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AN COMHCHOISTE FIOSRÚCHÁIN I DTAOBH NA GÉARCHÉIME BAINCÉI- REACHTA

JOINT COMMITTEE OF INQUIRY INTO THE BANKING CRISIS

Dé Céadaoin, 25 Márta 2015

Wednesday, 25 March 2015

The Committee met at 9.30 a.m.

MEMBERS PRESENT:

Deputy Pearse Doherty,	Senator Sean D. Barrett,
Deputy Joe Higgins,	Senator Michael D'Arcy,
Deputy Michael McGrath,	Senator Marc MacSharry,
Deputy Eoghan Murphy,	Senator Susan O'Keeffe.
Deputy Kieran O'Donnell,	
Deputy John Paul Phelan,	

DEPUTY CIARÁN LYNCH IN THE CHAIR.

CONTEXT PHASE

Sitting suspended at 11.42 a.m. and resumed at 12.07 p.m.

Mr. Harry Browne

Chairman: The committee of inquiry into the banking crisis is now in public session for session 2. This public hearing is a discussion with Mr. Harry Browne on the role of the media during the property boom in the lead-in to the banking crisis in the period 2002 to 2007.

At our sessions this morning, we are focused on the role of the media during the property boom in the lead-in to the banking crisis in the period of 2002 to 2007 and any changes in approach after the crisis. For the next session, I welcome Mr. Harry Browne to the meeting.

Mr. Browne is a lecturer at the school of media, Dublin Institute of Technology, as well as an activist and journalist. His journalism has appeared in numerous publications, including *The Irish Times*, *Village* magazine, *The Sunday Times*, *Irish Daily Mail*, *Evening Herald*, *Sunday Tribune*, *The Sunday Business Post* and *The Dubliner*. He has made numerous appearances as a guest on radio and television programmes. He has been a consulting editor on the multicultural newspaper *Metro Éireann*. His history research at Harvard, BA, and Columbia, MA, addressed Irish migrants in Britain and the United States and he has also studied US-based Italian-language journalism from the early 20th century. He is currently examining newspapers' neoliberalism in ongoing PhD research in the department of English, theatre and media studies at NUI Maynooth.

To commence with the more formal part of today's proceedings, I wish to advise the witness that by virtue of section 17(2)(l) of the Defamation Act 2009, witnesses are protected by absolute privilege in respect of their evidence to this committee. If he is directed by the Chairman to cease giving evidence on a particular matter and he continues to so do, he is entitled thereafter only to qualified privilege in respect of his evidence. The witness is directed that only evidence connected with the subject matter of these proceedings is to be given and as he has been informed previously, the committee is asking witnesses to refrain from discussing named individuals in this phase of the inquiry.

Members are reminded of the long-standing ruling of the Chair to the effect that they should not comment on, criticise or make charges against a person outside the Houses or an official by name or in such a way as to make him or her identifiable.

I invite Mr. Browne to make his opening comments to the inquiry.

Mr. Harry Browne: I thank the committee very much for the opportunity to speak with it today.

In starting, I should note that although the arguments and conclusions that I will bring to the committee today in this statement are certainly my own, some of the research that I will cite here is not and I will endeavour to make that clear. Indeed, Dr. Mercille would have been a major source for this statement were it not that the committee had already heard from him for two hours already. I will endeavour to mention other researchers whose work I am drawing upon, but I should also note that a fully referenced version of the statement has been furnished to the committee, with a works cited list, and I will also be making a link to that public on social media later today.

Print and broadcast media in Ireland played a difficult-to-measure but almost certainly significant role in the inflation of the property bubble and the legitimisation of risky behaviour by the financial services sector in the lead up to the crisis of 2007 and 2008. It did so partly by ignoring or marginalising scepticism about these phenomena. I will focus in my statement on the newspaper industry and I will argue that this socially destructive role should be understood not necessarily as a failing of Irish newspapers but, to some extent, as a feature, one that flows predictably from commercial media's structural relationship with the corporate forces that benefited from the bubble. While this relationship is of very long standing and continues to some extent to this day, I will further argue there were certain aspects of the development of newspapers in the 1990s and early 2000s, which were particularly acute here in Ireland but also experienced elsewhere in the world, that made them especially vulnerable to domination by those forces and weakened the capacity of journalists to play the critical, adversarial and investigative role that most of them do undoubtedly value. Within journalism and in research about journalists, that value is often referred to under the rubric of "professionalism," a term that encompasses a set of principles and performances that supposedly drive journalists to seek the truth impartially and to question the powerful doggedly. The values are captured in such largely symbolic documents as the National Union of Journalists Code of Conduct and the code of practice of the Press Council of Ireland. I will not endeavour to romanticise the journalism of an earlier age, which had plenty of its own problems, many of them involving the limits and shortcomings of professionalism itself. However, over the last 30 years or so, those principles have been widely understood to be increasingly at risk all over the world, with particular features of the media landscape endangering them. Daniel C. Hallin, a leading American scholar of journalism, has written, "For the most part I don't think journalistic professionalism is breaking down from the inside, by journalists becoming less committed to it; instead [Hallin continues] I think professionalism is being squeezed into increasingly smaller niches within the media field."

It is my contention that in Irish newspapers we can literally see that squeeze occur over the period between about 1990 and 2007, as the physical construction of newspapers changed. There was an inscription of an unquestioning pro-business ideology, in practice, onto increasingly large advertising-heavy portions of the newspaper - indeed, sections that owed their existence precisely to advertising, including the ever-growing business finance, property, and lifestyle sections, dedicated to the advertising of, respectively, recruitment, real estate, and consumer goods and services. Even the most scrupulous of newspaper editors, I contend, came to see those sections as a realm of, at best, what one might call "professionalism lite" where soft treatment of the rich and powerful was expected. Even if one worked in the niches where full-blown professionalism still held sway - the journalists who filled news pages and provided political coverage, for example - it was hard to miss the message that was embedded in that big colourful product about your employer's relationship with financial institutions, property interests and other corporate bodies. Those supplements were, after all, paying the bills. When The Irish Times Limited infamously paid €40 million for *myhome.ie* in 2006, it appeared to confirm the company's dedication to what increasingly looked like its core business - the advertising of property sales.

There is a piece of research that has already been cited today in which a group of Irish financial journalists, speaking on condition of anonymity to a team of academic researchers who published their findings in 2010, discussed this relationship. One of them said, in that research by Fahy, O'Brien and Poti:

Much of the mainstream media seems to me to be very conflicted because of their reliance on real-estate and recruitment advertising. That doesn't mean reporters consciously

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avoid writing bad news stories, but it's hard to run against the tide when everyone is getting rich.

Another stated explicitly that journalists “were leaned on by their organisations not to talk down the banks [and the] property market because those organisations have a heavy reliance on property advertising”.

In 2006 I interviewed dozens of journalists about *The Irish Times* at that time. One of them, who was retired from that newspaper, said:

In the mid-1980s ... we had a series investigating the truth behind buying and selling property. Can you imagine that now?

That was in 2006. Now, the idea that certain parts of the Irish newspaper industry were professionally compromised territory was already in the air as early as the 1980s. The former business editor from Independent Newspapers, cited in that same research that we have discussed, and to whom one of the Deputies has already referred, recalled a lunch from that period where journalists and stockbrokers gathered to mark the appointment of a new president to the Irish Stock Exchange. The journalist recalled the event to a researcher many years later. He stated:

The lunch went well and all the proprieties were observed, until, during the port, the topic of mutual dependence came up in the conversation. “What do you mean mutual?” a rubicund and slightly tipsy broker ventured. “The business pages are ours. We own them.”

The editor continued his recollection:

Trudging back to the office, however, I admit an icy feeling was coursing through my veins. Maybe, the chap with the English public school accent was right. He was implying that we [journalists] were lazy, dependent and largely uncritical. More chillingly still, maybe our employers (who shared the same gentlemen's clubs with the brokers) were happy with such an arrangement.

That was in the 1980s. By the time of the Celtic tiger, this compromised turf of business and financial journalism had expanded many times over, both in the volume of pages produced and in the number of journalists employed. In that research cited earlier, the author summarised the views of several of the Irish financial journalists whom they interviewed, and this is an extensive quote from that research:

According to journalist F, because of the need for regular contact with financial sources, “some journalists are reluctant to be critical of companies because they fear they will not get information or access in the future”. Journalist E ... believed that some journalists had become “far too close to their sources”:

They viewed them as friends and allies and essentially became advocates for them. Their approach was justified editorially because many developers and bankers limited access to such an extent that it became seen to be better to write soft stories about them than to lose access. Extremely soft stories would also be run to gain access too ...

Journalist B criticised daily financial journalism for being “almost entirely press release and stock exchange disclosure based[.]” ...

The report continues: “... Journalist F noted [that] it was “well known that some PR companies try to bully journalists by cutting off access or excluding journalists from briefings”.

The sort of ambivalence that this engenders about telling good tough stories while maintaining source relationships is not unique to financial or property journalism; it is present throughout journalism. However, as the role and prominence of those sorts of journalism increased in the 1990s and early 2000s, their particular compromises of professionalism played a proportionately bigger role in newspaper coverage of these important areas of the economy and society. Their growth was not inevitable, nor was it unique to Ireland. It was part of an international development in the newspaper industry that sought to diversify papers' content and appearance to make them more attractive to advertisers and, to a lesser extent, to readers. In the United States in the late 1980s and early 1990s this came to be known as "total newspapering", with a de-emphasis on news and - this is the "total" part - an effort to break down the traditional barriers between editorial and commercial considerations. A study of this phenomenon, also known as "market-led journalism," in the 1990s carried the cautionary title, "When MBAs rule the newsroom." This was already worrying journalists cited in British research during this decade:

Among journalists there are fears that the delicate balance between the self-interest of capitalist media owners and the "public interest" motives of journalism has been upset ... Some journalists have come to believe that the news is being stolen from them.

