HOUSE OF LORDS

Communications and Digital Committee

Corrected oral evidence: The future of news: impartiality, trust and technology

Tuesday 23 April 2024

2.30 pm

Watch the meeting

Members present: Baroness Stowell of Beeston (The Chair); Lord Hall of Birkenhead; Baroness Harding of Winscombe; Baroness Healy of Primrose Hill; Lord Kamall; Lord Knight of Weymouth; The Lord Bishop of Leeds; Lord McNally; Baroness Primarolo; Lord Storey; Baroness Wheatcroft; Lord Young of Norwood Green.

Evidence Session No. 12 Heard in Public Questions 115 - 119

Witness

I: Andrew Neil, Chairman, The *Spectator*.

USE OF THE TRANSCRIPT

This is a corrected transcript of evidence taken in public and webcast on www.parliamentlive.tv.

Examination of witness

Andrew Neil.

Q115 **The Chair:** This is the Communications and Digital Select Committee and we are continuing our inquiry on the future of news. We have two sessions this afternoon. In the first we are very pleased to have before us Andrew Neil and later we will have a panel of three witnesses.

Mr Neil, you do not need any introduction but I think it is important to acknowledge that we are pleased to have you here as part of this inquiry because of the breadth of experience that you bring from the news industry in broadcasting, newspapers as an editor, a broadcaster and an executive. What we want to cover with you today are the opportunities and trade-offs around developments in the media landscape and that sort of thing. We will split our questions into four main categories around the economic landscape and financial conditions of the news industry, some questions about the mainstream or established media and then we will move on to the newer arrivals. We will conclude with the role of government in supporting news. Clearly, in all these question areas we will talk about some issues that may overlap in the different categories.

I will get us going with the first question. What do you see as the long-term financial sustainability for high-quality journalism in this country, where do you think the market is heading and are the business models sufficient to sustain the future of quality journalism?

Andrew Neil: Thank you, Chair. I am very optimistic about the future of high-quality journalism in this country and in other democracies. It is certainly true that our industry is going through massive upheavals with the digital revolution and that has involved a number of setbacks and some businesses going bust or having to cut down, but overall if you get the business model right, if you adapt to the new circumstances and you seek new streams of revenue, you can generate easily enough revenue to finance high-quality journalism.

I will give a self-serving example of the *Spectator* but it is in no way sui generis. The *Spectator* is the oldest magazine in the world. It will celebrate its 200th anniversary in 2028—thanks to this Parliament, not in the arms of the United Arab Emirates—and it has never been more profitable. It has never had a higher paid-for circulation. It has never employed more journalists. It has never had a bigger reach, not just in Britain but in other countries. It has a profitable Australian edition and a growing American edition on top of the mothership, which is the UK and global edition. If you add up profitability, high-quality journalism, more journalists than ever, a proper business model that essentially involved moving to subscriptions but not only subscriptions, you have there a recipe for success in the digital age, which has been copied and in some ways ahead of us done by other major media too, from the *Economist* to the *New York Times* to the *Times* to the *Financial Times* to *Le Monde* in France.

The Chair: It is good to hear that you are optimistic. We have heard

quite a bit about job cuts in various news organisations. Do you not look at that and feel any concern?

Andrew Neil: In the technological revolution that hit our industry from the beginning of this century onwards undoubtedly there were victims and a lot of jobs were lost. Local journalism has suffered; that is not part of the success story of the digital age. Regional papers have found it difficult as well, but national papers, quality journalism, not the red tops—the red tops have yet to discern and determine a successful business model—but what we tend to call quality journalism in this country, if you get the business model right, have all been successful.

I can tell you, as someone who has lived under both an advertising-led business model and a subscription-led business model, that a subscription-led business model is much better because the interests of journalism and your readers are aligned. They are paying for your journalism. They are not paying for an ad-financed operation. They are paying for a largely ad-free environment, because it is a premier website or a premier app. Therefore, they expect high-quality journalism and they will not pay if you do not give it to them. They will not pay for the *Sun* online, they will not pay for the *Mirror* online, but they will pay for the *Times,* the *Financial Times,* the *Telegraph,* the *Guardian*—when it bothers to ask them—the *Economist, Atlantic Monthly* and the *New Yorker.*

There are plenty of examples of that and it gives you the resources to hire more journalists and to have more international coverage. We now have more international coverage than the *Spectator* has ever had. We report regularly on American and European politics, on the Ukraine war. Our young Ukrainian journalist who we hired two years ago as a refugee from Ukraine and asked her to start a Ukrainian newsletter, paid, has just won young journalist of the year, which we are hugely proud of. I hosted a drinks party for her last night.

Yes, people have been laid off. There have been victims, as there are in all technological change, but if you adapt and get the new business model right and you invent new streams of income and you do not try to hold on to the legacy ways, you can make a success of this. The *New York Times*, which I guess is the poster child of how to adapt in a digital age, now has more foreign correspondents, more foreign bureaux in its long history, because it has 9 million subscribers from across the world, all paying good money to take the *New York Times*, mostly digital subscriptions because it is a newspaper in the old sense mainly in the United States. I take the digital edition. It can be done and it is rather exciting.

