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Case No: HQ12D03052

IN THE HIGH COURT OF JUSTICE
QUEEN'S BENCH DIVISION

Royal Courts of Justice
Strand, London, WC2A 2LL

Date: 4 February 2013

Before :

THE HONOURABLE MR JUSTICE EADY

- -

Between :

PETER CRUDDAS	**Claimant**
- and -	
MARK ADAMS	**Defendant**

- -
- -

Desmond Browne QC and **Matthew Nicklin** (instructed by **Russell Jones & Walker**) for the **Claimant**
The Defendant appeared in person

Hearing dates: 23 & 24 January 2013

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Approved Judgment

I direct that pursuant to CPR PD 39A para 6.1 no official shorthand note shall be taken of this Judgment and that copies of this version as handed down may be treated as authentic.

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THE HONOURABLE MR JUSTICE EADY

Mr Justice Eady :

1. The Claimant, Mr Peter Cruddas, is the founder and Executive Chairman of CMC Markets UK Plc, which is an online trading company. He is a well known philanthropist and has set himself the goal of donating £100m to charity – a target which he is well on the way towards achieving. Until he resigned in March 2012, he was also Treasurer of the Conservative Party.

2. On 15 March of last year, two undercover journalists attended a meeting with Mr Cruddas, which they secretly filmed, and during which they posed as potential donors to Conservative Party funds. Subsequently, on 25 March, the *Sunday Times* published several articles about him, both in hard copy and on the website. These were largely based on selectively chosen passages from the recording of what passed between him and the journalists. For several months, the newspaper was unwilling to release the transcript or the recording but, following the intervention of the Press Complaints Commission, this material eventually became available. The content could then be compared with the allegations made in the newspaper. Mr Cruddas has sued the proprietors of the *Sunday Times*, together with the two journalists, seeking remedies for libel and malicious falsehood. I propose to say very little about those proceedings, which are due to be tried in June of this year. Obviously, it is not for me to pre-judge any of the issues arising in that case, and in particular to make any comment as to the meaning(s) of the articles. It is necessary for present purposes, however, to note the defamatory meanings pleaded on Mr Cruddas' behalf, namely that:

   i) in return for cash donations to the Conservative Party, the Claimant corruptly offered for sale the opportunity to influence government policy and gain unfair advantage through secret meetings with the Prime Minister and other senior ministers;

   ii) the Claimant made the offer, even though he knew that the money offered for such secret meetings was to come, in breach of the ban under UK electoral law, from Middle Eastern investors in a Liechtenstein fund; and

   iii) further, in order to circumvent and thereby evade the law, the Claimant was happy that the foreign donors should use deceptive devices, such as creating an artificial UK company to donate the money or using UK employees as conduits, so that the true source of the donation would be concealed.

   The "electoral law" referred to is largely contained within the Political Parties, Elections and Referendums Act 2000. (Again, I make clear that those pleaded meanings are a matter of dispute in the *Sunday Times* action.)

3. It is also necessary to record, because it is relevant to the proceedings now before me, that it is no part of the Defendants' case in the *Sunday Times* action to justify any meaning to the effect that Mr Cruddas behaved unlawfully or, specifically, that he in any way breached the provisions of the 2000 Act.

4. On 9 June of last year, *The Independent* published another article about Mr Cruddas, largely based on the material contained in the *Sunday Times*, and Mr Cruddas sued over this publication too. *The Independent* has withdrawn its allegations and

apologised to Mr Cruddas, including by way of a statement in open court read out last November. A donation to charity was also made at his request.

5. The Defendant in the current proceedings is Mr Mark Adams, who is an active blogger and tweeter. When the *Sunday Times* articles appeared in March of last year, there was published alongside them an article by Mr Adams under the heading "Rotten to the Core". This made allegations against Mr Cruddas to similar effect. Mr Adams has subsequently claimed credit for having instigated the defamatory publications in both the *Sunday Times* and *The Independent*. He has stated, for example, that the *Sunday Times* articles were "based on information received from me" and described himself as "the man who gave the story to the *Sunday Times*". He has also referred to himself as "the whistle blower in the case". He took, however, a different stance from those publishers. He plainly did make allegations of illegality which, at least until very recently, he refused to accept were unsustainable.