This market orientation does not express itself merely in the growth of financial and property journalism but in the explosion of entertainment, lifestyle and consumer-oriented sections and stories. As one scholar summarises it - again, I quote this from Hanitzsch:

When market orientation is high, journalism gives emphasis to what the audiences want to know at the expense of what they should know ... Audiences are not addressed in their role as citizens concerned with the social and political issues of the day but in their role as clients and consumers...

These developments in newspapers did not happen by accident or in isolation. They were a vital cultural component of the larger global development of politics and economics over the last several decades that we have come to call neoliberalism. The great historian and student of that phenomenon David Harvey writes: "Neoliberalization required both politically and economically the construction of a neoliberal market-based populist culture of differentiated consumerism and individual libertarianism."

It is important to note that I do not believe we should blame most journalists either individually or collectively for this situation. Nor have journalists been its obvious beneficiaries. Even in Ireland, where the booming economy helped newspaper circulation and profitability to remain healthy past 2000, a journalistic culture of increased workloads, casualisation, rapidly changing technological expectations and declining real rates of pay was in place throughout the industry even before the wider bust of 2007-08. When I did that series of interviews with newspaper journalists in 2006, many of them told me that their capacity to engage in critical scrutiny of Government and business was overwhelmed by the day-to-day pressures of filling ever more space in print and online. The job of careful consideration and analysis of events was largely left to a small coterie of editors and senior political writers who were generally believed to have risen to those posts through a combination of caution and conservatism. As research outside Ireland has also suggested, journalists who continued to feel that they should be doing hard-hitting, critical scrutiny of powerful institutions felt disempowered from doing so. It is not surprising that a reputable transnational "scorecard" of journalism's coverage of the financial crisis found that in Ireland, most stories were episodic and short of analysis. These conditions have, if anything, deteriorated further in the intervening years of collapsing circulation and desperate digitisation.

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Such conditions also provide the context for the increasing power of the public relations industry. As noted above, the capacity of PR officers to give and withhold the information that hard-pressed journalists require in order to do their work gives them an inevitable influence over content to the benefit of their State and corporate clients. An even more insidious form of PR influence comes in the form of “flak”, which is the negative attention and pressure that comes upon journalists when they attempt to report on sensitive stories. In theory, flak can come from any side of a story. In practice, most of it comes from the sides that can afford to generate it at a volume and with a social standing that catches the ear of editors.

For reasons of space, and because it was not a specific part of the brief, I have not greatly addressed the question of media ownership in this statement, although I am happy to do so hereafter. The enormously high concentration of media ownership in this State is, of course, a major danger and fundamental public concern. However, ownership of media cannot tell the whole story about it. *The Irish Times* is owned by a trust but has not been immune to the commercial pressures discussed here. RTE, which is genuinely dominant media outlet in this State, is owned by the people of Ireland but its role in broadcasting non-news and current affairs based “property porn” in the Celtic tiger years certainly bears scrutiny. It is worth saying that both RTE and newspapers did break many scandals although they were less likely to raise systematic questions about the state of the economy and the housing market.

The committee has asked me to address potential conflicts of interests among media organisations. Based on much of what I have said here, it is tempting to conclude that there was no real conflict of interest at all but rather a congruence of interests between media organisations and the developers and financiers who were advertising with them cashing in handsomely on a speculative bubble. While there would be some truth in such a conclusion, it would also be excessively simplistic because journalists and the organisations that employ them do also have an interest in producing strong stories that challenge conventional thinking, afflict the comfortable and comfort the afflicted. Indeed, nothing in what I have said here should be interpreted to mean that they do not sometimes do precisely that. The purpose of this analysis is not moral condemnation but to understand why, in the specific context of Celtic tiger Ireland and also beyond that context, the structural congruence might have been stronger and more influential than the sense of ethical conflict. While much of the professional practice of journalism is conducted with an acute awareness of “how it should be done”, nonetheless, a host of other influences determine the shape and content of the journalistic product leading to biases in favour of, for example, “talking up” the economy and the market, home ownership, property investment and the soft landing. How this happens is complex and contingent located where newspapers find themselves - at an intersection of daily events, longer term history, commerce, design, technology, routine, process, pressure and, not least, economic and political power. This intersection is traversed by the workers in a newspaper on a daily basis.

Chairman: I have a few questions. What does Mr. Browne mean by “property porn”?

Mr. Harry Browne: By “property porn”, I mean the programmes and feature articles that were part of the life of magazines and newspapers here that encouraged readers to constantly think about going higher and higher up the ladder - to think about getting that bigger house and how they were going to decorate their apartment in Bulgaria. It is a widely used term that refers to that sort of programming and editorial material.

Chairman: Could Mr. Browne briefly outline the principles of professionalism attributed to journalism generally that he discussed in his opening statement and the National Union of Journalists code of conduct? Are they one and the same thing or are they separate? What sectors

of the media do they cover? Do they just cover print, radio and television or do they include online media coverage? Could Mr. Browne explain how journalism is regulated as a profession in Ireland and the role of the Press Council of Ireland and the Office of the Press Ombudsman in that regard? Are they bound by the same regulatory codes and standards?

Mr. Harry Browne: I will do my best to answer that question. In the absence of other clear professional markers, a code of conduct - an idea that journalists are truth seekers who try to be impartial and who challenge powerful institutions - defines journalism, at least as far as many journalists are concerned. In another sense, it could be argued that some of that is also window dressing - a kind of high language that masks the chaotic reality of producing programmes and publications on a daily basis. In other words, it could be argued that it is a myth or a series of myths that does not necessarily have a lot to do with the day-to-day publishing of a website or magazine.

As the Chairman suggests, they are in some sense codified. The National Union of Journalists code of conduct is guidance for its members. The code of practice of the Press Council of Ireland has somewhat more weight. It is a voluntary code publications are encouraged to sign up and give their commitment to and encompasses fairness, balance, respect of the rights of the people about whom they write and accuracy. The Office of the Press Ombudsman and the Press Council were set up primarily by the newspaper industry in some ways to fend off more statutory regulation that was threatened to some extent by these Houses. They are essentially voluntary codes, although there is some statutory backup for the Press Council. In effect, this is an element of protection for communications with the Press Council. They have fairly weak enforcement methods. Publications are not obliged to sign up to them. In order to take a complaint to the Office of the Press Ombudsman, people need a certain standing in respect of the story. They cannot simply complain that a story is inaccurate. They must complain that it is inaccurate and that its inaccuracy affects them. Property editorial and journalism that is hard to distinguish from advertising, which were discussed this morning, do not really come up in respect of the Office of the Press Council.

Broadcasting is a very different story. The Broadcasting Authority of Ireland, BAI, has real and significant powers in terms of the regulation of RTE and the private broadcasting sector and has a code of fairness, objectivity and impartiality in news and current affairs which it is often quite aggressive in enforcing. Broadcasters are generally quite knowledgeable about the requirements they have under that code. The code relating to the press is a far less powerful instrument.

My interest is less in these assertions than in structural facts. Just as light-touch regulation in the economy was not a mistake but was built into the system of breaks and incentives that were established here to attract and reward capital, light-touch journalism to some extent was a predictable feature of the changing face of the industry since the 1980s. It does not require a conspiracy to undermine the standards codified in some of those documents we have talked about - just a set of institutional changes that made those standards less significant in many areas of journalistic work.

Senator Marc MacSharry: I thank Mr. Browne for coming before the committee. I would like to talk about his time at *The Irish Times*. What were the themes and areas he wrote about while he worked there?

Mr. Harry Browne: How much time do we have? I covered a lot of areas. I was an editor in the education section for a large portion of my time there. I worked in the newsroom doing

general reporting for a time. I did a lot of feature writing and arts coverage. I reviewed film, theatre and books. I was the radio critic and had a column for many years. I also edited a media studies page aimed at secondary school students.

Senator Marc MacSharry: Did Mr. Browne ever experience editorial interference?

Mr. Harry Browne: Of course, that is part of the structure of any news organisation or indeed any organisation. When one says editorial interference, meaning did anybody in a position of power in the organisation ever suggest that I should or should not do something in a certain way - yes of course.

Senator Marc MacSharry: Apart from guidance and mentoring as I am sure any boss would provide, was there ever a line the witness took which he was advised to adjust, for any reasons which were unusual?

Mr. Harry Browne: Touching a little on the ownership question in a slightly askew way - we have already said that *The Irish Times* is owned by a trust but the major rival to *The Irish Times* is owned by a large organisation. On the media studies page which I have already mentioned, we did a full page exploration for young people on the issue of media ownership. We had a large photograph of the proprietor of the rival organisation in question. That particular page and some of its statements came under attack in that rival publication. One of *The Irish Times* editors came to me the following week after that and said "Maybe it is a good idea to not pick a fight with that particular organisation in that particular way. Carry on but let us not go there in terms of raising questions about ownership of a rival organisation."

Senator Marc MacSharry: Did the witness ever have any experience of corporate interference where a particular line was adverse to advertisers? Did an editor ever ask him to be more commercially sensitive?

Mr. Harry Browne: No. I cannot say that I did. I was editor of a supplement called Education and Living. Its purpose was to cover the education sector. There was a long-term hope in the paper that it would attract advertising, particularly recruitment advertising for the education sector. Occasionally there were discussions about finding ways to do stories which would make the supplement fit the needs of the sector, so it would understand that while it is good to advertise in Friday's business section, they should also advertise in Tuesday's education section. The myth of the firm wall between editorial and advertising, that nobody from one side ever looks into the other side, is just that, a myth. The discussions certainly took place, but I cannot say that it ever impinged directly on my practice except for the example I give.

