

## Lecture VI

Since the 1970s, the Australian (now U.S. Citizen) Rupert Murdoch has been the most successful media mogul in the U.S. Murdoch came from a newspaper background and only entered movie production and television late in life. Even so, he has had an enormous impact on mass communications generally. Aiming for the mass market and ignoring those who decry his amoral disdain for the “higher purpose” of journalism, he has managed to cobble together a massive media empire under the umbrella of something called News Corp.

Journalists working for Murdoch, at least in the U.S., were generally held in contempt by “real journalists” who viewed those at the News Corp as simple purveyors of their boss’s right-wing prejudices. The News Corp people responded by denigrating the “elitist” “mainstream” media and claimed to represent the views (and prejudices) of “real Americans,” not the snobbish, out-of-touch elite. Interestingly, much the same analysis applied to Col. McCormick’s *Tribune* staff from the 1920s to the 1950s, although they included, from time to time, first-rate journalists who often shared the Colonel’s xenophobic and cynical point of view. This changed after the death of the Colonel. The newspaper earned exactly two Pulitzers during McCormick’s thirty-five year tenure as publisher, but has been awarded 26 Pulitzers since then. *The New York Post*, which Murdoch purchased in 1976, has not won a single Pulitzer Prize.

Murdoch’s purchase of the *Wall Street Journal* in 2007 gave him a foothold in the “quality” newspaper business. The *Journal* had a long and respectable history as a reliable source of business information and had become by the 1970s a real “national” newspaper. In 1979 it had a “readership” of 1.755 million, “making it the largest newspaper in the country and reflecting the creeping expansion of business that will shortly change modern life.” (Wolff, p. 170). The *Journal*’s news pages maintained a policy of journalistic objectivity while its editorial pages provided a steady diet of far right conservative commentary. The majority ownership of the paper had long been in the hands of the Bancroft family, but by the early 2000s, many members of the family and other stockholders agitated for selling the paper to Murdoch when he offered a price far above the current market share price.

As late as the 1980’s, newspapers could be highly successful businesses. Murdoch’s biographer Michael Wolff pointed out in his 2008 book, *The Man Who Owns the News*, that “newspaper advertising will more than double between 1980 and 1989, from \$14.8 billion to \$32.4 billion. . . .” (Wolff, p. 171). Murdoch bought the tabloid *New York Post* while still an Australian citizen and in 1993 the paper became part of his News Corp empire. Murdoch, in Wolff’s telling, is an inveterate “newspaper man,” having started his journalistic career in 1953 as publisher of the Adelaide (Australia) *News*, a paper previously owned by his father, who was himself one of the most important publishers in Australia at the time. In this respect, Murdoch was similar to William Randolph Hearst, whose first newspaper had been established by his father in San Francisco and came under Hearst’s management just after he left (or was booted out of) Harvard. Before arriving in the U.S. in the early 1970’s, Murdoch lived most of the time in London, where he acquired two tabloid newspapers – *News of the World* and *The Sun* – before moving on to New York and his next conquests. In 1981 he purchased the venerable *Times* of London and *The Sunday Times*, two quality newspapers that he will eventually turn into tabloids as well.

In the late 1980’s, Murdoch bought the publisher Harper & Row and combined it with the previously purchased British book publisher William Collins. He also launched Sky Television at the same time (1989), a satellite TV service available to people with the proper receiving dish all over Europe (we used to watch it at our home in Warsaw in the early 1990’s). But Murdoch, almost reluctantly, has seen his empire spread far beyond the old newspaper realm into entertainment (Fox movies and a nationwide television network) and, of course, the highly successful and influential Fox News, which was largely the

creation of the former Republican political operative Roger Ailes. Thus, the most successful media magnet of the early 21<sup>st</sup> century is a man firmly rooted in the old, print media world. According to Wolff, Murdoch does not like television or the movies, but could not pass up the chance to make billions in these highly popular forms of mass communication. News Corps almost made a killing in the social media area with its MySpace platform, which at one time seemed likely to rival Face Book as a path breaking way to make billions in advertising revenue by allowing people to create their “virtual personas” on line. News Corps owned Myspace (later “MySpace”) from 2005 to 2011. For a few years it was highly successful, but was then overtaken and crushed by Face Book. Murdoch said the purchase of the social media site had been a “huge mistake,” with News Corps paying \$580 million in 2005 and selling it for a reported \$35 million in 2011.