6. He has a website called "Standup4Lobbying" which he uses for the promotion of his views and in particular his allegations against Mr Cruddas. These are also publicised through his Twitter account, which often includes hyperlinks connecting to the website. It is common ground that he has several hundred followers (currently just over 700). More recently he has started another blog ("markadamsdotorg.wordpress.com"). This too has contained material relating to the present litigation.

7. Over many months Mr Adams used his various means of communication to attack Mr Cruddas for having broken the law and to call for his arrest. He taunted and threatened him that, if he declined to sue him for libel, he would assume that he was admitting his guilt. Taunts of this kind were levelled at Mr Cruddas from March to July, when he finally decided that he had little choice but to sue him. Mr Cruddas was well aware that a number of people he knew (including some who worked for him) were following the allegations and wondering why it was that he had not sought to defend himself by bringing libel proceedings. Once the proceedings were begun, Mr Adams changed his strategy and presented himself as a victim of English libel law who was being sued by a "rich bully".

8. Mr Cruddas' solicitors had invited Mr Adams in letters dated 11 July and 2 August 2012 to state whether he had actually seen the transcript of the journalists' conversation with Mr Cruddas on 15 March, but he declined to provide that information. It was only at a hearing on 2 November last year that he finally admitted that he had not seen the transcript. On that occasion, therefore, it was agreed that he should have the transcript to read and consider, in the light of it, whether he wished to put in a defence. Having at last read it, he then made it clear that he did not. It would seem that he, like the *Sunday Times* and *The Independent*, had recognised that there was nothing in the transcript which supported his allegations of illegality. Accordingly, judgment in default was entered on 16 November.

9. It emerges clearly from the transcript that Mr Cruddas did not suggest that donations could be made from a foreign source, or that the law could be circumvented by means of a "front" company, but rather he emphasised that it would be necessary to be above board and that any donations would have to be compliant with English law. It is true that he gave the impression that large donors could be invited to functions at which senior politicians would be present and that they might have the opportunity to meet

one or more of them in a social setting. Many people are suspicious of the way political parties are funded in this country and, in particular, of the perception sometimes created that donations may be a means of influencing party or government policy. That is, of course, a matter on which Mr Adams can express his views freely like anyone else. What he should *not* do, however, (unless he has some evidence to support it) is to accuse any individual of committing criminal offences. That is central to these proceedings.

10. A hearing took place on 23 and 24 January of this year for the purpose of assessing the appropriate level of compensation. As it happens, in the course of his closing submissions, Mr Adams announced that he wished to apologise to Mr Cruddas and to withdraw the allegations of criminality. That is a significant matter to be taken into account in the course of such an assessment, and in particular when determining the level of damages required for the purposes of vindication. Yet the effect of such a last minute apology must obviously be quite limited in view of the long campaign and the truculence with which the litigation had been conducted up to that point. In this context, Mr Browne QC, acting on behalf of Mr Cruddas, made reference to the Lord Chief Justice's words in the recent case of *Cairns v Modi* [2012] EWCA Civ 1382 at [24]:

> " … It is virtually self-evident that in most cases publication of a defamatory statement to one person will cause infinitely less damage than publication to the world at large, and that publication on a single occasion is likely to cause less damage than repeated publication and consequent publicity on social media. By the same token, rapid publication of the withdrawal of a defamatory statement, accompanied by an apology, together with an admission of its falsity given as wide publicity as the original libel diminishes its impact more effectively than an apology extracted after endless vacillation while the libel remains in the public domain, unregretted and insidiously achieving greater credibility."

One of Mr Browne's principal complaints is that Mr Adams' serious allegations of criminality, repeated over many months, have indeed insidiously achieved greater credibility.

11. The claim is brought in respect of nine blogs and 12 tweets published between 26 March and 3 July 2012. It would be tedious to set out the contents of all of them. It will suffice for present purposes to record the natural and ordinary meaning pleaded at paragraph 6 of the particulars of claim, dated 26 July 2012, to the effect that the Claimant was a criminal, liable to arrest at any time, who had breached the provisions of the 2000 Act by seeking to secure an illegal political donation for the Conservative Party. It is to be noted that the words complained of are taken to have incorporated the article published in *The Independent* on 9 June because Mr Adams had included in his seventh post a hyperlink to that article. There was no suggestion that the words did not bear those meanings. Indeed, they plainly do.

