

Murdoch in the United States: Kingmaker or ringmaster?

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Wherever he has been involved with media, Rupert Murdoch has been an agent of heteronomous economic and political power against autonomous civic or public service journalism. In the United States, at least, he is certainly not the only one. So what sets him apart? And to what extent has he contributed to transforming the logics of American media and politics?

It is instructive to compare News Corporation to Gannett, especially since the former's *Wall Street Journal* recently surpassed the latter's *USA Today* as the newspaper with the largest US paid print circulation. Gannett owns more than 90 newspapers and is the largest newspaper chain in the United States. In a perhaps apocryphal tale, Al Neuharth, Gannett's longtime CEO, was asked by a group of potential investors to settle the long-standing confusion about how to pronounce the corporation's name. 'Is it GANNETT or Gan-NETT?' Neuharth smiled and replied: 'The correct pronunciation is MONEY' (quoted in Bagdikian, 1992: 74). Indeed, Gannett revolutionized the newspaper industry by showing other publishers – and Wall Street – that newspapers could not only be profitable but veritable profit-machines, earning 25 per cent margins or higher. The formula? Invest in monopoly newspapers (or create monopolies by forcing out the local competition), gut the newsgathering budget and rely more on wire services, and put the focus on light, upbeat stories.

Gannett's warfare on professionally autonomous journalism is cool, bloodless. There are no histrionics. The point is simply and only to extract profit. Murdoch is a different kind of capitalist. He seems to relish competition in and of itself, not see it as only an obstacle to be overcome on the way to monopoly. He abides by a market logic, but not necessarily a profit-maximizing logic – at least not in the short term.

The complaints about Murdoch tend to be of three types: that his media are sensationalistic, rabidly conservative, and used as blunt instruments to serve his political or business interests. All are basically true.

It is hard to deny that News Corp media have distinguished themselves by a certain tawdriness (at worst) or brashness (at best), as even a few minutes reading the *New York Post* or watching Fox News on cable will attest. At two of his earliest purchases – the *San Antonio News* (in 1972) and the *New York Post* (in 1976) – researchers found compelling evidence that the Murdoch-owned versions were substantially more sensational in both style (more dramatic graphics) and topics (more stories on crime, violence, accidents, disasters and scandals) than the pre-Murdoch owned versions (Pasadeos, 1984; Pasadeos and Renfro, 1988). The changes at the *Wall Street Journal*, purchased in 2007, have been less dramatic, but the shift to bigger headlines, shorter stories, and far fewer of the lengthy, in-depth background articles that the old *Journal* was known for, is undeniable. Under managing editor Robert Thomson, formerly editor of *The Times* of London, there are reports of journalists being subtly encouraged to dig hard for dirt on Democrats and go easy on Republicans. The *Journal* is widely seen as dropping the ball in covering the

worst financial crisis since the Great Depression; since Murdoch purchased Dow Jones (the *Journal's* parent company), the previously much-garlanded newspaper has only been awarded a single Pulitzer prize – for an editorial criticizing ‘Obama-care’ (Schejter and Davidson, 2008; Featherstone, 2009; Auletta, 2011).

Fox News pioneered the busy moving headlines at the bottom of the screen and transformed the relatively staid tradition of political interview shows into rollicking partisan food fights (La Monica, 2009: 77; McDermott, 2010). An acquaintance of mine told me of his experience as a guest expert on the Bill O’Reilly show. After the show, he chided O’Reilly for his extreme, irresponsible remarks about the Iraq War. O’Reilly responded, ‘Lighten up, I’m just trying to tell a good story’. O’Reilly was evidently reflecting the orientation of his boss, as this account of Murdoch and his News Corp executives flying home on the company private jet reveals:

When Murdoch occasionally lost interest [in the conversation], he turned toward the television and turned the volume up so he could hear a bit better. As O’Reilly bellowed from the screen, Murdoch’s guests looked at one another, sometimes smirking at the bellicose host. Murdoch, seemingly unaware, turned away from the show to comment on it: ‘Has a good rhythm, doesn’t it?’ (Ellison, 2010: 217)

It is a rhythm that is increasingly prevalent across the fragmented media environment on cable, radio and the internet. Murdoch is a catalyst but not the only cause. His dramatic partisan approach makes economic sense in two newspaper cities; it makes even more sense as a way to carve out market share in the multi-channel environments of cable and the internet. It is hard to explain why MSNBC, owned by the Comcast and General Electric corporations, has become a progressive-left alternative of sorts to Fox other than the high ratings that partisan programming now produces. A similar logic helps explain the rise of the slightly left-leaning *Huffington Post* as a major news site on the web. But it would be inaccurate to buy into any facile equation of partisanship on the left and the right or that partisanship is always the best formula for economic success. There may be plenty of liberals working at CNN and the *New York Times*, but most still aspire to ideals of neutrality and fairness that are alien to News Corp media; and while CNN has paid an economic price for holding on to its ‘straight’ news format (it is now a distant third behind Fox and MSNBC), the *New York Times* is holding its own in its battle with the *Wall Street Journal*.

Shortly after buying the *New York Post*, Murdoch wanted to make sure the next mayor shared his anti-union views (given the looming possibility of newspaper strikes at the time). When a young Mario Cuomo failed to convince him of his anti-union credentials, the *Post* endorsed a largely unknown congressman named Ed Koch, who credits his rise from obscurity to electoral victory largely to Murdoch’s support (Cassidy, 2006). On the night of the 2000 presidential election, Fox made the crucial 2 am call that George W Bush had won Florida and thus the election – based entirely on the analysis of its pollster, John Ellis, first cousin of Florida governor Jeb Bush and candidate George W Bush – which prompted the nervous other networks to follow suit and Democratic candidate Al Gore to hastily concede. While the ultimate outcome was in doubt for more than a month, Fox’s partisan-tainted prediction surely helped provide Bush with a presumptive-winner status that Gore was never able to overcome (Brinkley, 2001).

