

NEW YORK

Murdoch Hacked Us Too

The News Corp. scandal already exposed just how thoroughly the company had corrupted Britain. Now it's time to look on this side of the pond.

By [Frank Rich](#) Published Jul 31, 2011





Illustration by Eddie Guy

When I was offered a job as a film critic for the *New York Post* in 1975, it had just been labeled “a terrible newspaper” by Nora Ephron in her media column for *Esquire*. Having been a *Post* reporter, she knew whereof she spoke. Dolly Schiff, the paper’s legendary dowager-in-chief, was notorious for being cheap, petty, whimsical, and, somewhat more fetchingly, a rumored onetime [paramour of FDR](#). Her paper was a rapidly declining asset—a staunchly liberal tabloid chasing after a hypothetical middlebrow afternoon readership too highfalutin for the *Daily News* and yet insufficiently titillated by the sober *New York Times*. I knew Nora and asked her if I should really take the plunge into a newsroom she had so convincingly portrayed as a hellhole. She advised, wisely: Well, why not? I was 25 that spring and had nothing to lose except my innocence.

Which I would lose soon enough. I liked and looked up to my colleagues at the *Post*, many of them talented, hardworking,

and ingenious at circumventing the obstacles imposed by the owner. They soon inducted me into the gallows humor of the joint. Everyone knew the ax would fall one day. We just didn't know which day, or who would be wielding it. When the moment finally arrived, shortly before Thanksgiving in 1976, with the announcement that Schiff would sell her paper to a foreign mogul almost no one had ever heard of, it was greeted as good news. "Nobody was crying," one reporter told the *Times*. "It was a rebirth. The *Post* is an orphan that has been adopted." Our Daddy Warbucks would not only pour money into the paper's impoverished coffers but also, as he told the *Times*, preserve its "essential characteristics," "style of reporting," and "political policies." The *Post* would continue to be a "serious newspaper."

ANNOTATIONS

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A day or two later, I was walking across the South Street newsroom when I ran into a young Australian reporter on the staff, Jane Perlez. *You must know something about Rupert Murdoch*, I said, feeling quite upbeat about our white knight from Down Under. Jane would have none of it. "He's bloody why I left Australia!" she replied.

Within a year or so, many of us would leave the *Post*, in some cases to land sooner or later at the *Times*: Jane (these days a courageous correspondent in Pakistan), Anna Quindlen, Clyde Haberman, Joyce Purnick, and Joyce Wadler, among - others. In the telling of Murdoch's hagiographers (who often are on his payroll), we and those who departed his subsequent acquisitions were driven out solely because our delicate liberal sensibilities were offended by the new proprietor's Fleet Street-style sensationalism, blatant conservative politics, and machete editing of our precious prose. Such is the tale told in *It's Alive*, a celebratory 1996 memoir [written by Steven Cuzzo](#) (a Schiff-era hire who never left). As he has it, Murdoch was a savior whose *Post* "broke the elitist media stranglehold" by democratizing public discourse and ruffling "Establishment feathers." Indeed, his cheerful 300-page-plus encomium invokes Alexander Hamilton, the *Post*'s long--dishonored 1801 founder, as often as it does the paper's latter-day mascot, the pickled [Aussie hack Steve Dunleavy](#). "All of us owed our destinies to Alexander Hamilton," Cuzzo writes grandly of his colleagues past and present. Of course, the [same could be said of Aaron Burr](#).

The story told by Cuzzo is a triumphalist gloss on what actually happened just after Schiff sold the *Post*, but his take on Murdoch could stand as the template for News Corp.'s line of defense today, as a tidal wave of scandal washes over its British properties and inexorably heads toward American shores. This perennial spin—which often has served as the lazy conventional wisdom in non-News Corp. accounts of the great man as well—casts Murdoch as a brilliant newspaper maven who'll go so far as to roll up his shirtsleeves to help his mates at deadline. In an era when even his own bean counters tell him newspapers are a dying business, he has valiantly overpaid for dinosaur print properties and saved the jobs of multitudes of ink-stained wretches who would otherwise be thrown out of work. And yet he gets little respect because he's just too damn brave and iconoclastic for his own good. His only crimes are to hold political views unfashionably to the right of the "mainstream media" and to pursue tabloid stories that challenge those in power, delight the masses, and offend the antediluvian standards of the tweedy has-beens teaching at Columbia's journalism school.