12. Nevertheless, it is appropriate to set out the narrative indicating how the various tweets and blogs fitted in to the context of the overall campaign of general vilification.

13. The day after publication of the *Sunday Times* article, Mr Adams wrote an "open letter" to Mr Francis Maude stating that he had made a complaint to the police and had also reported the matter to the Electoral Commission. The same day, 26 March, he gave an interview to ITV in which he made the allegation that Mr Cruddas had suggested that a donation could be made to the Conservative Party by a foreign company by the device of channelling it through a third party.

14. The next day, in what Mr Browne characterised as a "pantomime", Mr Adams was filmed outside New Scotland Yard while making a "public statement" that was promoted, and later published in full, on his website (on 27 March). In it, he claimed that the *Sunday Times* story had been based on information from him. He referred to "very serious allegations, including of potential criminality". He recorded that he had reported the matter to the police (although, in fact, at Greenwich Police Station rather than at New Scotland Yard). He referred to alleged breaches of s.61(b) of the 2000 Act, which makes it an offence to facilitate the making of donations to a registered party by anyone other than a "permissible donor". He also claimed that there might have been a breach of s.44 of the Serious Crime Act 2007 by way of "encouragement to commit an offence". He added, for good measure, that it was possible that a criminal conspiracy had been entered into between Mr Cruddas and a Ms Sarah Southern (a former Conservative Party official) about how to get round the statutory provisions.

15. There followed on 28 and 29 March the first and second tweets complained of, notionally addressed to Mr Cruddas, and claiming "I still think you are a criminal. I will repeat this daily until you cough, get banged up or sue me for libel". This was the first challenge to Mr Cruddas to issue libel proceedings.

16. The third post took place on 16 April, which included the comment " … the wheels may be turning slowly, but I'm confident we'll get these criminals in the end". The third tweet was published on the same day and was described as an "update from Electoral Commission on Tory funding crime" with a hyperlink to the third post.

17. On 26 and 27 April the fourth and fifth tweets were published, repeating the taunt already included in the first and second tweets at the end of March.

18. On 27 April came the fourth post ("The Rich Criminal: Peter Cruddas"). Mr Adams claimed credit for causing Mr Cruddas' "exposure in the pages of the paper on 25th March" and repeated the challenge to sue him. It also included the content of a letter he had sent Mr Cruddas that day:

> "Dear Peter,
>
> We have never met, but if we do, I intend to perform a citizen's arrest on you for breaking the Political Parties, Elections and Referendums Act 2000.
>
> I think you are a criminal and, as I am repeatedly tweeting, I will repeat this until you cough, get banged up, or sue me for libel. I take silence from you as tantamount to a confession of guilt. People like you have absolutely no place in public life …"

On the same date, the sixth tweet was published providing a hyperlink to the fourth post (to which I have just referred).

19. On 30 April, there was the seventh tweet, referring to the fact that Mr Cruddas had still not denied his criminality. He added "I am coming soon to make a citizen's arrest".

20. The next day, 1 May, the Electoral Commission publicly confirmed, having looked into Mr Adams' complaint, that they had "found no evidence … of any impermissible donations having been made" and no evidence of any breach of the 2000 Act. This in no way, however, diminished Mr Adams' enthusiasm.

21. The next day he published the fifth post under the heading "Cruddas and Southern: Fear the 7am Knock". In this he tried to deflect attention from the rejection of his complaint by the Electoral Commission by claiming that they had sent him a "very helpful email … which suggests that the issues I raised in my blog this morning are a matter for the police, not for them". He added " … it can only be a matter of time before Ms Southern and Mr Cruddas have their door kicked in at 7am by the boys and girls in blue. And not a moment too soon, in my opinion … ". The eighth tweet was also sent on 2 May, providing a hyperlink to the fifth post.