I am quite proud to tell you I have been chairman, which essentially involves being chief executive and editor-in-chief, of the *Spectator* for 20 years. In those 20 years there has not been one compulsory redundancy at the *Spectator*, not one, because we got the business model right and we earned the revenues and we discovered new streams of revenues. We tried every digital asset that we discovered. I keep on saying "we" but you could put the *Economist*, the *Times* or the *Telegraph* in there.

Every digital asset we created, such as newsletters, podcasts or Spectator TV, we monetised, to use the jargon of the age. We made money out of it—not to begin with but over time we did and we ploughed that back into the business in new journalism as well.

We bring on new people. Our intern scheme is entirely needs-blind. If you apply for a job with the *Spectator* do not tell me what school you went to. Do not tell me what university you went to. Do not tell me if you went to university. We will give you a test and we will see how you get through that test and if you pass the test you will get a job, first as an intern, which we will pay and we will find accommodation for you, and if you get through the internship we will give you a job. We have opened up the *Spectator*. Traditionally, basically you had to go to Eton and Balliol before you could get into the *Spectator*. We have opened it up to a 42 year-old single mother from Glasgow and a Ukrainian refugee.

The Chair: We might pick up on some of those things when we move to other categories of questions when it comes to the performance of the different types of media.

If I may, I have one final question on the financial bit, which is a bridge to the next question. You have put great emphasis on subscription as a viable business model. One concern we have heard is about what might be described as a two-tier media environment, where you have a small number of people paying for high-quality journalism but a larger proportion of people relying on free journalism and potentially that free journalism, or free news, decreasing in quality over time if those news organisations feel continually challenged. Alongside that is the technological argument as to whether they are looking only at free news, which is pumped out by the platforms and maybe AI-generated. Do you have any thoughts on that?

Andrew Neil: I do not think it is an issue. It is an issue for the red-top tabloids, which, as I have said, have yet to come across a successful business model. They are all basically in serious decline, not just in this country but across Europe and in the United States, like the *New York Post* or the *New York Daily News, Bild* in Germany and of course the *Sun* and the *Mirror* and others here. They have yet to discover a business model because people do not seem to be prepared to pay for that kind of journalism, I suspect because they can get most of it for free on the internet anyway and there is not an added value to it.

There is plenty of high-quality free journalism. I think there is something called the BBC, which is free at the point of use and free to use even if you do not pay the licence fee. Its website is now the single biggest word-driven website for news in this country, as the Ofcom study showed. I think it comes sixth in access for news. There is plenty of high-quality free news around if you want to access it. If you want more value added, more analysis, some opinion on top of that, that is where the subscription models click in, when you do pay.

I do not think anyone in this country will feel a shortage of the ability to access high-quality free news. After all, Sky News runs a free website and there are plenty of written words in that. I often use it myself.

Channel 4 does the same and ITV has one. The *Guardian* is free at point of use. We are not short of that. One of the joys of a digital age is that it allows many business models to flourish. It allows many approaches to be tried. Some succeed, some fail, but we have quite a vibrant market that has every single kind of model and people can choose which one they want. That is why I am optimistic.

The reach of British journalism has never been greater. The *Economist* is now a global magazine with a global reach. The *Guardian* has massive editions in the United States and Australia. The *Financial Times* is now a global newspaper. Other papers now have ambitions to do the same. The *Times* is looking at an American edition. The *Telegraph's* new owners are saying they want to expand it in America. The world is our oyster. We have mobilised the English language to build in our business model. It is the greatest asset we have and it allows us to break out of the barriers of our own country and reach across the globe, as the *Spectator* has done in its own small way.

The Chair: Before I move on to the next group of questions, I think Lord Knight had a supplementary.

Lord Knight of Weymouth: Just a quick one. Andrew, you make a compelling case around the business models, the global reach, and so on. Putting the business models to one side and thinking about what is good for a healthy democracy, do you have any concern about the evidence that we see that there is a younger generation who consume their news largely on platforms such as TikTok, that they have a shorter attention span and therefore their appetite for long-form journalism is diminished except perhaps in podcast form? In your role overseeing the *Spectator* as an example, are you then having to project ahead and say, "Well, podcast is where the future is"? How are you adapting to that technological change as it rolls out for the younger generation whom you will need to foster as consumers?

Andrew Neil: The first thing I will say is that older people spend too much time worrying about younger people. They will look after themselves. When I was a kid I listened to Radio 1 when eventually the BBC got around to launching Radio 1. For a long while I listened to Radio Caroline and Radio Scotland on the Firth of Clyde until Tony Benn banned it, which meant a lot of people never forgave Mr Benn for that. Then the BBC came along with Radio 1, I think in 1967, using DJs from there and I listened to that. As I grew up and got older and started studying politics, first at school and then economics at university, I listened to Radio 4. I moved up. No one told me to do it, no House of Lords Select Committee recommended that I do it, no Government intervened to make me do it. I just grew up and listened to more. Now the favourite thing I listen to is Swiss classical radio in the morning, which I find very soothing, more so than even the "Today" programme, and the internet allows me to listen to that in multi stereo. I listen to the Zurich version of that because I get beautiful soft German accents in between the music.