Senator Marc MacSharry: Apart from his own personal writings, would the witness have been aware, in his time with *The Irish Times* or in his research since, of any situation where there was a threat to withdraw advertising or a threat carried out, because of an editorial line pursued?

Mr. Harry Browne: There was a case I am familiar with, and which I have reported on since I left *The Irish Times*, of a senior journalist within a newspaper that no longer exists, who was relieved of his position after a piece ran under his jurisdiction which was lightly mocking of a prominent property advertiser. That advertiser approached the managing director of the newspaper directly. Consequently, the journalist's employment was terminated within 24 hours. Examples of this are not copious. For the reasons discussed previously, journalists usually understand the lines that they need to be careful about crossing, but that is a good example

of someone who crossed the line and paid with his job.

Senator Marc MacSharry: It is certainly a relevant example. We cannot mention names or organisations but can the witness say if that happened in the property boom era we are looking at?

Mr. Harry Browne: Yes it did. It happened late in that era, when questions were beginning to be raised about the bubble.

Senator Marc MacSharry: That is very good. The Chair mentioned oversight and the Press Council and codes of conduct. In Mr. Browne's view, are they sufficient or are they insufficient in practice?

Mr. Harry Browne: I have been a complainant myself in relation to use of the code of practice. I feel that my view might be prejudiced in that respect so I prefer to not comment on that.

Senator Marc MacSharry: That is fine. Do the codes of conduct which exist between the National Union of Journalists and papers such as *The Irish Times*, which I believe has its own internal code, govern things like gifts or junkets?

Mr. Harry Browne: That is a very good question. At times they have and at times the guidelines tend to fade. For most of the time I was in *The Irish Times* we had a very active ethics committee comprising editorial staff from the paper, and a close eye was kept on who was paying for trips and who was paying for lunch. There was a strong feeling that journalists should pay their own way or they should not take part at all in certain activities with potential sources or potential subjects or stories. I know that some newspapers continued to try and hold the line on that sort of activity. To be honest, the overwhelming practice in the industry is fairly lax in that respect, whether or not there are written codes in place that suggest it. The code of practice of the Press Council of Ireland does not make specific reference to it.

Senator Marc MacSharry: Without mentioning names or organisations, would the witness have been aware, in his own career, of the bestowing of a gift, tickets for the Champions League for example?

Mr. Harry Browne: Yes of course. Absolutely and repeatedly. Examples from quite early on in my career, in relation to property interests specifically, were dealt with within the organisation in question.

Senator Marc MacSharry: Property interests? Does the witness mean giving property?

Mr. Harry Browne: I would prefer not to go as specific as that, but yes where there was a gift that raised questions within the organisation, steps were taken to address it. It certainly was not the case that there was a freewheeling culture of gifts.

Senator Marc MacSharry: I do not want to misunderstand the witness, and I know we cannot talk about names and I will not, but is the witness saying that property was given to somebody?

Mr. Harry Browne: In effect.

Senator Marc MacSharry: We are not talking tickets to a match now. Are we talking bricks and mortar?

CONTEXT PHASE

Mr. Harry Browne: In effect, yes.

Senator Marc MacSharry: In the experience of the witness, was there a direct correlation between that instance and maybe positive writings?

Chairman: You are into specifics now.

Senator Marc MacSharry: Or not?

Chairman: You could be talking adversely now.

Mr. Harry Browne: I would prefer not to make a statement along those lines. I believe it is fair to say that the majority of journalists working in the property area would not be engaged in anything remotely resembling corrupt practices. Conflict rarely arises in the relationship between property developers, estate agents and the journalists working in those areas. There is not really any need for the showering of gifts. There is a shared interest in property journalism as traditionally understood in the property supplements. There is a shared interest in the promotion of property sales. I believe that in some respects, property journalism sometimes gets bashed a little too hard in these discussions. It is a genre in itself and in some ways can feature some of the most beautiful writing in journalism. Most readers understand what property journalism is and can see it for what it is.

My concern about property supplements is not so much the journalism that was in them, or the relationships that existed between individual journalists and the interests represented there, but the insidious effect their very existence had on larger aspects of newspapers. For example, it is one thing to have property supplements saying that one should buy a beautiful home in Ballsbridge, but it is another thing to have the business advice column treating homes and houses as just another asset class that people are invited to invest in. I believe in some ways that is more insidious.

Senator Marc MacSharry: In Mr. Browne's experience, is there a demonstrable correlation between, and are there instances of, positive writings and the bestowing of gifts?

Mr. Harry Browne: It is a kind of virtuous circle. In the fields of fashion, property and certain aspects of business coverage, there is a kind of routine, low-level bestowal of gifts. There is a famous quote about journalism which I can never remember precisely, to the effect of why would one bother bribing a journalist when one sees how easy it is to get them to write exactly what one wants for free. That characterises the relationship between business interests and journalists much more clearly for me than any notion that there is a sort of corruption even at a low level.

Senator Marc MacSharry: Does Mr. Browne think there were instances?

Mr. Harry Browne: Yes. As I was saying, the correlation is a sort of virtuous circle; that the journalists who are known to write nice things were invited along and they might be given a sample product, a nice lunch or whatever. One did not have to be doing the journalism as a direct response to the lovely dessert one got and the delicious wine that accompanied it, but one might have been getting the dessert wine because of the lovely coverage one had been giving to date.

Senator Marc MacSharry: In terms of supplements in newspapers, for example, property supplements - Mr. Browne said he edited an education supplement - has it become the practice

and is it a new phenomenon that supplements are about telling the story of the commercial interests relevant to that or is it a critique? Is it a cut and paste thing from the brochures of the corporates representing those sectors or is it an investigative critique suggesting that one should go to college A instead of college B because, buy house A instead of house B because, as perhaps it should be? Does Mr. Browne feel that it has become a scenario where it is cutting and pasting more from the brochures of the corporate world rather than the kind of professionalism in journalism that he referred to earlier?

Mr. Harry Browne: Generalisations are always dangerous. Certainly, if one picks up a business supplement of an Irish newspaper one will find interesting critical analysis of the activities of business people, within a certain critical framework that I would describe as a narrow ideological one in the sense that we were discussing earlier with Dr. Mercille. There is real critical journalism in business and education supplements. We did not have a client base in the same way-----

Senator Marc MacSharry: I am just finishing now.

Chairman: This will be Senator MacSharry's final question.

Senator Marc MacSharry: Yes, it is. To stay with the education example, if college A had a full-page advertisement and college B had an eighth of a page, would the editorial reflect that these days?

Mr. Harry Browne: We never had that worry terribly much in our education supplement about colleges taking out full-page advertisements.

Senator Marc MacSharry: I use that as an analogy.

Mr. Harry Browne: I think it would be fair to say that journalists would be critical, outside of the very explicit supplements like special reports on property that are designed to be ad magnets. Sometimes the distinction can be a little unclear. I picked up *The Sunday Business Post* the other day. It is a wonderful newspaper, but as one flips through it there are certain pages that focus on this or that and one can see they have essentially been designed as ad bait. When one sees something like that, there is an element of a pretty direct correlation between the advertising and the editorial. On the other hand, I think that, by and large, for instance in a business supplement in the *Irish Independent* or *The Irish Times*, I do not think the journalists are looking down to the bottom of the page to see who made the larger ad in order to determine who gets the better coverage.

Chairman: Did Mr. Browne use the term "ad bait"?

Mr. Harry Browne: Yes.

Chairman: Could Mr. Browne explain what that is?

Mr. Harry Browne: It is essentially that one sets up a kind of special report. I think I just invented the term to be honest.

Chairman: We will rob it from Mr. Browne.

Mr. Harry Browne: Sometimes it is called advertorial. One sets up a subject matter where one believes there will be a sectoral interest in advertising with that particular subject. Sometimes one does it in partnership with an outside institution. The phenomenon of special reports

is essentially a series of opportunities by which newspapers and outside bodies form a kind of partnership to produce pages that will then attract advertising from particular sectors. It is very widespread and it is seen as somehow okay because it says in very small writing that it is a special report.

Chairman: Would an example of that be a national newspaper deciding to focus on a region such as west Kerry-----

Mr. Harry Browne: Exactly, yes.

Chairman: -----and all of a sudden then hotels, restaurants and bars in the area would advertise?

Mr. Harry Browne: That is right. It is done specifically for that purpose. The great international example of a kind of scandal around this area was when *The Los Angeles Times* in 1999 did a supplement with a big convention centre in Los Angeles, the Staples Center. It was a very large magazine of 168 pages. It was ad bait. It was designed to attract lots of advertisers to that supplement. That would have been fairly commonplace, but then it emerged that the profits from the sale of advertising for that supplement were actually being shared between the newspaper and the Staples Center itself. That was seen as somehow crossing an ethical line that the supplement itself did not.

Chairman: I thank Mr. Browne and call Senator Susan O’Keeffe.

Senator Susan O’Keeffe: I ask Mr. Browne to forgive my voice as my throat is a bit dry. On page 2 of his statement, Mr. Browne talks about the print and broadcast media ignoring and marginalising scepticism about the property bubble and lending practices of financial institutions. Is he able to tell us a little bit more about that, because it is very specific and they are quite strong terms?

Mr. Harry Browne: Yes, I think to some extent this subject was ventilated a bit in the earlier session as well about examples of really suppressing or ignoring. I have not done the research the previous witness has done in this area so I will be speaking more in generalities. I believe that journalistic professionalism in its purest version would call journalists not only to say, well, what does the Government say or what does the leading expert in the leading Irish university department have to say on this topic. I would say that real journalism means that one goes and finds the dissident. One goes and finds the voices of those who are critical of the status quo.