22. On 23 May came the sixth post ("REVEALED: Tory's top donor is a Criminal"). He again claimed credit for the "exposure of Mr Cruddas" and said that he remained confident in repeating the charge of criminality because, so far, Mr Cruddas had declined to sue him for libel. He also suggested that the Prime Minister should have the courage to repay "the money the Conservatives accepted from this criminal". The ninth tweet was published on the same day providing a hyperlink to the sixth post.

23. The day before the publication in *The Independent* (i.e. on 8 June), the seventh post was published ("Police net tightens around Cruddas and Southern"). He referred to the forthcoming article in *The Independent*: "I think I may have stirred things up again with the front page of the Indie on Saturday morning. I'll post a link when it comes available". He then mentioned a letter from the Electoral Commission, which suggested that the Metropolitan Police were looking into his allegations. He added:

> "This is dynamite. The police are clearly well into an investigation. On the evidence I have seen, I cannot see how they can avoid arresting and interviewing Cruddas and Southern under caution".

As I have already pointed out, it was not until much later that Mr Adams saw the transcript of the 15 March interview, and it would appear that "the evidence I have seen" consisted at that stage simply of the content of the *Sunday Times* articles.

24. The tenth tweet was published on the same day and provided a hyperlink to the seventh post (anticipating the forthcoming *Independent* article).

25. The next day, in the seventh post, he provided the promised hyperlink to the *Independent* article (just published). The heading was "When will Cruddas and Southern be arrested?". He predicted that there would be arrests within the next few days, adding "Personally I can't wait". He again taunted Mr Cruddas with the fact

that he had not yet received "a summons for libel". On the same day, in the eleventh tweet, he provided a hyperlink to the seventh post.

26. As for the *Independent* article itself, it claimed that the police had begun a serious criminal investigation into Mr Cruddas and simply repeated allegations from the *Sunday Times*. The suggestion was made that Mr Cruddas was willing to accept very large donations for the Conservative Party despite being told that the money was coming from a Liechtenstein based fund, which would plainly be illegal. It was also claimed that he had hinted to the prospective donors that it might be possible to avoid legal consequences by setting up a British subsidiary "front company" and/or by using UK employees who would act as conduits from the foreign company.

27. As he himself contends, it would appear that Mr Adams was the inspiration for the *Independent* coverage, including the assertion that there was a serious police investigation being carried out into Mr Cruddas' activities.

28. On 3 July the eighth post appeared on his website ("Cruddas to Sue?"). This raised concerns about how long the police were taking to assess the allegations made by Mr Adams in March. Reference was also made to reports that he was contemplating issuing libel proceedings against the *Sunday Times*. The post concluded with the words " … If Cruddas getting tasty with the lawyers brings this to court more quickly, I'll drink to that". On the same day, there appeared the twelfth tweet providing a hyperlink to this post.

29. It was on 11 July that a letter was sent to Mr Adams by Mr Cruddas' solicitors, which included "the central question" whether he had seen the recording of the 15 March interview. Despite not having seen this evidence, however, as later became apparent, he failed to remove any of the defamatory publications to which objection had been taken in the letter. His behaviour thereafter (characterised by Mr Browne as "puerile truculence") simply served to aggravate the damage already done and to increase the hurt to Mr Cruddas' feelings.

30. For example, on 11 July there appeared on the website the following comment:

> " … I reported Peter Cruddas to the police because I believe he has broken the law. I continue to believe that. So it would be somewhat bizarre to withdraw the allegation just because a rich bully tells me to."

He not only continued his attack on Mr Cruddas' reputation but also sought to take the opportunity to promote his own image. On 25 July he posted:

> " … I understand that libel cases are like a game of poker, with the player with a huge stack of chips in front of them able to bully the other players, however strong their hand. I have fought all my life against the kind of abuse of money and influence exemplified by Ashcroft and Cruddas, so I certainly won't be rolling over … Can our democracy afford to let these bullies prevail?"

The claim form, accompanied by the particulars of claim, was served on 26 July.

31. Later, on 1 October, he protested again at this litigation:

> "So convinced is [Mr Cruddas] of his untouchable status as one of the country's richest men that he chose to pursue little old me, the man who gave the story to the Sunday Times … I relish the fact that I have entered this battle … I am delighted to be standing up to you."