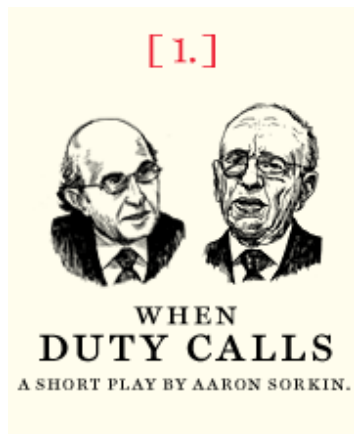
This romantic profile of Murdoch puts him squarely in the tradition of a fabled (if often tawdry) old-school media mogul

like William Randolph Hearst, whose papers famously [fomented the Spanish-American War](#) and perfected the modern gossip machine. Murdoch, ipso facto, is Citizen Kane, while the *Post* and “Page Six” are recast as scrappy descendants of Hearst’s *Mirror* and Walter Winchell—the all-American New York tabloid culture enshrined in another film classic, [the 1957 *Sweet Smell of Success*](#). In the eyes of its defenders, the Murdoch dynasty can even be likened to the Sulzbergers and Grahams. Maybe the *Times* and *Washington Post* turn up their noses at tabloid antics, but their proprietors, like Murdoch, have strenuously endorsed political candidates and causes and, at times, secured government favors that serve their business interests.

This defense is a smoke screen. The real transgressions of the Murdoch empire are not its outré partisanship, its tabloid sleaze, its Washington lobbying, or even what liberals most love to hate, the bogus “fair and balanced” propaganda masquerading as journalism at Fox News. In fact, these misdemeanors are red herrings—distractions from the real News Corp. corruption that now threatens to bring down its management and radically reconfigure and reduce its international corporate footprint. The bigger story is this: An otherwise archetypal media colossus, with apolitical TV shows (*American Idol*), movies (*Avatar*), and cable channels (FX) like any other, is controlled by a family (and its tight coterie of made men and women, exemplified by [the recently departed Rebekah Brooks](#)) that countenances the intimidation and silencing of politicians, regulators, competitors, journalists, and even ordinary citizens to maximize its profits and power and to punish perceived corporate, political, and personal enemies. And, as we now know conclusively, some of this behavior has broken the law.

This ethos would never be tolerated for long at most public companies, but News Corp. is a [faux-public company](#) thanks to the Murdochs’ special tier of controlling shares. What’s being illuminated daily by the *News of the World* revelations in London are the broad parameters, still sketchily filled in, of News Corp.’s definition of business-as-usual: the compulsive lying (James Murdoch’s testimony before Parliament is of a piece with that interview Rupert gave to the *Times* in 1976); the wholesale buying of police and politicians; the thuggery employed to invade the privacy of cheesy celebrities and the 13-year-old murder victim Milly Dowler alike to pump newspaper sales; and the dizzying array of cover-ups, from the sham News Corp. “investigations” and “independent committees” to the hush money that rains down on victims, discarded employees, and cops. It’s not happenstance that many watching [the Murdochs’ testimony on television](#) were struck by the resemblance to the [Senate hearing in *The Godfather: Part II*](#), with James Murdoch starring as Michael Corleone and Joel Klein in the supporting Robert Duvall role of the consigliere Tom Hagen. Students of pop culture know an epic family business when they see one.

As in *Godfather II*, it’s useful to flash back briefly to what really happened after the patriarch’s splashy arrival in New York. Even in embryo, the corporate DNA was snapping into focus.