The idea of journalism as a challenge to power can only happen if one is seeking out the expertise to challenge that power, and if one is seeking out the voices. Dr. Mercille has covered some of this ground. One had *The Economist* not *Red Pepper* saying in 2002 that the Irish economy was clearly overheating and that there was a bubble in property here. One had, by and large, Irish journalists working in the area choosing not to make that the main topic of conversation on television programmes and in newspaper articles for as long as that bubble was to continue. To some extent I think the burden of proof is on the other side, if the Senator does not mind me saying so; that in effect journalistic institutions would need to show that they systematically sought critical voices and to amplify and understand those reputable voices, mostly from outside the country, that were raising these fundamental questions about the state of the economy. I am not necessarily talking about who got an article on their desk and said, “No we are not taking that, it is too critical of the economy”. I am talking about what I think is a

fundamental journalistic duty, which is always to look for the other voice, the other perspective.

Senator Susan O’Keeffe: Just to be clear, is Mr. Browne saying in that period of time that we are discussing, that there was not enough of what he described as real journalism?

Mr. Harry Browne: Yes, I am always a little self-conscious about using that term because journalism comes in all sorts of shapes and sizes, but yes, I would go so far as to say that.

Senator Susan O’Keeffe: Indeed, Mr. Browne referred in his submission to, “Even if you worked in the niches where full-blown professionalism still held sway (the journalists who filled news pages and provided political coverage, for example)”. Is Mr. Browne making a difference between the full-blown professionalism of those journalists and the sort of journalists who were writing on the property pages, or am I misunderstanding him?

Mr. Harry Browne: No, Senator O’Keeffe is understanding my distinction. What I am saying is that even in those areas where one was not under the same direct commercial pressures or there was not the same expectation, for instance as there would be if one was being profiled in the business supplement of a major Irish newspaper, one can usually be pretty sure that it will be a nice, soft piece. That was certainly true, but probably a little less true since the collapse. Maybe we will get to that. It was certainly true during the time of the Celtic tiger.

What I am saying is that in addition to there being areas of the paper that did not come under the same sorts of commercial pressures, the people who worked in those areas none the less would get the message that those commercial sections put out. We may talk a little bit about how much money those sections were actually worth, but they were very significant. We were told repeatedly that those sections paid the bills in a newspaper. One comes to understand that it is where interests lie. That is not to say, of course, that political journalism is somehow immune to the same kind of source relationships and sensitivities that business or property journalism has. I do not want to come to Leinster House and pretend it is a big revelation that sometimes journalists are given a story in exchange for soft coverage. It is something I bet happens around here sometimes. That is the distinction I was making.

Senator Susan O’Keeffe: When media organisations can point to examples where they published a so-called contrarian view, am I correct in understanding that this was not enough? If somebody came up with a contrarian view, would better journalism have pursued a more contrarian view or to see if the person was correct in what is put out there?

Mr. Harry Browne: Absolutely. To some extent, journalism that reduces itself to recording the claims of one side and then the other side but does not investigate the reality of those claims, or seek more sides - as there are generally more than two sides to every story - is lacking.

Senator Susan O’Keeffe: As Mr. Browne was working as a journalist in that environment, what signal was sent out when two of the major newspapers bought property websites?

Mr. Harry Browne: I had left *The Irish Times* and was working as an academic by the time those purchases occurred. As I indicated in my opening statement, that signalled that this would be the core business. To some extent, that is not unreasonable as a suggestion. The main revenue source for newspapers up until very recently has been advertising, and within the advertising spend, approximately two thirds was from recruitment and property. They were roughly equally balanced, as I understand it. It was clear that by 2005 or 2006, newspapers were having trouble getting into this new online area. The Competition Authority had no problem with *The Irish Times* taking *myhome.ie* as there was no competition issue because the newspaper had

failed to bring its role of advertising property through print into the online sphere. In effect, the signal was just an amplification of the signal from a 48-page property supplement, which was in evidence since the late 1990s. That is fundamental to how those newspapers survive economically.

Senator Susan O’Keeffe: Mr. Browne mentioned “flak”, or the insidious form of public relations, PR, influence. Will he draw that out? Many people listening and watching would not understand the relationship here, where the public relations person interacts between journalist and client. I have an understanding of it and I have experienced that flak. Perhaps it would be useful to explain that a little.

Mr. Harry Browne: Flak, of course, does not have to come from a PR person and can come directly from an organisation or individual that feels aggrieved or potentially aggrieved by a particular line of questioning or story. PR does the flak for a person and it is part of the job. When an organisation employs a PR person, it is not just to produce press releases, organise briefings or take journalists to lunch where necessary. It is also in the expectation that where there is negative coverage or potential for negative coverage, the PR person will work to fend it off, minimise it or block it if possible. This might entail telling an editor it is not a good idea. An issue I have experienced personally and which Deputy Clare Daly has raised in the Dáil relates to the BBC World Service doing a short item about U2’s tax affairs and the perception of that in Ireland. I have written a book about one of the members.

Chairman: I have enough on my plate with the banking inquiry without getting into the pop world.

Mr. Harry Browne: It is just an example. A PR company in London spent many months working on executives within the BBC World Service in order to try to prevent that particular programme from going on air. That would be typical enough.

Senator Susan O’Keeffe: In the witness’s experience, was it the case that there were different levels of PR behaviour? For example, were some PR organisations or companies better at that kind of activity, were some less good and were some known for that activity? Is that not the case?

Mr. Harry Browne: I am sure that is the case but it would be beyond my specific experience to discuss that. The PR people I dealt with were great and it would be a real slur against public relations to suggest that somehow it is the opposite of journalism, the evil empire or the dark side. I know that on a Thursday afternoon, when I could really do with a photograph for page three of my supplement, there were a couple of PR companies that would be pretty good at giving me a call and saying there was a nice story and a picture that could probably be used. For the most part, PR people do their job well when they understand how journalists need to do their job. There may be insidious behaviour, with information being fed on behalf of a corporate client, but in some respects it was not a destructive force that prevented me from doing stories that flak has potential to do.

Senator Susan O’Keeffe: Mr. Browne told us the story in which he stated “maybe our employers, who shared the same gentleman’s clubs with brokers, were happy with such an arrangement”. Are such personal corporate connections relevant to people understanding the role of the media?

Mr. Harry Browne: I was thinking about this earlier this morning when we discussed the

question of who sits on the boards of different media organisations. Most journalists I know are pretty ignorant about who sits on the board of their organisations. The question of what kinds of stories are written is mostly connected with whether the editor will go for that or whether a different editor should be spoken to. These are the normal workplace relationships. That kind of high-level stuff is not what may be encountered.

Senator Susan O’Keeffe: The editor might encounter it.

Mr. Harry Browne: Exactly, and the editor might in turn reward journalists, promote them or look favourably on the people who do what conforms to the interests of the people in that social circle. That can involve small favours of reviewing so-and-so’s book favourably because she regularly has lunch with the editor’s brother. That sort of issue always gets talked about.

Senator Susan O’Keeffe: The people watching and listening may not be aware of that. Is the witness generalising or speaking from his own knowledge?

Mr. Harry Browne: I am absolutely speaking from my own knowledge but I am by no means suggesting that it is the overall and overwhelming determinant of the content of newspapers. It is one element that can sometimes arise. In the course of 12 years at *The Irish Times*, I may have heard a conversation along those lines 12 times. In none of those cases did I regard the demand being made as particularly onerous or problematic. Rather, it was one which flowed naturally enough from a set of relationships among elites, as we mentioned earlier. It was understood on those rare occasions that part of our job was to occasionally directly serve those interests when they were brought to our attention. The more insidious part is the extent to which we did not know we were being asked to serve particular interests but our work was being guided in ways that served those interests nonetheless.

Senator Susan O’Keeffe: Is that effectively what happened?

Mr. Harry Browne: It is a large part of what happens.

Senator Susan O’Keeffe: The witness has been inside and outside as an academic and practitioner. How would he look back at that period and judge whether the media has served us well as members of the public in these matters?

Mr. Harry Browne: I am glad to bring it back to these matters. I apologise for drifting into Bono and other issues. My overall assessment is made in the opening statement. I reiterate that we should distinguish between the interests of media institutions and those interests, including commercial interests, that we have discussed, as compared with the interests of journalism. It is possible, although slightly romantic, to make a distinction as to what we do as journalists. I have done my best journalism in the 13 years since I stopped working full-time within a media institution. I think we can say that it is possible to do journalism despite the larger interests of those organisations and that we, as journalists, do our best journalism when we are not worried about those interests and when the institutions make space for us to do that work.

Chairman: Thank you very much Mr. Browne, and thank you for returning back on that U2 thing because we would like to find out what we are looking for rather than going into that area.

Deputy John Paul Phelan: I welcome Mr. Browne. I have a couple of questions. On page 5, Mr. Browne briefly refers to ownership issues in the media in general and media outlets, and he has referred to the fact that he did not go into any detail on it, but does he believe that ownership factors had an impact on the coverage or lack of coverage of the issues that were prominent

before the housing bubble came to its ultimate collapse?

Mr. Harry Browne: My view, and it is not an especially well-informed one, would be that the direct impact of ownership in this particular area would be very difficult to identify. In other words, the wider interests of the individuals and companies that owned major media outlets in the State are not necessarily easily made congruent with those of the property industry. We did not have large property developers who owned newspapers. Anglo Irish Bank, to name one randomly selected institution, was not a major shareholder in any of those companies, which is not to contradict the point I made earlier about the basic structural relationship that arises from the advertising that that sector brought to bear in property and also in recruitment. The financial sector was a huge source of funds in recruitment advertising in newspapers, so I think that there again remains that structural question but it is not a direct consequence of the specific ownership of any specific media company.

Deputy John Paul Phelan: I was going to ask Mr. Browne about property porn, that quote as well from page 5. Is Mr. Browne stating there that RTE had a particular agenda in running those particular programmes that he referenced or that they were just reflecting the kind of wider view of the public at the time of interest in property-related matters?