32. Meanwhile, an important development had taken place on 3 September, when Mr Cruddas received a letter from the Metropolitan Police stating quite clearly that there was no evidence of any criminal conduct on his part "either directly or by implication". It was also made clear that "no inchoate offences have been committed". Mr Adams was sent a copy of the letter on 11 September. Unfortunately, none of the website readers or Twitter followers were apprised of this development, which fundamentally undermined the claims he had been making. This was despite his claims on his website to espouse a commitment to fairness, truth and ethical practice. He was asked about this in the course of cross-examination and replied, rather cynically, that it was not for him but for Mr Cruddas to look after his own publicity. He was thus prepared to allow the falsehood to continue in circulation, that the police were carrying out a serious investigation into Mr Cruddas' and Ms Southern's conduct, even though he knew it to be quite untrue. Mr Browne described him as playing a "political game". He submitted that it provides a very good example of why the libel remained "in the public domain, unregretted and insidiously achieving greater credibility" (see the citation at [10] above).

33. Mr Adams did in mid-September remove most of the posts from his website and the entries on Twitter (one of them only being removed after the hearing of 2 November, when he had given the court an undertaking to do so). This is to some extent, of course, a mitigating factor, but it is important to recognise the distinction between withdrawing the allegations and taking down the posts. It was made quite clear by Mr Adams, in an email of 24 September, that the removals were not intended to convey "any admission of guilt on my part" (i.e. he was not accepting thereby that the allegations of illegality had been untrue). In any event, it turned out that two blogs were still accessible down to the first day of the assessment hearing (23 January 2013). One was dated 18 and the other 24 May 2012. The former contained the question, "Why is the government not concentrating on throwing such people out of public life (as I did with Peter Cruddas)?" The latter referred to his having "exposed the activities of the criminal Peter Cruddas".

34. Mr Adams' position had become further isolated once the *Sunday Times* defence had been served on 3 October. It became clear at that stage that there was no intention to attempt to justify any allegations that Mr Cruddas had broken the law. Nor was there any suggestion to the effect that there had been reasonable grounds to suspect illegality (i.e. by what is sometimes referred to as a *Chase* Level Two meaning).

35. The application for judgment in default of defence was dated 4 October. It also sought an order for a permanent injunction restraining Mr Adams from publishing the allegations of illegality.

36. As I have already made clear, it was only at the hearing before me on 2 November that Mr Adams acknowledged that he had never even seen the interview upon which

his defamatory allegations had supposedly been based. He tried on that occasion to have the claim against him stayed to abide the outcome of the proceedings against the *Sunday Times* and its journalists. This was refused on the basis that there was no attempt to justify any allegations of illegality and, accordingly, the outcome of those proceedings could not assist him. He was supplied with a copy of the 15 March transcript and given two weeks to decide whether or not he wished, in reliance upon it, to make allegations of illegality himself. As I have already said, his ultimate decision was not to enter a defence at all. Still, however, no apology or withdrawal of those allegations was forthcoming. At that hearing, Mr Cruddas' counsel emphasised that his client was not seeking to obtain any unfair advantage by entering judgment against Mr Adams, lest he might seek to suggest that on his website. He made the position clear:

> "Mr Adams suggested he was being bullied by Mr Cruddas. Mr Cruddas does not want to win this libel action by any form of default. If Mr Adams wants to allege that my client is a criminal … he can. I do not want there to be any suggestion at all that he is being out-manoeuvred by clever lawyers or the libel laws. Let us be clear. If Mr Adams wants to defend the charges he has made, he can do so."

37. Mr Browne has also drawn attention to the fact that Mr Adams, in the course of the 2 November hearing, had sought to undermine the apology that *The Independent* was shortly to give by way of a statement in open court. He claimed that it was only being conceded for tactical reasons and that the defamatory allegations were nonetheless true. I pointed out to him that it was quite inappropriate to use the privilege of a court hearing to do that.