We change. We do not go out to get young readers. That is a fool's errand. We find that people grow into us and people grow into media as

they get older and young people will do the same. I will give you a classic example. You should try this if you know any young people. Sit them down with an old-fashioned record player and take out a vinyl record and a high-quality stereo and play it, high-quality, good music, and ask them to listen. They are amazed at the quality, because in the digital age digital compression reduces the quality of music as we listen to it, and they say, "You had this when you were a teenager? This is what you listened to the Beatles on when you were 16 or 17?" Certainly, vinyl sales are soaring and new shops are opening selling them so it is a slightly trivial example, but there was a Greek philosopher 3,000 years ago who was worried about the young generation, but I think they got through all right.

The Lord Bishop of Leeds: To go back to the last point, vinyl is hugely expensive compared with what it used to be.

Andrew Neil: The market is still quite small and quite limited in its production.

The Chair: This is not an inquiry into the record industry.

Andrew Neil: I know, but I am sure the Bishop understands the basics of economics, which is supply follows demand.

Q116 **The Lord Bishop of Leeds:** Can we segue into a slightly different area? Do you think there is enough diversity of opinion in the UK's traditional broadcast news media?

Andrew Neil: No, there is pretty much a monopoly of opinion in British broadcast media in news and current affairs. To call it a one-party state would be an exaggeration, but all our major broadcasters' news output comes from a similar overlapping ideological position, which is various shades of centre to centre-left. Some are only just a little bit centre-left, some quite substantially centre-left, but they all come from that sphere. I do not think that is necessarily a consequence—I think a lot of it is unconscious bias because they all think the same and there is no one in the newsroom to put their hand up to say, "Should we look at it another way? Is there another opinion in this?" It has always been the case that broadcasters have tilted a little bit to the left because of that.

I think it has become more of a systemic issue and I am not sure there is much that can be done about it because of the change, the move from a class-based politics to a cultural identity politics. The big political dividing line in Britain now is between the metropolitan areas and what we used to call the provinces. That is the dividing line in the United States. All the red states are rural states—Alabama, Mississippi, Missouri, the rural parts of Pennsylvania. The red wall was basically towns not cities, and smaller towns and rural areas as well, whereas all the big cities are overwhelmingly on the left. London is a solid Labour city, Manchester, Liverpool, Glasgow, Leeds. In the 2020 election 87% of Manhattan voted for Mr Biden. Ronald Reagan won Manhattan in 1984, so it is a huge change. The reason I bring that up is that the broadcasters are all based in the major metropolitan areas, for obvious and probably unavoidable reasons, and that is the labour pool. It is young people in the

metropolitan areas who are invariably on the left, and that is who they hire. They are bright and smart and they want to be in broadcasting. I think this will probably get worse, rather than better.

The British often think their problems are unique. This is not unique to Britain. This is true in every democracy in the world. All the American broadcasters bar Fox are on the left. All the German broadcasters are on the left, particularly the public service broadcasters. That just seems to be the way of the world. As I say, I am not sure that much can be done about it. It is just how the labour force is put together, the demographics of that labour force, and of course the more our cities become diverse in an ethnic sense, in people's religion and so on, younger people from the ethnic minorities tend to be on the left to begin with as well and that reinforces the process. I am not for a minute suggesting that they should not be hired. They should. We are a diverse nation and our broadcasting should reflect that, but it is just the way it is. The BBC gets a kicking all the time for being "left-wing". You ought to go to Australia and see what they say about ABC or read the papers last week and see what they are saying about NPR—National Public Radio—in America. It is just the way it is and I think it is a trend that I have no idea how to reverse.

For a while the BBC—but not just the BBC, politicians and broadcasters,—thought, "We will get the broadcasters out of London. So where shall we put them? We will move them to Manchester, a left-wing city, or to Leeds, a left-wing city, or Glasgow. Put them in the West End of Glasgow"—the West End of Glasgow, the only part of Britain, other than Cambridge, that voted for proportional representation in the referendum on voting habits. It is a metropolis. It is still a metropolis. It does not change by doing that. I have no idea how you get around that. It is just the way of the world.

The Lord Bishop of Leeds: Do you think broadcasting is turning into narrowcasting?

Andrew Neil: I am not quite sure what you mean by that.

The Lord Bishop of Leeds: Traditionally, the major broadcasters and major newspapers have thought that they broadcast to everyone. They may be misguided, but that is the principle, whereas increasingly, and particularly with the internet, people are going for what they like and that becomes increasingly narrow. Do you know what I mean?