Mr. Harry Browne: That is a very good question and I think that while RTE is not entirely immune to commercial considerations, it clearly is a dual-funded broadcaster and it gets considerable financing from advertising. Some of those programmes would have got sponsorship from building societies and things like that so there would have been some direct agenda, yes, an agenda that matched up advertising with content, in those areas, which were non-news areas, non-current affairs areas. I am not suggesting that RTE invented that agenda particularly for commercial purposes. As the Deputy suggests, it was part of a wider cultural phenomenon and one that arose directly from the economic interests of the institutions that were trying to encourage people to get on that ladder, keep buying, get on that ladder, keep buying, soft landing, etc.

Deputy John Paul Phelan: My final question again relates to page 5 and I want to put a quote which Mr. Browne partially referenced earlier in another answer. He notes that PR officers have, “The capacity to give and withhold the information that hard-pressed journalists require in order to do their work gives them an inevitable influence over content, to the benefit of their state and corporate clients.” Does Mr. Browne think that that power ever works in reverse in the sense that PR persons are reliant on the journalist to get their particular point of view across in a publication or in broadcast media?

Mr. Harry Browne: I think I understand the Deputy’s question. He is suggesting that, in a sense, the journalists can get more out of a PR because of what they have to offer, that, “No, you are going to have to give me more on that story, you are going to have to give me another angle, I need more information, because you are trying to get me to cover and I have potentially got three minutes on the news that I can do with this and if you want that three minutes you are going to have to give me more.” Sure, of course, the relationship is clearly a two-way stream and, again, one does not have to go far beyond the precincts of these premises to understand how that kind of relationship can work. The PRs do not hold all the power.

There is a very good book about the recent history of American journalism by John Nichols and Robert McChesney called *The Death and Life of American Journalism*, I think, and it has a chart in the back that traces the employment in the PR industry and the employment in journalism from about 1980 to 2008. In 1980 the two bars are roughly equivalent. There are just about the same number of PRs working in America as there are journalists. As one moves through the

1980s and 1990s the PR bar keeps growing, the journalism bar wobbles and starts to shrink and by 2008 there are about three or four times as many PRs as journalists in the United States. That indicates to me a kind of a change in the ecology of this entire relationship and one in which the capacity of journalists to scrutinise the kind of information that is coming from this vast apparatus of public relations is weakened and the capacity of the PRs to kind of push information on journalists who have more and more that they have to try to deal with, contend with, and publish is strengthened. So although the Deputy is right in suggesting that the power clearly can work both ways and journalists do have what one might call currency in the transaction, they nonetheless find themselves, I think, increasingly on the less pleasant end of that transaction.

Deputy John Paul Phelan: Is there not an overlap, or a huge overlap, anecdotally at least, between the PR-type role and the media-type role-----

Chairman: You are running out of time. This is your final question.

Deputy John Paul Phelan: -----in terms of a movement of people back and forth?

Mr. Harry Browne: Sure, a revolving door. There was a time when it would have been considered once one moved into PR there was no going back. I think nowadays most people who go into PR probably do not want to go back because the money in journalism is so much poorer than it is in public relations. Speaking as a journalist who sometimes writes press releases for causes and organisations that I support, I am delighted, as I am sure any of the committee members would be, when journalists cut and paste my press release and put it straight into the paper with somebody else's name on it. That is great but it is not very good for journalism.

Chairman: Thank you very much. Senator Sean Barrett has six minutes.

Senator Sean D. Barrett: I welcome Mr. Browne. Did Mr. Browne ever come across in his work - because there are stories on this that have reached the committee - a fast track, certainly by two building societies, and perhaps banks, towards mortgages for journalists?

Mr. Harry Browne: I heard of it very indirectly. Yes, I did hear of that. I certainly never heard it directly from someone who had been offered one. I heard that such a thing existed. All I can do is say that, yes, that rumour exists in my world as well.

Senator Sean D. Barrett: The section that Mr. Browne has on page 5 states, "Journalists who continued to feel that they should be doing hard-hitting, critical scrutiny of powerful institutions felt disempowered from doing so." Is that not just life? In all fields of activity one must have courage, one must have convictions, one will encounter obstacles. I know it is a wrong analogy but let us say that Kerry footballers and Kilkenny hurlers are not exactly waiting to hand over the titles next year, so are journalists being a bit self-pitying when they say things like that? Go on and do the story and stop worrying about who will not like it.

Mr. Harry Browne: If who will not like it is the person who pays one's salary then one does have to be concerned and if one's salary is not, in fact, a salary at all but a daily shift rate that one hopes one will get again next week if one is invited back then, yes, one does have to be very concerned about who is going to like it. Essentially, the changing structure of journalistic employment means that it is more dangerous and difficult to try to do those sorts of things. The fact is that the journalists that I interviewed, many of whom were saying those sorts of things for that research in 2006, were for the most part staff journalists in national newspapers, so they would not have had quite the same pressures that I have just referred to but, nonetheless, would have felt the heavy hand of how many stories they have to file on a given day. One needs to file

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three times a day now with the online thing. There is a sense that one can stand up for oneself. Hopefully, that is part of the ethics that journalists are supposed to carry into the field. However, the reality is, as in any institution, it is a risky proposition.

Senator Sean D. Barrett: I would prefer Bob Woodward and Carl Bernstein who are also among Mr. Browne's heroes.

Mr. Browne referred to the capacity of the public relations, PR, officers to give and withhold information that hard-pressed journalists require to do their work. He also referred to the growth of PR to being four times the number of journalists in the United States. I recall Mr. Browne's distinguished predecessor, the late Paul Tansey, with whom I worked to reduce air fares in and out of this country. We regarded the PR outfits in the airlines as our enemies and were quite proud to treat them as such when we took them on. What has happened since in that now journalists reprint PR hand-outs as if they were real news?

Mr. Harry Browne: I do it myself and have done it today but I am always suspicious of the line that in the old days we used to be so much better, hard-hitting and critical. The real change in the direction of the empowerment of PR is, as I outlined, the changing ecology of the information flow. PR is referred to as the enemy and there is talk of going to the dark side when journalists cross over to PR. It is one of the few acceptable ways within journalism for us to actually say we have this ethics element, we are not PR, we wear this badge called journalism which scrutinises information critically and just does not cut and paste it. Otherwise, journalists would sound self-righteous but at least we have PR to compare ourselves to. There is this very closely related industry that is somehow ethically different that we use as a way of flying our own flag.

The fact is that the access that PRs can control is very important to journalists. If one does not have that access and one's rival in another publication does, then one's editor will ask if one offended the PR. Some editors would be delighted one offended a potential source in some way and tell one to keep offending him. Other editors will say they would prefer if they had that story the other newspaper had.

Senator Sean D. Barrett: Regarding the lunchtime booze incident that Mr. Browne described, are there not ethical rules that state a journalist should get the story on the new president of the Stock Exchange and not waste time eating and drinking with these guys?

Mr. Harry Browne: What a shame it would be if there was never a chance to have lunch with sources.

We talked earlier about the existence or otherwise of ethics codes and their enforcement or otherwise in newspapers. At the same time, we are talking about human beings with relationships which are in some respects ongoing and necessarily have a social component. Again, I do not have to go far beyond this building to ratify that. The full quote from that lunchtime story includes a bit where the journalist said to the broker who claimed they own the business pages, that the hell they did. That was an instinctive pushback from the journalist at this bald assertion by the broker. It is possible to have an antagonistic challenging relationship with someone one must deal with regularly. It is difficult but it is possible.

Senator Sean D. Barrett: I am glad Woodward and Bernstein did not want to have lunch with Richard Nixon and just did the story.

Deputy Pearse Doherty: Is it correct Mr. Browne contributed to a book published in 2013

entitled *Great Irish Reportage* by John Horgan?

Mr. Harry Browne: It was edited by John Horgan. It is an anthology of Irish reportage.

Deputy Pearse Doherty: Michael Lewis was one of the contributors, the author of “When Irish Eyes are Crying” for *Vanity Fair*. Is Mr. Browne familiar with this piece?

Mr. Harry Browne: Yes.

Deputy Pearse Doherty: In that piece, originally published in March 2011, he quoted Morgan Kelly extensively. Michael Lewis stated when Morgan Kelly submitted his now quite famous 2007 article which appeared in *The Irish Times* in September of that year, he had also submitted it to another national newspaper and a Sunday national newspaper. One sat on it. As for the other, the editor wrote back to say he found the article offensive and would not publish it. What would lead an editor to make such a statement on an article like that?

Mr. Harry Browne: My knowledge of that story of the rejection comes from the same source, namely, Michael Lewis’s article. I have no particular inside information about this. An editor would reject an article because of the overwhelming consensus among Irish elites in 2006 and 2007 - probably in some sense a stronger consensus in that period when things looked like they might be a little bit shaky - that we need to hold the line and not talk down the economy.

There is no question that newspaper editors have a keen sense of their responsibility. “Responsibility” is sometimes a dangerous word to use in journalism. The best journalism is often quite irresponsible, saying what needs to be said and finding truths that need to be told. If I were to put myself in the mindset of an editor who would reject that piece - I hope I would never have been that editor - I would have done so on the basis that it was irresponsible, undermining of the economy and in itself a potentially dangerous act to publish it. That is how I would imagine an editor would justify it to himself or herself. Of course, I am trying to put myself in a position. Clearly, we know it was one of the most important prescient pieces of journalism at the time.

Deputy Pearse Doherty: Would an editor use the term “offensive”?

Mr. Harry Browne: I can only speculate that offensive referred in a sense to the extent to which Professor Kelly’s critique was a critique of everyone who had failed to see what he could plainly see. Essentially, the article was politely saying how foolish everyone had been in not recognising the existence of this bubble. In a sense, it was a critique of a large swathe of professional and academic economics in Ireland and, of course, of the media for its insistence on not recognising what *The Economist* had recognised many years earlier and what David McWilliams was writing.