38. After the hearing, Mr Adams tweeted that it had been "good fun" and went on to allege on his new blog ("Left Foot First"), on 5 November, that he had been "ticked off" by the judge for referring to the defamatory allegation that he was "defending". He then sketched out a Kafkaesque scenario:

> "So I will need to try to demonstrate the validity of an allegation that I must be careful not to repeat. Further grist to the mill that the libel laws in the UK are heavily weighted against the [defendant]."

The clear implication, as Mr Browne submits, was that he was going to try and defend his allegations of illegality by pleading justification – even though *The Independent* would not.

39. He also contended that neither the Electoral Commission nor the police had "successfully investigated" whether Mr Cruddas might be guilty of an *attempt* to procure a donation from an improper source. This, he must also have appreciated, was untrue. It had been made quite clear in the letter of 3 September that the police "assessment" had come to an end and that their findings embraced the conclusion that there had been no such "inchoate" offences. None of these misleading statements, however, did Mr Adams ever correct for the benefit of those who were following his claims with any degree of interest.

40. Shortly afterwards, on 15 November, the statement in open court was read which brought the proceedings against *The Independent* to a conclusion. This contained the acknowledgment that there had never even been a criminal investigation into Mr Cruddas' behaviour. It was accepted, not only that he was not guilty of any offence against the law, but also that there was not even any evidence of criminal conduct.

41. It is right to acknowledge that the vindication provided in this statement, in so far as it received any publicity, will have gone some way to mitigate the effect of the defamatory imputations against Mr Cruddas, including those made by Mr Adams. Mr Browne also accepts that the sum of damages donated by *The Independent* to charity, as part of the settlement, will have to be taken into account in my assessment of damages in accordance with s.12 of the Defamation Act 1952. In view of Mr Adams' behaviour, however, and his refusal to acknowledge the falsity of his claims vis-à-vis his own readers, the mitigating effect of these factors will be relatively modest.

42. The directions I had given for the assessment of damages included a provision for Mr Adams to serve any witness statement he intended to rely upon by 12 December. None was served, however, until the day before the hearing (and then without any prior notification). Nevertheless, no objection was taken to its admission or to Mr Adams' taking the opportunity to go into the witness box. I therefore heard evidence both from Mr Cruddas and from Mr Adams himself.

43. It should by now be clear that Mr Adams has done himself no favours in the conduct of this litigation, apparently taking every opportunity between March and September to aggravate his original publications – and to do so again on a privileged occasion in November. Be that as it may, I believe it was clear by the end of the recent assessment hearing that he was indeed, finally, acknowledging that the allegations had been untrue. I can thus legitimately record, without fear of contradiction, that the allegations of criminality against Mr Cruddas were indeed false and that he is entitled to have his reputation vindicated in that respect. On the other hand, any such observations, contained in a judgment of the court, are unlikely to achieve very much in themselves. What most interested observers will want to know is, quite simply, "how much did he get?" (see *Cairns v Modi*, cited above, at [31]-[32]).

44. The principles upon which libel damages are to be assessed are well established and uncontroversial. It must always be remembered that their purpose is compensatory and not in any way punitive. The court is nonetheless entitled to take into account any aggravating factors as part of the compensation exercise. As was pointed out by Lord Reid in *Cassell v Broome* [1972] AC 1027, 1085 E-G:

> " … Any one person trying to fix a sum as compensation will probably find in his mind a wide bracket within which any sum could be regarded by him as not unreasonable – and different people will come to different conclusions. So in the end there will probably be a wide gap between the sum which on an objective view could be regarded as the least and the sum which could be regarded as the most to which the plaintiff is entitled as compensation.
>
> It has long been recognised that in determining what sum within that bracket should be awarded, a jury, or other tribunal,

> is entitled to have regard to the conduct of the defendant. He may have behaved in a high-handed, malicious, insulting or oppressive manner in committing the tort or he or his counsel may at the trial have aggravated the injury by what they there said. That would justify going to the top of the bracket and awarding as damages the largest sum that could fairly be regarded as compensation."