Murdoch followed an old newspaper tradition in America by naming his son Lachlan to succeed him as CEO. We will see that in the case of the *New York Times*, succession to the position of publisher will remain in the same family for over one hundred years, with the current publisher Arthur Ochs Sulzberger being the great-great-grandson of Adolph Ochs, who rescued the Times from near-extinction in 1896. This feat is attained through the continued holding of a majority of the “voting stock” in the hands of the family trust, something that did not work in the case of the Pulitzers or the Bancrofts, when the extended families decided after just a generation or two to sell their interests to the highest bidder and leave the newspaper business altogether. Something similar occurred at the *Washington Post* in 2013 when the Graham family accepted the offer of \$250 million for their stock in the company from Amazon’s Jeff Bezos.

### **The New York Times**

We last talked about the *New York Times* in Lecture IV when in 1936 the paper came under the management of Arthur Sulzberger, the husband of Adolph Och’s daughter and heir Iphigene Ochs. Like most newspapers, the *Times* was struggling financially in the depths of the Depression. In 1936, when Arthur Sulzberger took over, income was only \$894,000 compared to \$5.6 million in 1929 and advertising lines had dropped from 32 million in 1929 to 19 million in 1935. It was still in better financial shape than most newspapers in the country.

Although considered a liberal-leaning newspaper today, in the 1930s the *Times* often took conservative positions. Arthur Krock, the *Times*’s Washington bureau chief, disliked Roosevelt and the New Deal and Sulzberger himself also disliked Roosevelt, who he considered anti-Semitic and untrustworthy, but still used the paper’s editorial page to endorse Roosevelt’s re-election in 1936. But due to disagreement with Roosevelt’s fiscal policies, court packing, and bid for a third term, the *Times* in 1940 took the unusual step of endorsing Wendell Willkie, a Republican and Sulzberger family friend, for president. Under Adolph, the *Times* had described itself as ‘independent Democratic,’ although in fact it had backed two Republicans during his long tenure. “ Arthur wanted to assert the paper’s independence rather than its Democratic leanings. (Tifft/Jones, p. 196)

The *Times*, like the other New York newspapers, fought against the American Newspaper Guild which was founded as a union for newsmen in 1933, when many reporters were being thrown out of work or scraping by on severely reduced salaries. ((Tifft/Jones, p. 172) Sulzberger resisted Guild efforts to unionize the paper’s journalists in the late 1930s but finally signed a contract with the union in 1942 allowing it to organize *Times* staff, but refused to allow a “closed shop.” Tifft/Jones write that the New York branch of the union “was dominated by Communists.”

Although Arthur’s conservative proclivities meant the *Times* lagged in innovation, he did eventually allow a *Times* crossword puzzle, which first appeared in 1942. The *Times* has never had a comics section nor a political cartoonist. Also in 1942 he appointed columnist Anne O’Hare McCormick as the first

woman on the *Times's* editorial board. In 1937, McCormick had been the first woman to win a Pulitzer prize in journalism. In 1945 the *Times* made a small step in the direction of diversification when it bought WQXR, a classical music station in New York.

The *Times* was very successful during WW II, according to Tift/Jones, printing more news reporting during the first eight months of 1944 than any other New York newspaper; it forfeited space that could have been used for advertising, but still carried more lines of advertising than it had before the war: In 1939, 60 per cent of the paper had been taken up by news; in 1944 the figure had fallen to below 50 percent. The *Times* gained readers during the war, largely at the expense of its main morning rival, the *Herald Tribune*, "which soon began its slow descent into oblivion." (T/J, p. 208) At the height of the war, the *Times* had 55 correspondents overseas, more than any other American newspaper. (p. 208) Many of them were British or other foreign citizens. Arthur preferred that the paper's foreign correspondents should be 'well-educated, attractive Protestants', not Jews. (p. 209)

In fact, Arthur was very "skittish" about "showcasing Jews in the *New York Times*, according to Tift/Jones. He was very sensitive about his Jewishness and nixed the use of the phrase "the Jewish people" since he preferred to think of Jews as people who had chosen a particular religion, like Methodists or Presbyterians, and not as having been born into a particular faith, much less, a particular ethnic group. His daughter Judy said 'deep down, my father probably would just as soon not have been Jewish.' (p. 215) "Arthur's determination to avoid the perception of the *Times* as a 'Jewish' newspaper intensified in the 1930s and early 1940s, a period when anti-Semitism found fertile soil in America as well as overseas." (p. 217) *Times* stories after the war on death camps like Auschwitz and Dachau "never mentioned the word Jew." The Holocaust only became clearly reported later. Arthur said he had no "nationalistic fervor" with regard to Israel. He wished it well, but thought of it as "similar to Indonesia." (p. 237) He forbade the use of the term "Jewish state" when referring to Israel. (p. 238)