Contrary to Cuzzo’s account, it was not tabloid excesses or conservative ideology that drove the exodus of many *Post* reporters in late 1976 and 1977. In truth, the paper’s tabloid voice hadn’t fully differentiated itself from the one Schiff left behind, even if the headlines were better (though the immortal [HEADLESS BODY IN TOPLESS BAR](#) was still six years away). Nor, in those early days, had the paper’s politics undergone their hard shift rightward. When 50 of the *Post*’s 60 reporters infuriated their new boss by publicly protesting the paper’s slanted news coverage during the local 1977 political campaign, that coverage was tilted in favor of Ed Koch and Carol Bellamy—both then unabashed liberal Democrats, running for mayor and City Council president. It was the *Post*’s journalistic corruption that enraged those reporters—the editorials run as news stories (including on page one), the endless parade of fawning features on the favored candidates—not the fungible ideology of Murdoch’s opportunistic partisanship. (His reason for supporting Koch over Mario Cuomo in that race, he explained, was that there were “two-and-a-half million Jews in New York and 1 million Italians.”) This corruption had seeped quickly even into my own soft-news beat. I left the *Post* soon after a newly installed Murdoch underling informed me that I had to “take the views of our advertisers into consideration” when reviewing movies.

In retrospect, those were the good old days. To appreciate where we’ve traveled since, few words are more evocative than those of Graham Foulkes, who recently learned that his 22-year-old son, killed by a suicide bomber in London in 2005, may have had his cell phone hacked by Murdoch goons. “You think it’s as dark as it can get,” [Foulkes told the BBC](#), “then you realize there’s someone out there who can make it darker.”

The *Post* would not be my last brush with Murdoch’s minions. An emissary tried to rehire me for his other new purchase in New York—this magazine, which [he wrested unscrupulously from its founder, Clay Felker](#), in 1977 and owned until 1991. (I declined.) Years later, when I became a *Times* columnist who frequently criticized various Murdoch organs, I was harassed by a “blind” fictional “Page Six” item that had me leaving my wife for a Broadway director. That was a mere warm-up for a full-frontal assault from Bill O’Reilly. After I came to the less-than-novel judgment that Mel Gibson and his 2004 movie *The Passion of the Christ* were anti-Semitic, O’Reilly, whose one novel had been optioned by Gibson for a film, attacked me on six different installments of his prime-time Fox News show, *The O’Reilly Factor*, sometimes displaying my photograph. I would have laughed off his blowhard provocations—“Hollywood and a lot of the secular press are controlled by the Jewish people” was a typical hypothesis—had they not incited the most explicitly violent and virulently anti-Semitic threats of my career. It was only one of two times in seventeen years as a *Times* columnist that I sought security advice. (The other was when I wrote critically about Scientology some years earlier.)

As a figure in Murdochian history, I hasten to add, I am merely a footnote—like countless other News Corp. journalistic nemeses. Even a *Times* reporter who wrote a routine news story on a Fox News ratings lull was punished by having his headshot [distorted into an anti-Semitic caricature](#) worthy of *Der Stürmer* for display on the morning show *Fox & Friends* (a misnomer if ever there was one). Other victims have had it far worse, including the often-defenseless obscure citizens who cross O'Reilly's radar screen because they have views he abhors, at which point his producer stalks them for an on-camera ambush. (It was left to the *Post*, however, to trash a former *O'Reilly Factor* producer with whom he settled a sexual-harassment suit in 2004.) O'Reilly's now-departed tag-team partner in Fox News vigilantism, Glenn Beck, excoriated the nearly 80-year-old CUNY sociologist Frances Fox Piven so often in the past few years (mostly for an essay she had written about poverty in 1966) that she had to fend off death threats. George Tiller, the Wichita abortion doctor who was called a “baby killer,” among other epithets, [on 29 episodes of *The O'Reilly Factor*](#), was assassinated while at church in 2009.

News Corp. bullying has inflicted real damage on America no less than on England. And as the British were in denial concerning the severity of Murdoch's impact until the [Guardian uncovered the Milly Dowler story](#), so America still is in denial. We've become so inured to Murdoch tactics over the years—and so many people in public life have been frightened, silenced, co-opted, or even seduced by them—that we have minimized his impact exactly the way his publicists hoped we would, downgrading News Corp. misbehavior merely to tabloid vulgarity and right-wing attack-dog politics. But there's a real difference between the tabloidization of America—which is, and no doubt always will be, unstoppable—and the Murdochization of America, which still might be stopped.

The outré partisanship, the tabloid sleaze, the Washington lobbying, even the “fair and balanced” propaganda— these misdemeanors are red herrings.