45. It is also necessary to remember, in accordance with the Court of Appeal's decision in *John v MGN Ltd* [1997] QB 586, and the important background of Article 10 of the ECHR, that damages must be proportionate and no greater than is required to achieve the legitimate purposes of a compensatory award. It is generally acknowledged that there are three overlapping objectives to be taken into account; that is to say, (i) compensation for injury to reputation, (ii) the need to convince bystanders of the baselessness of the charge (i.e. vindication), and (iii) to provide an element of *solatium* to the claimant for distress and hurt feelings: see, most recently, *Cairns v Modi*, cited above, at [21]. In the present case, all three of these factors come into play.

46. I am asked to award a single sum of damages, in respect of all the publications complained of, which is intended to fulfil these purposes. It would be artificial and confusing to attempt to fix separate sums for each of the separate causes of action to which the communications gave rise (see e.g. the discussion in *Hayward v Thompson* [1982] QB 47).

47. As to vindication, it is probably fair to say that, however high the sum awarded, the purpose can hardly ever be fully achieved. At one end of the spectrum, there will be readers who choose to go on believing the allegations, perhaps out of cynicism about libel proceedings, or because some people are willing to believe anything which confirms their own pre-existing prejudices. At the other end, there will be those who did not take the allegations seriously because experience tells them to be wary of florid allegations circulating on the Internet, unsupported by evidence, from people who appear to have bees in their bonnets. In the centre ground, however, there will be readers for whom the allegations have raised at least a suspicion over a claimant's reputation which will only be removed by a convincing apology or finding of the court. It is to those people that the court's attempts at vindication must be primarily directed.

48. I am naturally asked by Mr Browne to have in mind particularly the well known passage in Lord Bingham's judgment in *John*, at p.607:

> "In assessing the appropriate damages for injury to reputation the most important factor is the gravity of the libel; the more closely it touches the plaintiff's personal integrity, professional reputation, honour, courage, loyalty and the core attributes of his personality, the more serious it is likely to be."

Here, he submits, the allegations must be taken to be high on the scale of gravity, since Mr Adams was repeatedly claiming that Mr Cruddas was a criminal who deserved to be behind bars. As he had himself asserted in his open letter, Mr Cruddas

had "absolutely no place in public life". It is fair to say that such an allegation would indeed go to the core of Mr Cruddas' professional reputation and personal integrity.

49. His reputation is obviously important to him, not only personally, but also in the wider business context, because it is so intimately linked to that of the business he set up 24 years ago. He explained in the course of his evidence how worried he had been at the impact the allegations might have on the Financial Services Authority and upon the willingness of bankers to provide funding for his business activities. Those concerns were borne out to an extent because the defamatory allegations, once in the public domain, led to extra checks being made and his business was kept under even closer scrutiny than usual. This seems to have been originally prompted by the *Sunday Times*, and there were further calls after the *Independent* publication. It is hardly surprising that Mr Adams' allegations were, at first, taken seriously.

50. I was also invited to have well in mind the recent observations of the Court of Appeal in *Cairns v Modi*, cited above, at [27], to the effect that:

> " … We recognise that as a consequence of modern technology and communications systems any such stories will have the capacity to 'go viral' more widely and more quickly than ever before. Indeed, it is obvious that today, with the ready availability of the worldwide web and of social networking sites, the scale of this problem has been immeasurably enhanced, especially for libel claimants who are already, for whatever reason, in the public eye."

These words naturally have a particular resonance in the present case.

51. For most allegations, there will come a point where nothing can be achieved by increasing the award of damages any further because the interested bystander will either be convinced, or not, of the "baselessness of the charge" (the expression used by Lord Hailsham LC in *Cassell v Broome*, cited above, at 1071C). In the light of the decision in *John*, it seems to me that the right approach would be for me to arrive at a figure which I regard as the minimum necessary, in all the circumstances, to achieve the objectives identified above (including vindication). Although, of course, the personal means of the parties are irrelevant to an award of compensatory damages, it is all the more important to remember the need for any sum to be proportionate when the defendant is an individual with limited resources.

52. All in all, I am of the view that the legitimate objectives to which I have referred can be achieved in this case by an award of £45,000. Some tribunals might have selected a higher figure, but I should have in mind that, by this time, a significant number of readers who were interested in following the subject, at least those who are fair-minded, will have come to recognise some months ago that Mr Adams' charges were actually just silly and not, after all, to be taken seriously.