In May 1946 the circulation of the Sunday NYT went past the one million mark for the first time. Although the paper continued to own a classical music radio station, Arthur did not want the *Times* to buy a television station because he "judged the medium inappropriate for newspaper owners." (p. 236) He considered television "a medium of entertainment, not news – 'and news is our bailiwick.'" (T/J, 328). Arthur also opposed the idea of acquiring other newspapers. "I have not sympathy for the multiple ownership of newspaper properties." Arthur told his children. "They are not grocery stores or outlets for merchandise . . . . To make policy for one newspaper is more than enough for any one man." (T/J, 329). Under his successors, the *Times* did indeed acquire other newspapers (besides the *Chattanooga Times*, which was Adolph Och's original newspaper and remained in the family up to the present).

The *Times* was famous for its long, turgid stories. In 1951, a new managing editor, Turner Catledge, instituted new rules that "banished . . . the rambling sentences that had flourished since the days of 'space rate' – a system of paying correspondents by the volume of their reports." (p. 255)

In another example of Arthur's distrust of the Democrats, the *Times* reluctantly supported Dewey for president in 1948 and then, with great enthusiasm, Eisenhower in 1952 and 1956. Under Arthur's successors at the newspaper's helm, the *Times* starting with the 1960 Kennedy-Nixon contest has endorsed the Democratic candidate for president every time.

The *Chattanooga Times*, which continued to belong to the Ochs/Sulzberger family, had taken a drubbing for its support of school desegregation after the Supreme Court's *Brown v. Board of Education* decision of 1954, and it continued to labor under the perception of many eastern Tennessee residents that it was a puppet of what its reactionary rival, the *Chattanooga News-Free Press*, called "'Communist-infested New York.'" (Tift/Jones, p. 275) But at much the same time, the NAACP considered the *Times* 'anti-Negro' – an especially troubling notion because the paper 'has such immense prestige.'" (T/J, 277) Of course the

*Times* was not an exception in this regard: a Newspaper Guild survey taken in the 1950s found only thirty-eight Blacks among the nation's seventy-five thousand newsroom employees." (T/J, 276) There were a number of Black-owned newspapers, such as the daily Chicago *Defender*, however, but with desegregation and the slow movement of African-Americans into mainstream journalism, such publications went the way of the Negro baseball leagues.

The 1960's would prove to be a cataclysmic period for New York newspapers, mainly because of labor troubles, but more deeply, because television news and advertising was eating their lunch. "Although seven daily newspapers scrapped and fought in New York City in 1961, behind that impressive front lay a set of disturbing facts. Daily newspaper readership had risen nationwide by 6 million in the previous decade, yet in New York City it had fallen by 358,000; Sunday circulation was even worse. Only the *Times* had scored any gains, picking up 220,000 readers, for a total daily circulation of 744,763." (323) By the early 1960s, "Two of the four morning papers and all three of the evening papers were hanging by a thread." (323)

Despite its circulation growth, the *Times* was so poorly managed that it only eked out a profit of \$348,000 in 1960 compared with \$1.86 million in 1959 and relied on income from its 42 percent ownership of Spruce Falls Power and Paper which, added to the newspaper income, gave the NYT Company a total profit of a mere \$1.65 million in 1960, down by almost half from 1959. (p. 320) The *Times*, perhaps more than any other newspaper in the country, "operated more like a foundation or an educational institution than a commercial enterprise." From 1937 to 1957 the company profit after taxes averaged a mere 4.5 percent of revenue. (p. 320) "In 1958 the company for the first time released a public financial statement. Sulzberger claimed the reason was the *Times* stockholders, which now included a few educational and charitable institutions, had a 'legitimate interest in seeing our reports.'" (p. 321)

Arthur Sulzberger retired (sort of) as publisher of the *Times* in 1961 and was succeeded by his son-in-law, Orvil Dryfoos, the husband of his oldest daughter Marian, who served as publisher from 1960 to 1963. Dryfoos died of a heart attack before he could diversify and modernize the paper and had to deal with the longest strike in New York newspaper history, a 114-day stoppage by the Typographer's Union (ITU). This stressful conflict probably contributed to his early death. Another strike in 1970 forced Dryfoos's successor, Arthur Sulzberger, Jr., to concede to the union's demands to stop automation of the printing operation and it was only after a 1978 strike, when the city only had three newspapers, that the ITU finally agreed to allow the use of early forms of computerized typesetting which essentially doomed its membership and thus the union itself. Technological change came slowly and painfully to the newspaper business and the *Times* was one of the last papers to adopt labor and time saving measures.