Deputy Pearse Doherty: The *Vanity Fair* article refers to a PR guy telephoning the head of a department in a university to write a learned attack on Morgan Kelly’s piece. From where would such a suggestion come?

Mr. Harry Browne: Does the Deputy mean who might have been the client?

Deputy Pearse Doherty: The article states:

The public relations guy at [blank] called the head of the department of economics and asked him to find someone to write a learned attack on Kelly’s piece. (The department head refused.)

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From where could that have possibly come? Is this a university protecting its own interests?

Mr. Harry Browne: That comes from the fact that there were people within that university who were implicitly criticised by Kelly's piece. It would be quite commonplace for PR people to be thinking about damage limitation, putting opposing voices up so that if someone on one's side has been hit, one finds some way to hit back. It does not seem especially unusual to me.

Deputy Pearse Doherty: In his opening statement, Mr. Browne said he interviewed dozens of journalists in 2006 about the direction of *The Irish Times*. Could he give the committee some details about those interviews and the findings?

Chairman: That is one more question.

Mr. Harry Browne: It is not particularly relevant to the work of the committee, although it might be. I was doing a very long piece for *The Dubliner* about the political direction of *The Irish Times* and the question of whether it had essentially moved to the right in the course of the years of the boom. In so far as it related to how that political orientation was related to its structural relationship with corporate interests, it is relevant. The general view of the people I interviewed inside and outside *The Irish Times* is that there had been a perceptible move to the political right in the outlook of the paper during that time. The general view was that this largely reflected an entrenchment of the view of Irish political elites in a more conservative and neoliberal direction during the Celtic tiger period.

Deputy Michael McGrath: Mr. Browne is very welcome and I thank him for his time. Does he think that the newspapers provided adequate space for contrarian views in the lead-up to the crisis? Does he think the coverage properly reflected the balance of views that were in society in terms of property and housing?

Mr. Harry Browne: That is a two-part question. Did it reflect the balance of views that were available among the usual voices one would draw upon? The coverage probably did reflect that balance. Did it reflect contrarian views? No, it did not. This goes to the question of how it is that journalists measure what is a valid view to seek out and report. There has been some discussion here about the extent to which the economics profession called it or did not. I know economists who still argue about this quite a lot. I think I said earlier in response to Senator O'Keeffe that there is a duty to go beyond reflecting the views that are extant among the elite voices in society. I grew up in a liberation theology household in the US. My father, who had been a priest in New York, was always quoting the Conference of Latin American Bishops of 1968 which said that the Catholic Church should have a preferential option for the poor. In some respects, journalism should have a preferential option for the poor and in this case, for the marginalised and for the dissent. It should be looking for the voice that is challenging the elite perspectives. It should be seeking not just the educated views of economists, but the direct experience of people. Again, that is a romantic view of what journalism should be that is distinct from the interests of the institutions that largely sustain journalism. It is also one that should at least in part be a guide. In retrospect, it would have meant that Irish newspapers could be holding their heads up a little higher than they are able to do here this afternoon and tomorrow about how well they covered the underlying structural problems in the economy.

Deputy Michael McGrath: Were contrarian voices knocking on the doors of the newspapers looking for space and coverage to articulate their views? Mr. Browne said he does not believe adequate expression was given to those contrarian views. Were they out there seeking an opportunity to be heard and were they not given the platform?

Mr. Harry Browne: I am not in a position to say for sure that there were op-eds coming in that were being rejected. We know the example of Professor Morgan Kelly. This was a piece from a very senior and estimable academic that was nonetheless rejected on the grounds that it was dangerous and offensive. I go back to my point that newspapers should be actively seeking contrarian views but I think that the people who could have offered those views probably could have done better. People sometimes point to the ESRI reviews and say that if one reads them very carefully, one can see that they were calling the bubble. We should not have had to read them very carefully. They should have been calling it louder and should have been offering those op-eds to the newspapers.

Deputy Michael McGrath: Does Mr. Browne think that the commercial interests media organisations had in the property sector through property advertisements influenced their editorial position?

Mr. Harry Browne: Yes. I gave a one-word answer but it was in subtle ways that still need to be teased out by more research. Obviously, there is what a newspaper says in its editorial but there is also the kind of news it chooses to cover and the kind of voices it chooses to amplify. Those choices tended largely to reflect the structural relationship between the media organisations and those commercial sectors. Dr. Mercille has probably done more of the close research that bears that out. There is more to be done in that area.

Deputy Michael McGrath: In his opening statement, Mr. Browne commented on the changing face of journalism and the pressures that are there now in terms of the emphasis on the volume of output and the speed of output given the strong online presence. To what extent does he believe that this takes away from the capacity of journalists to engage in critical analysis of stories and that the emphasis is on getting the story out there?

Mr. Harry Browne: Hugely, there is good international scholarship on this that suggests that those kinds of pressures were being brought to bear while newspapers were still quite profitable and before there was an online presence to compete with. If one looks at the book I referred to earlier or *Flat Earth News* by Nick Davies, which is based on research from scholars from Cardiff University, there is a clear sense in which journalism has become more like what Nick Davies calls “churnalism” in recent years. I am always surprised by how much the public does not realise the extent of the crisis print journalism in particular finds itself in. The fall in circulation is only outstripped by the fall in advertising revenue. *The Irish Times* has wound down the pension plan so I will get something like 40% of the pension I was promised when I left the newspaper in 2002. *The Irish Times* has done this because of the trading situation in which it finds itself. We talk about newspapers being large companies. *The Irish Times* is now quite a small company. The advertising revenue in all national newspapers in 2014 is less than half of what it was eight years ago and this is from digital as well from print. Digital advertising is still a relatively small proportion of that.

Deputy Kieran O’Donnell: In his reply to one of the first questioners, Mr. Browne spoke about how a journalist had been demoted in the newspaper. I presume he was talking about *The Irish Times*.

Mr. Harry Browne: I did not specifically specify the newspaper nor will I.

Chairman: The Chair is in control here. Mr. Browne was very general so I ask the Deputy to bring himself to order. That is a leading question and it is the second time today I have picked the Deputy up on leading questions. If I hear a repetitive leading question, I will move on to the

next questioner. The clock is running.

Deputy Kieran O'Donnell: In what year did that particular incident happen?

Chairman: We are now moving into the specifics of this. That issue has been dealt with.

Deputy Kieran O'Donnell: Did it send out a signal within the newspaper establishment that if someone steps outside the normal view, there would be consequences?

Mr. Harry Browne: I do not want to get into the specifics of this case nor am I saying which organisation it took place in respect of my direct knowledge of the message that went through any organisation. There was a general feeling around the industry that these sorts of relationships should be monitored carefully.

Deputy Kieran O'Donnell: In his opening statement, Mr. Browne that the acquisition by *The Irish Times* of *myhome.ie* in 2006 indicated the extent to which the print industry entered the property sector. From his knowledge of and research into the particular issue, how was acquiring a property website at a time when the property market had virtually reached a peak and was on a downward trend viewed at the time in the industry and the publication itself? I refer to the interlinks in the industry and the property sector.

Mr. Harry Browne: If you are suggesting there was some scepticism about valuation and the move-----

Deputy Kieran O'Donnell: I am asking Mr. Browne's view. What was the view generally?

Mr. Harry Browne: I think there was some concern that this might have been unwise and that both the valuation and the sectoral move it represented was dangerous. However, there was also a sense that it was a fit and that there were obvious synergies to be had. In effect, *The Irish Times* represented the pinnacle of the traditional print advertising for property and hoped to bring that reputation and revenue capacity onto a new platform. I cannot say I had a million conversations about in 2006 when it took place, but there was a mixed view. From journalists there was some concern in the sense that this was a non-editorial product being acquired. It is one thing to have a big property supplement. It is another to have a website which is, essentially, just the advertising part of a property supplement. It is not like buying a local newspaper, which *The Irish Times* had done, or buying a glossy magazine, which *The Irish Times* did. This was actually taking something which was really a non-editorial product.

Deputy Kieran O'Donnell: Was it considered by the Competition Authority at the time?

Mr. Harry Browne: There was a very quick summary decision by the Competition Authority. It did not raise any competition issues and the then Minister for Enterprise, Trade and Employment approved it. It did not go to a phase two process. It was dealt with very quickly. As I said earlier, the reason there was no competition issue was that the newspaper had not yet brought its role in print property advertising into the online sphere. Essentially, they were complementary rather than potentially competing areas.

Deputy Kieran O'Donnell: In his research, did Mr. Browne have an opportunity to look at the growth in revenues *vis-à-vis* advertising, in particular property advertising and newspaper sales in various publications?

Mr. Harry Browne: Do you mean what proportion of newspaper advertising was repre-

sented by property?

Deputy Kieran O'Donnell: There are two things.

Chairman: A final question, Deputy.

Deputy Kieran O'Donnell: What proportion of its income was from advertising and how much of that was property related? What impact does Mr. Browne believe that had on how the newspaper industry operated in terms of coverage?

Mr. Harry Browne: Typically, for the larger newspapers in Ireland, advertising traditionally through the period of boom and for many years before that had been something like two thirds to 75% of the revenue stream of the newspapers. Fundamentally the business of newspapers is selling readers to advertisers and, to a smaller extent, selling newspapers to readers. In the memoir of a former editor of a national newspaper, he referred to research done in his newspaper and that two thirds of the advertising revenue was property and recruitment which were roughly equally spread. Recruitment is not to be overlooked and was a source of a vast area of relationships with the financial industry, in the same way that the property sections reflected relationships with estate agents. The recruitment sections, to a great extent, represented relationships with finance as well as with other industries.