Andrew Neil: Yes, I do, and I think it is a fair point. I think there is a danger, if this trend continues, that the major broadcasters are basically ideologically similar. As I say, it is not my claim that they sit down in the morning and say, "Right, what left-wing spin can we put on this story?" I do not claim that for a moment. As I have said, it is a much more unconscious process because of the way society is and the way our major metropolitan centres are. I think the more the traditional broadcasters go down the same road there will be an increasing number of people who will feel that they are not getting the kind of news that they expect or it is coming with a slant that they are not happy with.

If you are a commercial broadcaster—and, by the way, another British conceit is the idea that only the public service broadcasters are centre-left. It is not only that. All the private sector broadcasters are centre-left too—Sky News, Channel 4, ITV. The most left-wing channel in America is NBC. Last time I looked, it is a big private company, one of the biggest. My point is the danger for public service broadcast is that if I watch ITV—and, by the way, I do not; this is not what I think—and thought, "It has become a bit left-wing these days. It is a bit different from the days of Alastair Burnet. I just do not need to watch it and I am not paying for it", advertisers may say, "Hey, people like Andrew Neil and others are not watching it, you should do something", but I pay for the BBC whether I watch it or not. It is a bigger problem for a public service broadcaster that is publicly funded than it is for the private ones.

The Lord Bishop of Leeds: Do you see a future for broadcasting or do you think it is narrowcasting because people are paying for what they want? What are the options?

Andrew Neil: First, we have not reached narrowcasting yet. The output of the major broadcasters is still broad. The clue is still in the name and a lot of their output is superb. We have some of the finest broadcasting journalism in the world, but it is a trend and I think that people will react. They will vote with their feet and they will go in search of things that are more congenial to their way of looking at things. That is also a danger for democracy because it leads, as we can see in the United States, to echo chamber broadcasting in which you watch only the channel that churns out stuff with which you agree and which does not have anybody from the other side. If I tune in to breakfast television in the United States, I will see six people on Fox News telling me how Donald Trump is the greatest thing since sliced bread and I switch over to MSNBC, which is the left-wing version of Fox, and I will have six people telling me that Donald Trump is basically the devil incarnate. Depending on your own predilections, you choose one or the other. That is not healthy and I would not like to see Britain go down that road. It is bad for democracy.

The Lord Bishop of Leeds: One thing we have heard is the criticism that some major outlets struggle with representing views that do not align with the values of their newsroom or perhaps their core audience. Do you think that is fair?

Andrew Neil: Yes.

The Lord Bishop of Leeds: What can be done about it?

Andrew Neil: It is fair, although it has not yet taken off to a huge degree in Britain, but it is beginning to happen.

The Lord Bishop of Leeds: Why do you think it has not so far?

Andrew Neil: All these trends begin in the United States, for good or bad. It is certainly happening in the United States. As someone said, the real editor of the *New York Times* is Twitter. Every major news organisation wants to avoid a Twitterstorm. They go in fear of social media storms and they kowtow in the end to it, as the *New York Times*

did in the Barry Weiss case on that. We have not reached that yet, but as you look at newsrooms today—and there have been some terrible ructions in newsrooms over coverage of the current strife in the Middle East—you can see that will begin to happen and that editors will therefore begin to self-censor. We have seen it over the gender identification issues as well, where journalists or editors decide, "We had better not go with this. It is just going to cause problems. There will be a Twitterstorm and there will be an uprising in the newsroom, so let us just go for a quiet life."

The Lord Bishop of Leeds: Finally, do you think that traditional broadcasters are becoming narrowcasters and is there any danger in that?

Andrew Neil: The joy of digital technology is that you can do both. It should not be an either/or. The digital technology allows you to slice and dice news, put it out in bits, and put it out thematically. You might regard that as narrowcasting, but you can reach millions of people too on social media platforms and on the traditional linear platforms simply by doing more broadcasting. When it comes to the big stories that matter—the invasion of Ukraine, the war now in the Middle East—you can see people turning to the legacy broadcasters because in the end that is what they trust and there is a lot to be said for trust in these names. My message is in this difficulty of being metropolitan broadcasters and being part now of the political divide in Britain, be careful not to lose that trust because it is worth a lot. It is worth fighting for, because if you lose that trust you never get it back.

The Chair: Thank you. Lord Young, you had a supplementary.

Lord Young of Norwood Green: It is on that very last point that you made. I declare an interest as an ex-BBC governor. Recently I have heard people challenging impartiality quite strongly and it is really worrying. I will focus on three issues where I have heard it said. The coverage of Gaza is one. They said, "Well, you accepted the figures from Hamas as though they were gospel". That was one criticism. "You very reluctantly described Hamas as a terrorist organisation when everybody else did". The last one is climate change. There are a few more but climate change and getting that balance right—and then they would give exactly the same amount to a climate change denier, which people criticised. It does worry me and I would welcome your reflection on the last point you made about the importance of sustaining trust.