It's not just because Roger Ailes once worked for Richard Nixon that Watergate analogies abounded as *News of the World* and then the key Murdoch executives Rebekah Brooks and Leslie Hinton were abruptly sacrificed in the family's efforts to save Rupert and James. Carl Bernstein, more attuned to those echoes than anyone, got it exactly right when [he wrote in *Newsweek*](#) that “too many of us have winked in amusement at the salaciousness without considering the larger corruption of journalism and politics promulgated by Murdoch Culture on both sides of the Atlantic.” And not only “liberal” journalists feel this way. Conrad Black, the right-wing Canadian media mogul who has lately been in prison for fraud, recently described Murdoch in the *Financial Times* as not merely a “tabloid sensationalist” but “a malicious mythmaker, an assassin of the dignity of others and of revered institutions, all in the guise of anti-elitism.” Or as the former Bush speechwriter David Frum said more than a year ago, “Republicans originally thought that Fox worked for us, and now we're discovering we work for Fox.”



But for all the American attention showered on the *News of the World* scandal since the Dowler hacking emerged on July 4, there's still a tendency in some of our press to portray the parade of outrageous revelations as idiosyncratic and exclusively British phenomena: Murdoch summoning prime ministers as if they were personal lackeys; the successful squelching of the Scotland Yard hacking investigation and the subsequent hiring of that investigation's lead officer as a columnist at Murdoch's London *Times* (where he then defended his own farcical investigation as having left “no stone unturned”); the Murdoch tabloids' cruel treatment not only of the Dowler family and of Gordon Brown's 4-month-old son with cystic fibrosis but of thousands of other hacking victims, most still not identified, from the royal family to the terrorist victims of the 7/7 tube bombings. But what happened in England hasn't stayed in England. Most, if not all, of these British horrors have precise counterparts in Murdoch's American history. What we don't know yet, because few have looked, is which pieces of the corruption may have crossed the line into illegality.

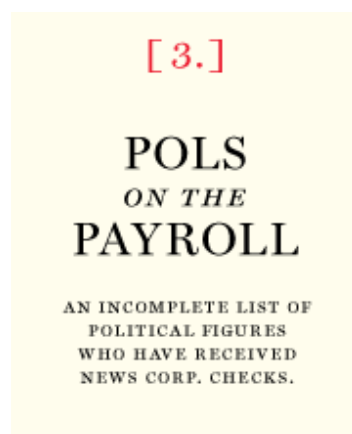
The wholesale buying of elected officials is such a staple at Fox News we don't think twice about it anymore. While it has long been routine for retired politicians, former officials, and semi-retired campaign operatives to join the ranks of American print and television journalism—whether on ABC (George Stephanopoulos), CNN (Donna Brazile, William Bennett), or MSNBC (Chris Matthews), or in the *Times* (from William Safire to Peter Orszag)—only at Fox were four active potential presidential candidates literally on the payroll (Palin, Huckabee, Gingrich, Santorum) for chits that can be cashed in should any of them end up in or near the White House. (And you can bet if any of them do, Murdoch will not be entering through the back door.) Karl Rove, who has held sinecures at both Fox and *The Wall Street Journal* since leaving the Bush administration, is hardly comparable to, say, James Carville and Mary Matalin bloviating on NBC's *Meet the Press* once their respective campaign duties for Clinton and Bush the First were over. Unlike them, Rove remained a major political player after his White House tenure, [presiding over political fund-raising organizations](#) that assembled \$71 million in 2010 including \$25 million spent on some 30,000 ads attacking Democratic candidates and supporting Republican ones. (He'll be even more active in 2012.) John Kasich, elected governor of Ohio last year, is a former Fox News host who made 42 Fox appearances as he contemplated running and another sixteen appearances as an active candidate, thereby making him, as Tim Dickinson of *Rolling Stone* put it, “[the first candidate of the Fox News Party.](#)” Fox routinely publicized tea-party rallies at its inception even as News Corp. donated \$1.26 million to the Republican Governors Association. This isn't mere partisanship—which MSNBC also practices—but tantamount to a GOP–Fox News merger.

