

Mr. Murdoch's War

By David D. Kirkpatrick

On the first day of the war with Iraq, Rupert Murdoch watched the explosions over Baghdad on a panel of seven television screens mounted in the wall of his Los Angeles office, telling friends and colleagues over the phone of his satisfaction that after weeks of hand-wringing the battle had finally begun.

The war has illuminated anew the exceptional power in the hands of Mr. Murdoch, the 72-year-old chairman of the News Corporation. He was already well known for his willingness, rare among the chiefs of the biggest media companies, to personally shape the editorial policies of his newspapers, which include *The New York Post*, *The Times* of London and nearly a dozen major English-language papers.

But in the last few years, Mr. Murdoch has become even more influential with the newest additions to his media empire. The Weekly Standard, a conservative magazine, has become closely read in the Bush White House, while the Fox News Channel last year surpassed CNN to become the top-rated cable news network in the United States. And Mr. Murdoch is expanding his television news operations elsewhere in the world, including India, China and Italy.

In the last several months, the editorial policies of almost all his English-language news organizations have hewn very closely to Mr. Murdoch's own stridently hawkish political views, making his voice among the loudest in the Anglophone world in the international debate over the American-led war with Iraq.

Mr. Murdoch, however, plays down his personal role in the unanimous views of his papers, explaining that he no longer has the time to dispense day-to-day instructions to his editors or producers. "I think that all our papers are certainly supportive of the armed forces," Mr. Murdoch said in an interview last week, "But that is not me calling the editors."

Still, he has made no secret of his opinions. "We can't back down now, where you hand over the whole of the Middle East to Saddam," Mr. Murdoch told the Bulletin, an Australian magazine, in February. "Bush is acting very morally, very correctly," he said. "The greatest thing to come of this for the world economy, if you could put it that way, would be \$20 a barrel for oil. That's bigger than any tax cut in any country."

And at a business conference last week, he reiterated his bellicose position: "There is going to be collateral damage. And if you really want to be brutal about it, better we get it done now than spread it over months."

The spotlight on his political influence comes at a crucial moment for Mr. Murdoch and his company. News Corporation is the one remaining significant bidder in the auction for the satellite broadcaster DirecTV, an acquisition that would complete a network of satellite systems that already covers Europe, Asia and Latin America. And it would greatly multiply Mr. Murdoch's bargaining power with United States networks and competing cable systems.

At the same time, Mr. Murdoch is starting all-news networks in Italy and India, loosely modeled after Fox News in the United States. And he is steadily pushing to expand in China, where his company owns a minority stake in a Chinese concern that operates a news channel as well.

As he expands, Mr. Murdoch is also fighting regulatory battles over media ownership restrictions around the world, in Washington, London and New Delhi. To his critics, Mr. Murdoch's reach illustrates the perils of media consolidation. Some compare him to press barons

of decades past, like William Randolph Hearst in the United States or Lord Beaverbrook in Britain.

Gene Kimmelman, a director of the Consumers Union, which is lobbying to preserve ownership limits in the United States, said of Mr. Murdoch: "He has extended the most blatant editorializing in the entire world through his media properties, and that is exactly the example of what we need to worry about when any one entrepreneur owns and controls too many media outlets."

But Mr. Murdoch's supporters say he is guilty of nothing more than exercising the First Amendment right of any owner to influence the editorial contents of his properties, noting that his power is circumscribed by competition from a growing diversity of cable channels, Web sites and other media outlets. "I can turn on Fox News or I can turn on CNN," said Irwin M. Stelzer, a friend and economic adviser to Mr. Murdoch.

Mr. Murdoch, who was born in Australia and is now a U.S. citizen, says he was hardly the most powerful figure in English-language media. "That is flattering, but it is just not true," he said in an interview last week. "Maybe it would be if I tried to impose my views but I just don't do it."

He might like to, he added, but he did not have time. "Unfortunately, I have a very big company to run," he said. "Twenty years ago I used to enjoy spending a couple of hours in a newsroom. But now I am not in any one place long enough to do much direct managing of anything."

He argued that there was much greater power in the hands of the controlling shareholders of smaller publishing companies with prestigious properties like *The New York Times*, *The Washington Post* and *The Wall Street Journal*.

Still, Mr. Murdoch is never fully removed from his company's flagship newspapers and television news organizations, and he has been in contact with them even more frequently during the war, people who work with him said. When Mr. Murdoch is in New York during major news events, as he was during the first full week of the war, he attends the 8 a.m. meetings of the producers of Fox News, sometimes two or three times a week, said John Moody, a senior vice president of Fox News.

When he does attend, Mr. Murdoch sits in a straight-backed chair against the wall, browsing a stack of newspapers and frequently interrupting with questions about the news. "Sometimes he will make a comment like, 'They seem to be getting further into Iraq than we expected at this point,' " Mr. Moody recalled. "But he really comes down looking for information. He's got the bug. He is a newsman at heart."