Andrew Neil: I think these are all good examples, and they are examples of bias and lack of impartiality. All our major broadcasters have been guilty of it. As I say, sometimes it is not conscious but other times it is. I think it is interesting that the main complaint against our broadcasters is that they have all made mistakes that have leant to the Palestinian side and have never been accused, certainly in the substance of the issue, of being biased in the Israeli side. I think there is a problem. It comes out again of the young demographics in the newsroom in metropolitan areas. Of course, we have a big Muslim population as

well now and that is reflected in the people we hire. I think there is an issue.

I have covered several wars and I was a Northern Ireland correspondent for a while at the height of the Troubles, so I know how difficult it is not to be accused of bias. I think the net-zero issue is an interesting one, because the issue for the broadcasters should not be the science of global warming. I am not a scientist but with everything I see it is pretty well understood that the science is pretty strong—more than pretty strong—that the planet is warming and that man-made, person-made, activity is one of the major contributors, if not the major contributor. I do not think that is something the broadcasters need to debate regularly. The issue is what policies follow from that and on that we are still a one-party state as well. This is when broadcasters and journalists in general should have been doing their job, which is that in this very building, in this Parliament, in this Palace of Westminster, there was near-unanimity in going for net zero. In fact, I am not sure there was even a debate on it; it just became the law of the land. It is when there is a consensus like that, that journalists should do their job.

The only decent interview I did in my brief eight nights at GB News—it seemed more like eight years at the time—was with Mr Sunak when he was Chancellor and I asked him about the cost of net zero. Had the Treasury costed it? He could not answer the question and at the end of the interview he said, "No one has ever asked me that before". Why not? That, to my mind, was what I saw as the purpose of GB New: to ask questions others were not. That question is now on the agenda because heat pumps must be paid for and insulation, so it has become an issue, particularly after the rise in gas prices with the war in Ukraine, but broadcasters did not do that. They just went along with it and they shut down anybody who wanted to raise the issue of cost. Now of course you cannot wake up in the morning without some Government somewhere reneging on their net-zero targets. The Scottish Government did it last week.

I think that is where broadcasters have been poor: where their assumptions, their view of the world, are shared by the political establishment—and it is not our job to mirror the concerns or the assumptions of the political establishment.

The Chair: That is a helpful point on which to move to our next group of questions. Baroness Wheatcroft.

Q117 **Baroness Wheatcroft:** Andrew, as you referred to, you set up GB TV.

Andrew Neil: I did not set it up but I was part of the set-up. If I had set it up it would have been very different.

Baroness Wheatcroft: You were part of the original team. How different would it have been if you had got your way?

Andrew Neil: It would have been different in two ways. First, the production values would have been much higher. It would not have looked as if it was coming from the nuclear bunker of the President of

North Korea. There would have been modern, high-quality production values. That is one. Secondly, it would have merely tried to change the focus of a hinterland from which you covered stories. It was not an attempt to bring a Fox News to Britain. I think that would be bad for Britain and I do not think there is a market for it, so it is both bad in principle and bad in commerce.

Every question assumes that the reason there is a problem is that the Government are not spending enough money, and there is no problem that cannot be solved if only we just spent more money, or there is no problem that cannot be solved if only the Government would get involved. The law of unintended consequences is entirely unknown to a whole generation of journalists. The Government could intervene with the best of intentions and make things worse, even though that is not what they intend. The net-zero example I gave was a classic example of the kind of journalism I wanted to bring in that would also look at a political establishment that the broadcasters have enshrined and reinforced, which was pretty much unanimous on net zero but had given no real thought to the cost for ordinary people. My kind of GB News would have done a lot on that.

Baroness Wheatcroft: Do you believe that the market is there for it?

Andrew Neil: I think the market is there for that.

Baroness Wheatcroft: In the early days the viewing figures proved your point, but in that case—

Andrew Neil: What I did not want it to become—I could see it was happening, which is why I left almost immediately—was an outlet for bizarre conspiracy theories or anti-vaxxers or basically the nutty end of politics.

Baroness Wheatcroft: Like Fox News?

Andrew Neil: —which Fox News, as I say, is "very good" at and in America there is a bigger market for that. There is no market for that in Britain beyond a hardcore of nutters. Am I allowed to say nutters? I just said nutters.

Baroness Wheatcroft: Is the outlook for GB News, as far as you are concerned, fairly gloomy, not just because you are not there but because they got the model wrong?

Andrew Neil: I need to be careful what I say here. I am quite surprised that GB News has survived as long as it has and I am even more surprised that they sold off TalkTV. I thought that TalkTV might do real damage to GB News because it did have better production values and it was not so conspiracy theorist. It had a variety. It leaned to the right but it had a variety of opinions and they were not all to the right.

To my surprise, GB News has found a niche for itself but it is not a very big niche and it is not a niche that can ever be profitable. It started running in January 2021, launched in June 2021. We are now coming up to June 2024, so three and a half years. It has lost over £90 million and it lost more in year 2 than it lost in year 1, whereas the original business

model was to break even by year 3. I think I am pretty safe in saying that will not happen. If there is a bunch of people who want to carry on financing it because they like the ideology, that is up to them, but I find it very hard to see how it can ever be profitable or even break even.