The labor troubles of the 1960s led to the demise of the *Herald-Tribune*, the *Journal-American*, and the *World-Telegram & Sun* by the end of the decade. That left the New York *Post*, *Daily News* and *Times* to provide print media news to the local population. The *Post*, which had been an evening paper, switched to morning circulation under Rupert Murdoch and became a "tabloid," like the *Daily News*. Both of the latter papers remain in existence but are perennial money-losers and will doubtless disappear in the not too distant future.

The Sulzberger family continues to provide the publisher of the *New York Times* and the paper, like its rival the *Washington Post*, has become adept at using the Internet to expand its readership and to earn additional money from advertising and subscriptions. While the *Times*'s printed edition has dropped to about 500,000 daily from over one million twenty years ago, its on-line edition has gained several million subscribers over the same period and also considerable advertising. Nationwide, of course, newspapers are disappearing at an alarming rate, with one-quarter of all dailies having closed since the beginning of the century.

The two biggest newspaper stories of the late 20<sup>th</sup> century were probably the Pentagon Papers scoop in the *New York Times*, and the Watergate story in the *Washington Post*, both coming in the early 1970s. Newspaper reporters also played a key role in informing the American people about the failed war in Vietnam and, much more recently, the degeneration of democracy over the past few decades, culminating in the attack on the Capitol and the Congress on January 6, 2100. Vietnam and the January 6<sup>th</sup> attack lent themselves most vividly to photojournalism and the televising of history-making events. No journalist could write a story that conveys the horror of the fighting in Vietnam, or the bloody assault on the American citadel of democracy as well as the moving pictures of the actual events. In fact, the role of the newspaper has become increasingly that of analysis and commentary, because the actual events are known long before the print media (even using the Internet) can put the story before the public. It is now commentary, not reporting, that commands the attention of the news media consumer. Thus, the non-stop analysis such as that of Fox News or other right-wing outlets, giving their interpretation of events, has become more important than any factual reporting on the events themselves. The *Times* and the *Post* continue to provide a vast quantity of analysis, but their reach is limited to an elite readership and has lost much of its power to shape the story or influence public opinion.

### The Washington Post

Most of us know something about the history of the Washington Post, especially since its purchase at a bankruptcy auction for \$850,000 in 1933 by Eugene Meyer. Meyer's offer of \$5 million for the paper in 1929 had been rejected by the then owners, so the 1933 purchase at a fraction of that cost must have been very pleasing to Meyer. Meyer, a 58-year-old retired financier, was appointed to the Federal Reserve Board by President Herbert Hoover in 1930 as a staunch Republican and rode the economy down into the depths of the depression until his resignation in May 1933. Thus, today's "mainstream liberal" Post owes its existence to a New Deal hating Republican, whose daughter, Katherine, inherited the title of publisher in 1963 upon the death by suicide of Phil Graham, her husband of twenty-three years. The irony, of course, is compounded by the fact that Katherine Meyer Graham led the paper as it played a decisive role under editor Ben Bradlee in overthrowing a Republican president in 1974. Like the *New York Times*, the Post started conservative and moved steadily to the left under a younger generation of leaders from the ownership dynasty. Unlike the *Times*, of course, the Post would cease to be the property of the Graham family after the sale of the paper to Jeff Bezos in 2013 for \$250 million. Bezos, from all appearances, has no problems with the Post's editorial policy, which generally supports Democratic candidates and positions and is at odds with an increasingly conservative Republican Party.

Katherine Graham was the second woman publisher of a major U.S. daily newspaper, the first being Dorothy Schiff, who purchased the *New York Post* in 1939 and turned it into a tabloid style paper a few years later. The frequently-married Schiff exuded a journalistic aura that Katherine Graham never had. In fact, when Graham succeeded to the publisher-ship of the Post in 1963, most people thought she would be a figurehead leader, with actual control of the content of the paper left in the hands of the male editorial staff, including managing editor Ben Bradlee. Graham, however, eventually gained the respect of her male counterparts in the world of journalism and went on to a highly successful career as a powerful figure in Washington. In 1991 she passed on leadership of the paper to her son Donald, who remained at the helm until the 2013 sale of the Washington Post Company to Bezos.

### The Disappearance of the Local Newspapers

Thousands of articles have appeared in newspapers and magazines over the past decade or two lamenting the disappearance of the local newspaper. While a few big-city dailies continue to stay in business and even expand their readership through on-line subscriptions, small town dailies seem to face inevitable extinction as the younger generation turns almost exclusively to their hand-held device or a lap top computer for information about the world around them. While television news takes up some of the

slack, anyone who watches CNN or Fox News can tell you that these outlets exist primarily to carry advertisements and, as a result, the time actually devoted to reporting the news is minimal.