For example, in 2001 there was a huge downturn in advertising revenue in newspapers, in particular *The Irish Times*, which was based fundamentally on a fall in recruitment rather than problems in the property market. If one breaks it down, two thirds plus of revenue in newspapers comes from advertising. Of that, two thirds comes from recruitment and property together. One gets a broad picture of the situation. If one looks at the steady rise of that through the boom and then the collapse since, one gets another sense of how important it has been to newspapers.

Senator Michael D'Arcy: Mr. Browne is very welcome. In his opening statement he said that the then *The Irish Times* editor Douglas Gageby stood up to them. What is his opinion on the subsequent editors?

Chairman: We are not looking for a value judgment of personalities here, Senator. You can talk about the general editorial position or management but we are not going into specifics at this stage of the inquiry.

Senator Michael D'Arcy: The question, Chairman, concerns Mr. Browne's view and opinion on whether subsequent editors stood up to them. I think it is a relevant question.

Chairman: I will give latitude a bit of latitude but I ask Mr. Browne to be measurable in his response.

Mr. Harry Browne: Sure. I have the greatest of respect for all of the editors who have served in the period since Douglas Gageby was editor. I was not in *The Irish Times* during-----

Senator Michael D'Arcy: I ask for a general observation on *The Irish Times*.

Mr. Harry Browne: A general observation. What the interviewee suggested - he was not off the record but I will refrain from mentioning his name - that the balance of forces within the newspaper was such that in the mid-1980s when he edited a critical series on property, the commercial side of the house could come in and say, "Don't do that. Why are you doing that?", and the editor would say: "This is our area." That hard wall is widely seen as having been, to a certain extent, breached in both directions.

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One of Mr. Gageby's successors writes in his own memoirs that he sometimes regrets that he did not take more of an active role in the management side of the company, as opposed to just the editorial management of the newspaper. I mentioned the *Los Angeles Times* earlier. When a new publisher came in there in the 1990s, he said he was going to take a bazooka to blow away the wall between commercial and editorial considerations. That was a more dramatic view of a kind of an idea that was widespread within the newspaper business at the time that said the editorial side has to think business, the business side has to think editorial and we are all in this together.

It was possible for a time in many national newspapers here for senior journalists to do an MBA and get funding from the newspaper to do it. In some respects, for people outside journalism that might seem perfectly normal. One is a manager within a company and one's company wants one to get a better qualification in management. From the point of view of a journalist, it is more problematic because an MBA is training in a certain kind of ideology as well as being training in the capacity to manage. That breach was much more widespread by the 1990s and beyond.

Senator Michael D'Arcy: Mr. Browne also states that in 2006 many of the journalists told him that their capacity to engage in critical scrutiny of Government and business was overwhelmed by the day-to-day pressures of filling ever more space in print and online. Has journalism been dumbed down?

Mr. Harry Browne: I think that would be a widespread view and one I would probably share. As the committee has probably gathered, I am not great at short answers.

Senator Michael D'Arcy: I did notice.

Mr. Harry Browne: So I will go with a short answer on that, yes.

Senator Michael D'Arcy: Mr. Browne was a working journalist. We have discussed influence, which may be too strong a word. I will use the term "coercion".

Chairman: That is even stronger. Can you come back?

Senator Michael D'Arcy: Wait until you hear the question. Can I ask Mr. Browne his view on the elite, to speak in very strong terms? On one occasion a very senior politician spoke about suicide. Can I ask Mr. Browne's view, as a practitioner and as somebody who is now an academic, how that influence or coercion impacts upon journalism?

Mr. Harry Browne: It is a good question. It is almost a question about human psychology as much as it is about journalism, because at some level it seems to me that particular politician in question went too far. There was a gut reaction among a lot of people who said: "We are not going to let him say something like that. We are going to say the things." In other words, instead of the effect being that those people should all commit suicide if they are so negative about the economy and making people shut up, the effect was to make people think it was important to say something. It is, perhaps, important to say something now, to be in solidarity with the people who are being accused of being depressing about the economy. There is not a simple answer in that regard. At the point of the unravelling of the crisis it probably had the effect of sparking more critical journalism rather than suppressing it.

Senator Michael D'Arcy: Was Mr. Browne ever approached by an advertiser who, rather than withdrawing advertising, was attempting to coerce publication of an article, with the po-

tential to have advertising placed?

Mr. Harry Browne: No.

Chairman: Returning to the main terms of reference of the inquiry and some of the matters that have arisen, Mr. Browne used the term “light touch journalism” this morning.

Mr. Harry Browne: Yes.

Chairman: The term “light touch regulation” has been mentioned many times during the term of the inquiry. Taking the two terms together, has Mr. Browne in his experience as a journalist or from information available to him, ever come across gatherings or dinners hosted by the banking industry, which included members of the Central Bank, the Financial Regulator or officials or board members of same, at which it was stated that this was a manifestation of the light-touch regulation process?

Mr. Harry Browne: I cannot say that I have. I have no direct knowledge of that. It is not my field.

Chairman: Fair enough.

Deputy Joe Higgins: It is stated on page 4 of Mr. Browne’s opening statement in relation to the role of journalists during the bubble that a journalistic culture of increased workloads, casualisation, rapidly changing technological expectations and declining real rates of pay was in place throughout the industry even before the wider bust of 2007 and 2008. Features such as casualisation, declining rates of pay, etc., in other areas of the economy were routinely referred to as a race to the bottom. In Mr. Browne’s view was a race to the bottom being manifested within the media organisations during this period and, if so, how does this relate to how coverage of the bubble was treated?

Mr. Harry Browne: I have spoken a little about what I think are some of the consequences of casualised work and the difficulties of reporting critical stories while on a shift rate. I think, however, what the Deputy is asking is if the media industry exemplifying some of the worst excesses of the neoliberal period, is in itself something that affects coverage.

Deputy Joe Higgins: That is one aspect of it. The other aspect is the effect on journalists and what they produce.

Mr. Harry Browne: It is fair to say that journalism was to some extent characterised by this race to the bottom.

Chairman: I ask members and the witness to check their mobile phones as somebody’s phone is causing interference.

Mr. Harry Browne: I have already outlined what I believe were the effects. Some journalists continued to do well throughout the period in question and to some extent have done well since. The fact that journalism is characterised by certain structural changes that in ways resemble other industries should in some ways be seen as an opportunity for journalists. I say that not as a booster. Journalists who know the world of casualised labour, the world of falling wages and the world of precariousness may be in a better position to write about those realms than are journalists who are comfortable professionals-----

Deputy Joe Higgins: Would they not be in a more vulnerable position as well?

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Mr. Harry Browne: Yes. They are also in a more vulnerable position in so far as the institutions in which they might hope to earn a living writing about precariousness and low wages are themselves vulnerable because they have interest in maintaining their precarious position. As I said, I am by no means being a booster about it, it is a pretty terrible situation. I send graduates out into this world on a yearly basis and it upsets me greatly to do that.

Deputy Joe Higgins: Does this not put those journalists in a position whereby they feel weaker in terms of standing up to an editor in relation to a particular story?

Mr. Harry Browne: Yes. I made that point earlier in response to Senator Barrett.

Deputy Joe Higgins: Mr. Browne referred in his introduction to a development in the United States in the late 1990s which others have called total newspapering and described this as an effort to break down traditional barriers between editorial and commercial considerations, referring to an Underwood study and then to market-led journalism. What are the implications of this process for, for example, how the property bubble would be covered?

Mr. Harry Browne: The practice of having supplements that exist effectively to attract advertising clearly comprises the traditional idea of editorial integrity in newspapers. The journalists who write for them could, if they were freelance journalists, be working on the property supplement one day and have to put on their ethical hat a little bit crooked because they would be aware of the need to report in a particular way for the property supplement. Without bashing them, because they did some beautiful writing, some of the masters of euphemism in property supplements are extraordinary literary achievements. The journalist would then have to straighten his or her hat again when required to work on the news pages. This sort of compromise on a daily or weekly basis among journalists is not something that can be sustained as an ethical stance or as a way of pursuing what is, I think, a vocation rather than only a trade. Absolutely, it has huge consequences.

Deputy Joe Higgins: The role of the banking inquiry is, among other things, to examine cultural and other factors and practices that were evident pre the crisis and that led to the crisis. In Mr. Browne's experience and based on his academic studies, does the media bear no responsibility or some level of responsibility for the development of the bubble and the subsequent damage done?

Mr. Harry Browne: In media studies, the question of what is the effect of certain kinds of coverage is a very controversial area. There is no sense in which scholars accept the notion that if one injects a 48-page property supplement into the blood stream of the readers they are all going to turn into mad property buyers. There is nothing as straightforward as that. There is no question that the property supplement was itself seen as an index of the boom, as was the case in regard to the recruitment supplements. It is impossible to gauge precisely the effects of the journalism. It would be ridiculous to suggest it had no effect whatsoever. It was a huge part of the cultural manifestation and cultural conversation that happened that had deeper structural economic roots.

Deputy Joe Higgins: I thank Mr. Browne.

Deputy Eoghan Murphy: Following on from Deputy Higgins's last question, if we accept that ownership and sources of funding for media outlets had an unwanted impact on how the crisis was covered and on coverage pre-crisis and subsequently, what changes need to be made in terms of the funding structure and ownership of media, outside of things like philanthropy

and so on?

Mr. Harry Browne: I have done some critical scholarship about philanthropy for journalism. I have my own questions about philanthropic foundations and the agendas that they might bring in funding journalism. I do not see philanthropy as a cure all. The amount of money involved is nothing compared to what the market can bring or what the State can bring. Ultimately, what we want is a plural media. We want space for alternatives, something that brings us past mere professionalism and understands that journalism should be challenging and can be partisan and still be honest. It seems to me that the distinction I was making earlier between journalism and the commercial institutions that support it is one that is worth pulling apart. I do not think we have to concede that, just because the institutions have these structural relationships to power, journalism itself is doomed to being dominated by stenography for the power.