Fox News is far from the only American division of News Corp. to be pressed into service, checkbook in hand, when

Murdoch's interests—financial at least as much as ideological—are at stake. One classic example occurred in 1995, after the Federal Communications Commission questioned whether Murdoch had misled it in 1985, when News Corp., then based in Australia, secured Fox broadcast licenses despite a federal law limiting foreign ownership of local stations to 25 percent. The matter died soon after the News Corp. book division HarperCollins offered the then–Speaker of the House, Newt Gingrich, a [\\$4.5 million advance](#). True to form, Murdoch claimed to have no idea that the book deal was ever in the works—even though he conceded having met with Gingrich just a few weeks earlier to discuss the FCC inquiry. (The ensuing ruckus shamed Gingrich into forgoing the advance.)

Collusion between journalists and top-level politicians is hardly a new phenomenon in our history, but News Corp. has set a new standard in scale for the mass-media era. And here, as in England, what drives Murdoch is not politics so much as money and power. Just as he could segue effortlessly from [Margaret Thatcher](#) to [Tony Blair](#), so he has ponied up for Democrats when he needed them, including hosting a fund-raiser for his newfound friend Hillary Clinton during her presidential run.

If Murdoch is to be undone in America, as in England, it won't be politicians who take the lead. It will take aggressive journalism, law enforcement, and civil actions to force jettisoned News Corp. executives to sing. The latest so-called independent “management-and-standards committee” commissioned by Murdoch to conduct an internal investigation is particularly laughable, even by his standards. Its scope is limited to News Corp. behavior in England. Its chairman, Tony Grabiner, a London commercial lawyer, reports to Joel Klein, who in turn reports to Viet Dinh, a former Bush--administration lawyer who, in what one hopes is an unintended sick joke, is best known for embracing government phone hacking in his role as [principal author of the Patriot Act](#). Both Klein and Dinh are on the News Corp. board. Klein's News Corp. compensation this year is expected to be [in the neighborhood of \\$4.5 million](#).



So far, the only major American news organization to follow the lead of the *Guardian* in London and devote serious resources to reporting on this scandal is the *Times*. (The *Washington Post*, once of Watergate fame, is now edited by Marcus Brauchli, who received a reported [\\$6.4 million News Corp. severance check](#) when he left as editor of *The Wall Street Journal* in 2008, four months after the Murdoch takeover.) When the *Times* published [its first major examination of News of the World's hacking](#) as a magazine cover story last fall, News Corp. shills protested that it was motivated by rivalry with the *Journal*. “We reject absolutely any suggestion or assertion that the activities of Clive Goodman and Glenn Mulcaire”—the only foot soldiers that News Corp.'s “investigation” of that time had found guilty of anything—“were part of

a ‘culture’ of wrongdoing,” a News Corp. editor responded to the *Times*. This defense, now inoperative, was right out of the Nixon administration’s playbook in the early going of the firestorm that would ultimately lead to its demise.

News Corp. has protested just as loudly in denying that it is guilty of hacking in the U.S.—a meaningless claim given the avalanche of evidence yet to be examined, including the long-suppressed Scotland Yard stash of six large trash bags with 11,000 pages of handwritten notes about nearly 4,000 potential *News of the World* hacking victims. Besides, it may depend on how you define hacking. As [David Carr recently wrote](#) in his *Times* column, a Murdoch division in the newspaper-advertisement-insert business, News America Marketing, was accused of hacking into a rival company’s password-protected computer system, stealing proprietary information and then spreading “malicious information” about that competitor. Embarrassing testimony in the ensuing federal trial in New Jersey was abruptly shut down when News Corp. paid out a \$29.5 million settlement and then bought outright the tiny company that had brought the case. Rather remarkably, News America Marketing alone has shelled out roughly two-thirds of a billion dollars—nearly the domestic gross of *Avatar*—to settle similarly ugly suits under its chief executive, Paul Carlucci. Perhaps less remarkably, Carlucci not only remains in place but is so valuable to Murdoch that he’s done double-duty as publisher of the New York *Post* since 2005.