Indeed, Mr. Murdoch is constantly on the phone with his company's editors and news executives from wherever he is, several people who work with him said. Occasionally, he offers praise or criticism of their coverage, but more often he is hunting to pick up the latest bits of information for himself, sometimes passing them on from one newsroom to another. "He'll say, 'Do you know what *The Times* of London is saying?' " Mr. Moody said. "He is a source for us. He is like a very well-dressed information service."

During one reporter's recent visit to the office of Col Allan, editor of *The New York Post*, both Rupert and his son Lachlan Murdoch called more than once. (Lachlan Murdoch, 31, chief operating officer of the company, is in charge of its United States publishing operations and publisher of The Post.)

In the broadest strokes, Mr. Murdoch's influence on his publications is clear. In 1997, for example, *The Sun*, Britain's most widely read newspaper, followed Mr. Murdoch's lead in dropping its traditional conservative affiliation to endorse Tony Blair, the New Labor candidate.

News Corporation's other British papers, *The Times* of London, *The Sunday Times* and the tabloid *News of the World*, all concurred. The papers account for about 35 percent of the newspaper market in Britain, and some British columnists have argued that the combined endorsements played a crucial role in Mr. Blair's election. As prime minister, Mr. Blair has become one of the staunchest and most articulate supporters of the war.

Mr. Blair is now backing a communications bill in the British Parliament that would loosen restrictions on foreign media ownership and allow a major newspaper publisher to own a broadcast television station as well — a provision its critics call the "Murdoch clause" because it seems to apply mainly to News Corporation. But Mr. Blair has differed with Mr. Murdoch and his papers over other issues, such as the possible adoption of the euro.

In the United States, Mr. Murdoch's creation of the Fox News Channel has shifted the entire spectrum of American cable news to the right. Convinced that many people found CNN and the major broadcast networks too liberal, Mr. Murdoch and the former Republican political consultant Roger Ailes chartered Fox to be more conservative — or, from their point of view, more centrist. Last January, Fox became the top-rated cable network, and it now draws more than 2 million viewers in prime time.

The war has underscored the difference between Fox News and its rivals more starkly than ever. From the start, the network displayed an American flag waving on its screen. Its newscasters speak of American and British troops as "we," "ours," and "liberators." After other networks reported setbacks to American and British forces, the Fox commentator Bill O'Reilly denounced its competitors as "liberal weenies" who were exaggerating the difficulties of the fight and underestimating the American public's tolerance for casualties.

There are certain limitations to Mr. Murdoch's sway even within News Corporation, sometimes because of government regulations. British laws, for instance, require that television news programs meet standards of fairness and impartiality. At Sky News, the British news channel one-third owned by Mr. Murdoch's company, correspondents have expressed much more skepticism toward the American military's statements than their counterparts at Fox News. The two channels' stepped-up efforts to share footage and reporters in Iraq have sometimes presented sharp contrasts and even on-air disputes.

Fox newscaster Sheppard Smith, for example, scolded a Sky News correspondent in Baghdad for suggesting that both sides of the war were waging a propaganda battle. "Clearly, it seems to me that one side could be argued as more noble than the other, that one side is manipulating people and trying to keep this tyrannical regime alive," Mr. Smith said.

Mr. Murdoch, too, has told friends he is dissatisfied with the staid presentation and, to his mind, liberal bias of Sky News, sometimes calling it "BBC Light," in reference to the British Broadcasting Corporation. Asked if Sky News has begun imitating Fox News, Mr. Murdoch replied: "I wish. I think that Sky News is very popular and they are doing well, but they don't have the entertaining talk shows — it is just a rolling half-hour of hard news all the time."

People who work with Mr. Murdoch said his degree of influence over the content of his newspapers varies significantly depending on the paper. At the broadsheets, *The Times* of London and *The Sunday Times*, he maintains a greater distance, in part because of agreements he made with British authorities at the time that he acquired the papers. The agreements bar him

from naming the editors or dictating their editorials. Instead, the editors are named by a board of directors, although Mr. Murdoch still interviews candidates, makes recommendations and approves the final selection.

Even on the crucial question of the war in Iraq, some news articles and columnists in News Corporation's *Times* of London and *The Sunday Times*, have diverged sharply from Mr. Murdoch's own views. In a front-page story in *The Times* of London last week, for example, a British officer excoriated an American pilot for "showing no regard for human life" in inadvertently attacking British troops. On March 29, the columnist Matthew Parris posed the question, "Are We Witnessing the Madness of Tony Blair?"

But the principal editorials of both papers, and a majority of the columnists, have concurred with Mr. Murdoch's own support for the war. And at his major tabloids, like *The Sun* in Britain and *The Post* in New York, Mr. Murdoch feels he should be very involved in the contents of the paper, his friend and adviser Mr. Stelzer said.

Still, Mr. Murdoch said he was hardly on the phone dictating headlines or opinions. "When a new editor is hired I will be asked for approval, but that will be all," Mr. Murdoch said. He continued: "I don't put them through a litmus test on every belief they have."

His main responsibility was to shareholders, he said, although if a paper was not performing that might include looking at its political slant. "In the end, the buck stops with the chief executive," Mr. Murdoch said. "If you have an editor who wants to be a great hero and go against the public will and lose all the readers, the shareholders are going to blame the chief executive."

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