It happens in many places around the world where media get public support. One does not have to look beyond Ireland, of course. The most important media organisation in this country is one that gets paid for out of the licence fee. That is a model that is in place in large parts of the world. It is the best media organisation in the country by some distance as well. It has many, many faults but it does an awful lot of things and it does a good 30% of them very well.

Chairman: We are broadcasting this live, so Mr. Browne can keep it up.

Mr. Harry Browne: I am joking. It probably does 40% or 45%.

Chairman: I assume that we are 15% of the 30%.

Mr. Harry Browne: I think it is really likely that we cannot rely on the private commercial institutions to do the job anymore because of the fundamental unravelling of the business model that has sustained them. Short of a perfect society, I think that some mix of market and public support is necessary and important. We see it in Finland, for example, and people are always citing Scandinavian examples. There are hundreds of euro per capita spent on direct and indirect subsidies to publications. So not only can we talk about licence fees to public broadcasters, we can talk about, as already exists in Ireland, lower tax rates for newspapers - VAT on papers is low here for example.

Deputy Eoghan Murphy: I am going to run out of time. As there is a commercial aspect to media in this country, do we need to introduce laws to protect ourselves from the negative influence of commercial interests? I am talking about media ownership concentration and concentration of advertising for a particular sector. Do we need to ban property supplements?

Mr. Harry Browne: The property supplements are very pretty.

Deputy Eoghan Murphy: Are there ways we can protect both journalism as a profession and the public from negative commercial interests in the media?

Mr. Harry Browne: There are ways. I grew up in the United States and the American in me is very resistant to ideas of state controls, even though the United States was one of the first countries to introduce subsidies for media and made it much easier to publish and distribute newspapers going back to the late 1700s and 1800s. I support those kinds of things, but on the idea that one would ban this or restrict that, I think I would prefer to see a situation where we are using carrots rather than sticks, where one incentivises non-profit news production, for example, with various kinds of breaks and various kinds of subsidies. We are a long way from having that discussion and obviously this is not exactly the forum for it. I think there are a lot

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of better ways to run a media system than the one that we have got at the moment.

Chairman: We will conclude. I will do summaries, but before doing that I will invite Senators MacSharry and O’Keeffe to ask closing questions.

Senator Marc MacSharry: It is a two-part question. I again thank Mr. Browne. Earlier during my questioning he outlined an instance where somebody was given real estate for positive commentary. Did I understand him correctly in saying that?

In modern times raw news reportage has given way to views and opinion, which is in the period we are looking at here. In Mr. Browne’s view, does it amount to cheerleading the property boom?

Mr. Harry Browne: On the first point, the statement I made stands on the record.

On the second question, views and opinions are cheap to produce; that is the main thing about them. Some of the views and opinions may be quite critical of property booms and other aspects of neoliberal rule. It is not necessarily the case that it is all cheerleading.

Senator Susan O’Keeffe: I have two questions. The first relates to Mr. Browne’s reference to some research, stating that a reputable transnational “scorecard” of journalism’s coverage of the financial crisis found that in Ireland, most stories were episodic and short of analysis. Does he have anything further to add to that?

Mr. Harry Browne: Yes, “episodic” essentially means that it talks about what happens on the day instead of giving an analytical or thematic framework of understanding for them. To be honest, it characterises most coverage of most stories, partly because of the constraints and pressures we talked about earlier. It is one of the richest areas of study of journalism. It is one of the areas where we find that there is actually a difference in how people read and receive stories depending on whether they are given real analysis and thematic understanding or whether they are merely told what happened today.

This analysis was an article by a series of scholars who looked at the coverage of the crisis in many different countries and found that in Ireland and most other countries as well, the coverage was largely bitty. It was not to say it was all positive. Obviously - we have not really talked about this - the crisis really did bring about a huge swing to the negative pole in how journalism talked about the economy, talked about the banks and talked about the property market. However, it was without rich analysis. It was largely the latest emanation of crisis.

Senator Susan O’Keeffe: We talked a lot about property. Was there any influence by senior politicians exercised over newspapers, over journalists, during the time Mr. Browne has been working and observing?

Mr. Harry Browne: I was just a foot soldier in the world of journalism. I would not necessarily have been in on discussions with senior politicians. One would know that certain politicians had a good relationship with the political editor, the editor or whatever, but mostly I would consider that to be normal institutional relationships - exactly what one would expect from institutions that are important parts of the functioning of an information system in a society. Yes, senior politicians care what is in the newspaper; that is good.

Chairman: I thank Mr. Browne. I will not be pushing him to give “Yes” or “No” answers, but I want to bring proceedings to a conclusion. I ask him to answer the following questions

succinctly. Was Ireland unique in the 2002 to 2007 period with regard to how the media covered growth in the property sector?

Mr. Harry Browne: No.

Chairman: When that period was over, from 2007-08 onwards, were the media coming out of that period ultimately beneficiaries or had they suffered losses as a result of that experience or their engagement with property?

Mr. Harry Browne: I think it was catastrophic financially of course. The end of the bubble has been incredibly damaging to media. In terms of editorially, there has been a kind of extended episode of breast beating about how bad it was that journalists had succumbed to the orthodoxy of the bubble.

Chairman: Is that damage financial or reputational?

Mr. Harry Browne: Both, but I think that to some extent the lesson of the reputational damage was to say, "Well, we should beat up on ourselves for what we did during that period", but, as I think Dr. Mercille's research indicates, to essentially move into a new orthodoxy. The period since then has not necessarily been characterised by a really pluralistic critical journalism; it has just been characterised by a different orthodoxy.

Chairman: That leads me to the next area. Were particular spheres of media affected more than others, either commercially or reputationally in the aftermath?

Mr. Harry Browne: I do not have an index for measuring that.

Chairman: So Mr. Browne is not grading one over the other.

Ultimately, what lessons need to be learned? Deputy Eoghan Murphy referred to this in his closing question. Could this happen all over again in the financial sector? While that is a question for people who deal with regulation of bankers, given Mr. Browne's expertise in media I ask this. Are the media structured in a way that this whole thing could happen again and we would see these massive supplements, albeit maybe in a different technological format - online or whatever?

Mr. Harry Browne: Yes, of course it can happen. I think that fundamentally if it did happen again, probably for better or worse the institutions we are talking about would be less important than they were in the period the committee is studying, but they could certainly continue to fall into many of the same traps because they continue to have many of the same structural relations to the industries and the sectors, and the interests that represent them.

Chairman: One of the jobs of this inquiry is not just to look at the past in terms of what we can learn from it but also to draw lessons from that going into the future. Is there any particular learning from this period that Mr. Browne thinks has not been acted upon or needs to be acted upon going into the future?

Mr. Harry Browne: It depends on who can do this acting. That is what I would say. Certainly, as I said in answer to Deputy Murphy, I do not feel comfortable with suggesting that there is a new regulatory framework needed - in terms of a restrictive one. Nor do I think the commercial media are currently in a position to reshape themselves somehow to avoid the pitfalls they came into before. It is all very well to ask what would be done in that respect but we are in our current situation. It is not a terribly good one for journalism.

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Chairman: Is there anything Mr. Browne would like to add before we wrap up matters?

Mr. Harry Browne: I think I have said more than enough.

Chairman: Thank you very much for your participation in the inquiry today. The commentary has been very informative. It has been a valuable meeting that has added to our understanding of factors leading to the banking crisis in Ireland. With the permission of members, I propose to suspend the meeting until 2.45 p.m., at which time we will resume to speak with a delegation from the *Irish Examiner*. Is that agreed? Agreed.

Sitting suspended at 2.05 p.m. and resumed at 2.45 p.m.

Mr. Tim Vaughan and Mr. Tom Murphy

Chairman: We are in public session. We will proceed with session three of today's hearings, which is a discussion with two representatives from the *Irish Examiner* - Mr. Tom Murphy, CEO, and Mr. Tim Vaughan, editor - about the role of the media during the property boom in the lead up to the banking crisis in the period 2002-07 and any changes of approach after the crisis. Mr. Murphy and Mr. Vaughan have specifically been invited to discuss the *Irish Examiner's* editorial policy on the economy and the property boom, and, separately, their newspaper's business model and sources of revenue, including that from the retail sector, in the period 2002-07.

Mr. Tim Vaughan is a European studies graduate of NIHE Limerick, now the University of Limerick, and has been a journalist for 28 years. He began his career with *The Corkman* and *The Kerryman* before being invited to join the *Cork Examiner* in 1991. Four years later he was promoted to associate editor and in 2001 he was appointed editor of the newspaper. Mr. Tom Murphy is group chief executive of Landmark Media Investments Limited and chief executive of the *Irish Examiner*, a position he has held since March 2013. From June 2010 to March 2013 he was group chief executive of Thomas Crosbie Holdings Limited, and from October 2002 to June 2010 he was chief executive of the *Irish Examiner*. Mr. Vaughan and Mr. Murphy are very welcome before the inquiry.

Mr. Tim Vaughan: Thank you.

Mr. Tom Murphy: Thank you.

Chairman: Before I begin, I wish to advise that, by virtue of section 17(2)(l) of the Defamation Act 2009, witnesses are protected by absolute privilege in respect of their evidence to this committee. If they are directed by the Chairman to cease giving evidence on a particular matter and they continue to so do, they are entitled thereafter only to qualified privilege in respect of their evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and, as they have been informed previously, the committee is asking witnesses to refrain from discussing named individuals in this phase of the inquiry. Members are reminded of the long-standing ruling of the Chair to the effect that they should not comment on, criticise or make charges against a person outside the Houses or an official by name or in such a way as to make him or her identifiable.

I invite Mr. Murphy and Mr. Vaughan to make their opening comments.

Mr. Tim Vaughan: I thank the Chairman for the opportunity to address him and his colleagues today. I will deal with the issues I have been asked to address, with specific reference