Baroness Wheatcroft: Meanwhile TalkTV is going online only. Do you think that has the possibility to be a successful way of running a broadcaster?

Andrew Neil: It is a cheaper way. It is radio with pictures.

Baroness Wheatcroft: Is there a market for that?

Andrew Neil: I think so. TalkTV was successful and profitable but it does not have the same impact. It is quite hard to do breaking news on radio with pictures. Take two Saturday nights ago—where do you get the live coverage of jets going into the sky to meet the oncoming Iranian missiles? TV can do that; it is pretty hard to do that on radio with pictures. Mr Murdoch, as I understand it, has lost about £100 million on TalkTV, which is quite a lot to manage in two years.

Baroness Wheatcroft: Given those two examples, what do you think the outlook is for more diversity in our broadcasting?

Andrew Neil: Close to zero, because I think the existing broadcasters are so entrenched that it is pretty hard to break in, unlike radio. Television is expensive. The British market probably is just not big enough to sustain rival versions of the mainstream broadcasters. I think people have seen that TalkTV costs £100 million. Even Rupert Murdoch, the owner of Fox television in America, could not make it work. GB News does have some traction in the market and an audience of sorts, but it still looks like never being a money-making proposition. Who else is going to try it?

Baroness Wheatcroft: Paul Marshall clearly has very deep pockets, but given what he has been prepared to see happen at GB News, how relaxed are you about him being the proprietor of the *Daily Telegraph*?

Andrew Neil: I am not at all relaxed. Whoever is the proprietor of the *Daily Telegraph* is none of my business. The *Spectator* and the *Telegraph*, although they had common ownership, were entirely separate companies. I took the *Spectator* out of the *Telegraph* to make it a separate, stand-alone company so that it would have its own ethos and its own way of doing things and not be overshadowed by the monster of the *Telegraph.*

It is interesting that I understand Mr Marshall is now pulling back from the board of GB News and putting in a front man. I think he is called Lord Agnew. I think he is a Member of this House and he may be here today, I am not sure. He is putting in a front man to do that, because I think he realises there is a fit and proper person test that if you are seen to be the major bankroller of GB News with 12 Ofcom investigations it may not be great.

The bigger issue for me—and I speak purely as a private citizen here because, as I say, I have no connection with the *Telegraph*—is that Mr

Marshall runs a hedge fund and his American billionaire partner runs a hedge fund. That hedge fund is opening massive new offices in the City of London. What do hedge funds do? One of the things they do is they short stocks. Enterprising journalists, and I will be one that will be tracking them, will be very quick at looking at the coverage of these businesses in the *Telegraph* and what stocks are being shorted. When Mr Farage was having his, if I can use a good Scottish word, stramash with NatWest, the *Spectator,* which is not a huge fan of Mr Farage, was wholly on his side against NatWest. If it had been owned by Mr Marshall and it was discovered that his hedge fund was shorting NatWest, it may have been unfair, there may have been no connection, but people would put two and two together. I think it is a real issue of whether hedge funds should be allowed to own newspapers. I would say no.

Baroness Wheatcroft: I think there is another issue of whether anyone should be allowed to short stocks.

Andrew Neil: That is one I will leave to your expertise.

Baroness Wheatcroft: We will not go there. The other issue that you alluded to is true impartiality. Quite clearly, GB News has run into problems over that issue. How would you like to see it defined and how do you think Ofcom defines it at the moment?

Andrew Neil: I think it is very hard to define it and it is very hard to enforce for a reason that I have referred to, but I will come back to underline that. I think the worst journalism is where you have a view of something and you go out to make the facts fit the view. That is bias, whether the facts justify it or not. This happens and it even happens sometimes in broadcasting. It has happened a lot in environmental issues. Sometimes I wonder whether our broadcasters are independent or merely the PR arm of Greenpeace and Friends of the Earth. I think that is easy to spot and the regulator can play a role there in saying, "Cut this out".

I am surprised how tolerant Ofcom has been of GB News. I think it may be because Ofcom knows that the rest of the broadcast universe is on the centre, centre-left, a bit more left-band, and so it gave GB News a bit more leeway to try to settle down. I am surprised that any regulator would allow politicians sitting in the Houses of Parliament to present political TV programmes. If I had stayed as chair it would never have happened because I would not have had any politician present a television show in the first place and I would certainly never have allowed politicians to interview other politicians from the same party. I just find that incredible and I think in these areas Ofcom needs to find a backbone—and quick.

On the broader issue of the systemic bias in broadcasting, which is often unconscious and is a consequence of the factors I have referred to earlier, I think that is very hard to regulate, I really do, because it is a cultural phenomenon. It is not, "We are really going to slant this story tonight to our way of thinking". That is not what I am talking about. I have explained what it is and I will not repeat myself. That is much more

difficult to regulate and I think Ofcom does not even try and, by the way, I do not blame it because I do not think you can.