Murdoch thus clearly enjoys playing the role of kingmaker, but increasingly, this role seems to be in tension with that of ringmaster. Fox News' success is due to its willingness to stir the pot, on the right as well as the left. It has transformed the Republican party (not necessarily strengthening it) by enlisting demagoguery in search of ever higher ratings. Writing about the meteoric rise of former pizza-chain CEO Herman Cain to the top of the Republican presidential aspirant heap in October 2011, liberal blogger Andrew Sullivan perceptively observes:

Cain is a function, I think, of a deeper Republican reality. It has become a wing of the entertainment industry, and in that media-industrial complex, the money to be made is immense. You do not make that money or become a star in conservative circles by actually governing, by the process of compromise and negotiation with one's opponents, or by detailed policy knowledge. In the universe where conservatism is defined by [people like radio host Rush] Limbaugh [formerly produced by Fox News president Roger Ailes] and [Fox commentator Sean] Hannity, you have to be a great polemicist, you have to be partisan above all, you need to be outrageous at times, and you have to appeal to the gut, rather than the brain. (Sullivan, 2011)

In sum, Murdoch media are among the most sensationalist and partisan media currently operating in the United States. They have done more than their share to lower the level of civility in American public discourse. Murdoch's media empire is extensive and represents a further unwanted concentration of media ownership. It is important, however, to qualify these claims at least a little bit when one considers the larger question of power and influence. Cable news generates a lot of noise, but its primetime audiences – even at Fox – are still dwarfed by those of the evening network news shows.¹ Murdoch news media mostly preach to the choir: they may have mobilizing influence, but it is doubtful that they change very many minds (Morris, 2005). At least some surveys have shown that News Corp media are seen by the general public as less credible than other media (Trichter and Paige, 2004; Meares, 2011).

Murdoch may have diminished American democracy, but his journalistic foes are not without blemish. Attacks on the 'lamestream' media resonate because there is an element of truth in them. Over the past several decades, our 'quality' media have indeed become more culturally elite and more removed from the concerns – especially economic – of the middle and working classes and the poor. Of course, Murdoch's conservative populism is not an adequate answer. But all the criticism of Murdoch risks losing sight of the fact that the so-called liberal media share many of his same capitalist status quo views; the differences magnified by Murdoch for marketing reasons are not as great as they ought to be. And this is to say nothing of the aforementioned tendency of Gannett and many other chains towards slick form and shallow content.

For whatever reason – the habitus of a son of a nouveau-riche publisher fighting against the established Sydney newspapers; the Australian snubbed at Oxford (Shawcross, 1997; Wolff, 2010)? – Murdoch has turned a seething resentment against the prerogatives of cultural capital into a radical formula for economic and political power. His ruthlessness and bullying tactics are not to be taken lightly. At the same time, criticisms of Murdoch should not be used to pretend that, if not for him, American journalism would be just fine, thank you very much.

Note

1. According to Nielsen ratings reported on TheWrap TV (<http://thewrap.com>), 28 June 2011, total primetime news programme viewers were 2.2 million for Fox, 0.95 million for MSNBC, and 0.77 million for CNN, versus 9.2 million for NBC, 8.1 million for ABC, and 6.0 million for CBS.

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Murdoch vs Berlusconi: The battle for the control of Italian media**Paolo Gerbaudo**

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The day of celebration came on 7 October 2011. Short video messages broadcast on different channels on the satellite platform of Sky Italia announced the triumph: the symbolic target of 5 million paying subscribers had finally been reached, giving it a potential



A round-table on the international dimensions of News Corp in the light of the UK phone hacking scandal

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Introduction

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The events of July 2011, in which reporters working for the News Corporation-owned title, the *News of the World*, were found to have hacked into the mobile phone of a murdered teenager, have focused a huge amount of attention on the ethics and regulation of corporate media. As allegations emerged of complicity between senior media executives, top police officers and leading government officials, public revulsion at the newspaper's behaviour forced the government to launch a major public inquiry led by Lord Justice Leveson into the 'culture, practices and ethics' of the UK media. Since then, it has been revealed that there may have been nearly 6000 victims of phone hacking, and further evidence has emerged of covert surveillance, blackmail, the 'blagging' of information and regular invasions of privacy at the title, which was soon shut down by Rupert Murdoch, the CEO of News Corporation.

News Corporation is the world's second-largest media company: a giant transnational with holdings in cable and satellite television, movies, book publishing, newspapers and online. It has a presence in all the major media markets and a major influence on politics, business and everyday life. The events in the UK raise serious questions about the behaviour of News Corp in other countries. To what extent does the company exert similar influence over the political process elsewhere? In what ways does its domination of sports and entertainment coverage distort or enhance domestic media systems? What does its behaviour tell us about the practices and scope of media power in the contemporary world?

In order to answer some of these questions, we have commissioned short articles on the impact of News Corp in six countries and regions: Latin America, Italy, New Zealand, China, India and the US. They provide a fascinating insight into how News Corp operates differently in different regions – using joint ventures in some while relying on its own brand in others – and how its ability to dominate market share is far from inevitable and subject to ongoing regulation by the state and intense competition from its rivals.