to be found for the plant.

The examples confirm Zhang Ming’s opinion. The political scientist from Renmin University speaks of a China of the past and a China of the present that are two different worlds, existing side by side, operating each by its own logic. “Government officials in China have”, wrote the active blogger in early August in the *Southern Metropolis Daily*, “with little preparedness, been thrust overnight into an age of explosive information and fierce communication. But the ideas in their heads are still mired in the past. They find it impossible to avoid feeling panicked, angry, at a loss, or even wronged.”

This evaluation could easily be applied to numerous other countries and government representatives in Asia. They will use the ‘News of the World affair’ to the best of their ability to exert ‘even better regulation’ of critical journalists in the future. And they will go on accusing Western media representatives of ‘hypocrisy’ across the board for a long time to come. However, this will not enable them to prevent diverging opinions from starting to circulate and finding a response in their countries as well. Or, as a female editor of the *People’s Daily* recently expressed it at an event held by the Konrad-Adenauer-Stiftung: “Life here has become so difficult that people would go mad if they were not able to blow off steam by expressing their opinion in the microblogs.”

The article was completed on September 15, 2011.