Q118 **The Chair:** Before we move off this topic and on to the next one can I just connect what you were saying in answer to some of the questions from the Lord Bishop about the performance of the traditional media and also what you are saying about there being a market for a new kind of broadcaster because there is an appetite among some audience groups for something that they are not now getting from the traditional broadcasters?

Andrew Neil: Correct.

The Chair: You have highlighted publicly funded, with the BBC as the critical broadcaster needing to perform. How do you see this unfolding? If there is not going to be any change among the traditional broadcasters, and more particularly the BBC, as you see it, what is either your message about what needs to change at the BBC or what you fear is going to happen if things do not change?

Andrew Neil: More and more people will turn to alternative news and to digital news. This has already happened in America. There are some podcasts—Joe Rogan, for example—in the United States that are enormous, bigger than any radio station now. There are other people. There is now basically a video version of Substack. Substack was basically a way of monetising blogs. You charge people to read them, some big names launched them, and they have now done the equivalent of that in television. You have people whose names are big enough in the United States to attract an audience that will pay and subscribe, plus you get sponsors. You may even have spot advertising and they do their own things, unregulated, often jumping the shark, as Tucker Carlson has now. He has gone from only moderately silly to outright bonkers. People will turn more to that.

That is not necessarily a bad thing because the legacy broadcasters, the mainstream broadcasters, have a digital play as well. You can get them digitally too. They have a big presence on social media and those broadcasters which do not have linear channels are on there as well. I suspect digital becomes more of the marketplace. To blow our own trumpet a little bit, we have done it with Spectator TV. If you want to see what GB News would have been like if I had been in charge, watch Spectator TV. Spectator TV has good production values. We use only small 4K cameras but the production values are good and it is serious, intelligent conversation, often from different assumptions and a different world view, a different outlook from what you will get on the mainstream broadcasters, and we make money. We get sponsored and we have advertising and we use it as a vehicle for selling subscriptions. It is a mutually reinforcing business model that helps us to get more subs while extending the brand.

I have now launched Spectator Australia television, which looks fantastic and is doing very well. I may, if I have time before a new proprietor takes over and I head to the great newsroom in the sky, try it in America

too. There are alternatives. I do not think there is any ground for despair. I think the legacy broadcasters will be with us for a long time yet. They matter; they should matter. They are, above all, important when stories of national import matter.

By the way, coming back to the Bishop, young people will turn to these broadcasters if it is a big story that could affect them. If we are in a war situation and conscription might be introduced, I can assure you that young people will turn to the BBC and not TikTok to find out what is going on in this world. I am not at all pessimistic about it. I think we will have a variety. When Alastair Burnet launched "News at Ten" in 1967 or 1968, 12 million people watched "News at Ten". It was the biggest news broadcast ever in the history of British broadcasting. Those days are gone. The audience is much more atomised now but I think a lot more digital channels will come up. The technology is cheap.

I suppose the mistake that TalkTV made was to invest in massive studios and in massive overheads when its revenues were never going to match that. It is better to do what we do. We do Spectator TV out of an office, out of a beautiful wood-panelled room that looks as if it is the *Spectator*—a room like this but grander—and I think more and more people will do that. Within that, you will get the nutters because it is unregulated. You will get stupid things but you will also get intelligent people broadcasting.

We have found our audience has gone up and up because of the kind of broadcasting that we do. It is high-quality but is different from the mainstream broadcasters and more of that will happen and it will be an ecosphere where there will be a lot of choice. I would still expect people to turn to the BBC rather than Spectator TV if Russia has a breakthrough on the Ukrainian front this summer.

The Chair: I would like to ask another question but I am conscious of time so we will move on. Baroness Harding.

Q119 **Baroness Harding of Winscombe:** It is absolutely fascinating. I would like to take you to the role of government in the news sector. Looking forward over the next few years, how interventionist do you think government should be in supporting the news sector, if at all, and what do you think would constitute government overreach?

Andrew Neil: You should stay the hell out of it. You do not know anything about it. You are only trouble. We are not on your side; you are not on our side. We are different. Relations between journalist media and government should always be bad and never on any account should be allowed to get better. I do not want any of your help. I have rebuilt the *Spectator* without any help from anybody here or any Government or any tax incentives or any intervention. You cannot even keep the streets safe at night. The Scottish Government cannot build two bog-standard ferries. This Parliament cannot build a single high-speed line, so stay out of news. You are just trouble. We do not want any help. I just do not want you to interfere. I do not want your tax subsidies; I do not want your help. I want you just to concentrate.

I am a Jeffersonian. The Government should concentrate on doing what only government can do and do it well. We have government that concentrates on doing far too much, all of which it does badly. Please. We have gone through a major industrial upheaval, a major technological revolution, and we have come through the other side. We have lost people by the wayside. At times it has seemed like the Bataan Death March, but we have come through and we now know what we are doing and we just want to be allowed to get on with it.