Why Carlucci remains at his job(s) while Les Hinton, Murdoch’s chum of 52 years, was thrown overboard is one of the countless mysteries that remain to be solved. What we can guess is that Hinton’s severance payday was huge. He knows a lot. He ran News Corp.’s British papers at the time of their known criminality, then came to New York to run Dow Jones and the *Journal*. [In his testimony before Parliament](#) in 2007 and 2009, he said he was completely ignorant of the industrial-strength hacking at *News of the World* and that a single rogue reporter was the “only person” who did know. “We have no reason to doubt him, especially based on our own experience working for him,” [read a lead *Journal* editorial](#) defending Hinton (and Murdoch) on July 18. Good luck with that. Anyone who doubts that the *Journal*’s news pages have been compromised in the Murdoch-Hinton era need only consult the issue of July 15, the day Hinton resigned, when the front page of its culture section, “Friday Journal,” was given over to [a promotional piece about Simon Cowell’s new Fox-network series, *The X Factor*](#), with a full additional page of coverage inside.

Hinton could be among the last to crack. Among the first is the *News of the World* editor at the time of its closing, Colin Myler. He joined a departed longtime News Corp. lawyer, Tom Crone, in waiting only two days after the Murdochs’ parliamentary appearance to [accuse James Murdoch of fictionalizing his ignorance](#) of how widespread the hacking was when he authorized a \$1.1 million settlement to one prominent hacking victim in 2008. Myler may also have information to share about Murdoch’s American operations. Before succeeding the now-arrested Andy Coulson as editor of *News of the World* in 2007, he spent some five years under Col Allan as a top editor at the *Post*.

Myler arrived in New York two months after 9/11, while the *Post* and Fox News were starting to turn the attack into a corporate franchise, zealously aligning their interests with the ambitions of that day’s local heroes, Rudy Giuliani and Bernie Kerik, and, like them, appropriating ground zero as a brand at every conceivable opportunity. Should a single instance of 9/11 hacking emerge, the Murdochs would face a lynching party led by Republicans. But given that the charge was leveled with thin sourcing by the *Daily Mirror*, a scurrilous London tabloid in competition with News Corp., there well may be nothing to it. Myler might know.

He might also be able to fill in details about a still-murky 9/11 scandal that unequivocally did occur that fall: the extramarital affair that Kerik conducted with Judith Regan, a News Corp. publishing executive personally recruited by Murdoch, in [an apartment originally intended for rescue workers](#) and overlooking the smoldering ruins of ground zero. Kerik, though still police commissioner, was also on the Murdoch payroll then—having received a hefty advance from Regan for his memoir published that November, when the ground-zero trysts were going on.

Regan would be fired in 2006 as the scapegoat for the O. J. Simpson *If I Did It* fiasco—a project Murdoch had heartily endorsed until Nicole Brown Simpson's and Ron Goldman's families reacted much as Milly Dowler's parents did after learning of News Corp.'s violation of their murdered child. In Regan's subsequent wrongful-termination suit, she charged that she had [a tape of Roger Ailes telling her to lie](#) about Kerik to federal investigators vetting his nomination as Bush's secretary of Homeland Security in 2004. Ailes, she said, wanted to protect Giuliani's presidential ambitions; the *Post*, meanwhile, served as Kerik's wingman, leading the cheerleading for his Cabinet appointment ("It's hard to think of a more enlightened choice—for America or for the city," read an editorial). What did Ailes and Murdoch want in exchange for installing the manifestly unqualified and corrupt Kerik in the nation's foremost security job? Was Kerik as subservient to Murdoch executives as was the now departed commissioner of London's Metropolitan Police? Perhaps Myler, if squeezed, can tell us what was going on. Regan won't—her suit against News Corp. was aborted in 2008 with a whopping out-of-court settlement of \$10.75 million. Rarely has silence been that golden.

Which is to say, it will take a lot of heavy lifting to overturn all the rocks under which Murdoch's secrets are buried. As in Watergate, the process of discovery will ebb and flow for months and possibly years: [A 26-month interval](#) separated the arrest of the low-level burglars trying to bug the Democratic National Committee headquarters and Nixon's resignation. The most important first step down this road will be for Americans to fully recognize that what happened at *News of the World* was no isolated virus but part of a larger culture that didn't remain quarantined on the other side of the ocean. Once that realization sinks in, it can only hasten the day when the long national nightmare of the Murdochization of America, now well into its fourth decade, will be over.