Baroness Harding of Winscombe: Should there be any support, public sector support, for local journalism, for local news?

Andrew Neil: You identify what has been a problem, which is the decline in local news. I would not overdo how great local news was. My older brother, sadly departed, was editor of that well-known journal of record, the *Paisley Daily Express*, and the fact that my first job was as its cricket correspondent of course had nothing to do with the fact that he was the editor. In fact, it had everything to do with the fact that he was the editor, plus they could not find another mug to give up their Saturdays and watch a 20-overs a side cricket match and file 1,200 words by Saturday night. All these local newspapers depended on local government for advertising. They were not fearless seekers of truth, uncovering local government corruption and wrongdoing. That was done by the national papers which were not beholden to them, so I would not romanticise that.

I think there are alternative forms growing up. Quite a lot of concerned citizens now produce blogs that are excellent commentaries and insights into what is happening in local government and they have big followings. Almost a kind of citizen journalism is the way for local journalism to go. I am more worried about regional newspapers because, as I say, all these trends happen first in America. The papers that have suffered in the United States have been the *Chicago Tribune,* the *San Francisco Examiner and San Francisco Chronicle*, even the *Los Angeles Times,* because, unlike the *New York Times*, the *Washington Post* or the *Wall Street Journal,* they did not have nationwide brands, they were big city brands, and nor did they have global reach, which the three I have just named have. They are famous across the world.

The same has happened in Britain with our regional and national press. The *Scotsman*, which I ran for 10 years and was a huge success, is now a shadow of its former self. Its circulation is down to, I think, under 20,000 now, which is remarkable. The *Herald* in Glasgow has suffered too. The *Yorkshire Post* seems pretty vibrant but I think the *Liverpool Echo* is in some trouble. I was the Northern Ireland correspondent for the *Belfast Telegraph* and I forget, the *Independent* or some other newspaper, they were really powerful. I think that is a bigger problem but how you resolve that I have no idea. Sometimes things just change and you cannot replicate what happened before.

The idea that government should subsidise local journalism fills me with horror because he who pays the piper in the end always calls the tune.

Baroness Harding of Winscombe: Thinking about who pays the piper,

do you have concerns about the level of influence big tech firms may have on news and, if so, what should be done about it?

Andrew Neil: I do, but I think that boat has sailed now. Part of the problem with all political systems is that they are probably about three or four years behind the technology. It is part of the problem with all regulation. I am not against regulation. For example, the one thing government should do in the media area of course is to ensure there is a level playing field and to make sure that the market stays open and that no one becomes dominant. That is proper competition regulation in a market economy. Also I am delighted that the British Parliament saw fit to ensure that foreign Governments cannot own media. I think that is only right. A market economy in media, how that could accommodate media owned by other governments, seemed to me to be bizarre. There is a role for government in that, but in picking winners or losers or trying to influence the news or to subsidise the news in some way, I do not see that.

Can you go back to the point you were making?

Baroness Harding of Winscombe: How worried if at all are you on the influence that big tech can have on news and is there a role for Ofcom or some other regulator to mitigate that?

Andrew Neil: Part of the technology upheaval that we have faced is that in the early days—I am talking 2004, 2005, 2006—we thought the future was eyeballs, not subscription; get millions of people to your website and then what we came to know as programmatic advertising would come and that was a new stream of revenue. The problem is that the big tech companies, Google and Facebook, took the programmatic advertising between them and took a monopoly of it. The regulators did not know what was going on and by the time it dawned on them it was too late to do anything about it.

Today there is a real problem with Facebook in that it sets algorithms that determine what people can read. I do not use Facebook but if I was a Facebook subscriber and I posted an article on to Facebook because I thought it was interesting, the algorithms could well determine that you see it but you will not. Increasingly these algorithms have become tighter and it is more likely that you will see it and none of the rest of you will see it. We found that became really tight when anybody questioned lockdown. At one stage the algorithms made a speech by David Davis in the House of Commons disappear and I think that is very dangerous, but there is a way around that: do not use Facebook.

For the media, we do not depend on Facebook to get subs. For a long while legacy media used Facebook as a way of getting subscribers because you got them to read an article, you encouraged them to read another one. You had their email and before you know it you had a conversation with them and if you were lucky you sold a sub. That is how it works. You get the data first, you suck them in, they like what they see but they cannot read any more because they hit a hard paywall and they must pay to read any more. We do not use Facebook for that any more because of the algorithms. Just do not use Facebook.

Again, I think we can sort that out ourselves. Here is the problem. This is not a criticism. I think this is something that is just built into the system. By the time you come up with rules that might deal with this there will be a new problem, something else that really matters, and this does not matter any more. I think at the end of the day we should be allowed to fend for ourselves.

The Chair: I will have to disappoint two of my colleagues who wanted to ask supplementaries because we are out of time and we have three other witnesses to join us. Thank you for giving up some of your time to come to give evidence to us this afternoon.