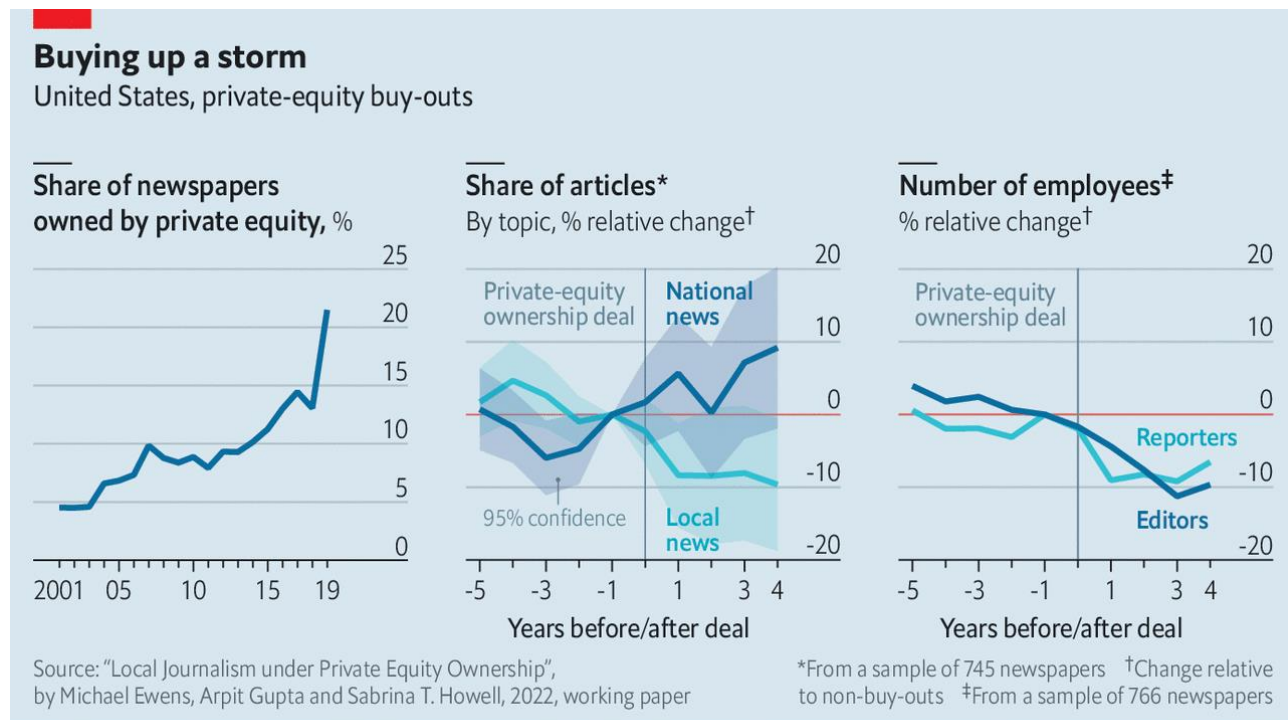


## DOCUMENT 1 a &amp; b



The Economist

## Who bought what media?

	<b>Jeff Bezos</b> Amazon's founder worth <b>\$156bn</b>	<b>The Washington Post</b> <b>\$250 million</b>
	<b>John Henry</b> trading firm J.W.Henry & Co worth <b>\$2.6bn</b>	<b>The Boston Globe</b> <b>\$70 million</b>
	<b>Sheldon Adelson</b> Las Vegas Sands worth <b>\$35.4bn</b>	<b>LAS VEGAS REVIEW JOURNAL</b> <b>\$140 million</b>
	<b>Laurene Powell Jobs</b> Forbes worth <b>\$20.3bn</b>	<b>The Atlantic</b> Terms of deal not disclosed
	<b>Patrick Soon-Shiong</b> biotech startups including NantHealth, worth <b>\$7.2bn</b>	<b>Los Angeles Times</b> <b>\$500 million</b>
	<b>Marc Benioff</b> Salesforce.com worth <b>\$6.6bn</b>	<b>TIME</b> <b>\$190 million</b>

Source: BBC Research

BBC

**Amazon founder buys The Washington Post**

• Channel 4 | • 6 August 2013 | •  
<https://youtu.be/gvQ85BzernM>

## DOCUMENT 3 -

**Why Buy a Yacht When You Can Buy a Newspaper?**

**By Nicholas Kulish, *The New York Times*, April 10, 2021 (adapted)**

Billionaires have had a pretty good pandemic. There are more of them than there were a year ago, even as the crisis has exacerbated inequality. But scrutiny has followed these ballooning fortunes. Policymakers are debating new taxes on corporations and wealthy individuals. Even their philanthropy has come under increasing criticism as an exercise of power as much as generosity.

One arena in which the billionaires can still win plaudits as civic-minded saviors is buying the metropolitan daily newspaper.

The local business leader might not have seemed like such a salvation a quarter century ago, before Craigslist, Google and Facebook began divvying up newspapers' fat ad revenues. Generally, the neighborhood billionaires are considered worth a careful look by the paper's investigative unit. But a lot of papers don't even have an investigative unit anymore, and the priority is survival.

This new media landscape has changed newspaper ownership. (...)

If there was a signal year in this development, it came in 2013. That is when Amazon founder Jeff Bezos bought The Washington Post and the Red Sox' owner, John Henry, bought The Boston Globe.

"I invested in The Globe because I believe deeply in the future of this great community, and The Globe should play a vital role in determining that future," Mr. Henry wrote at the time.

Mr. Bezos and Marty Baron, the recently retired editor of The Post, famously led a revival of the paper to its former glory. And after a somewhat rockier start, experts said that Mr. Henry and his wife, Linda Pizzuti Henry, the chief executive officer of Boston Globe Media Partners, have gone a long way toward restoring that paper as well.

Across the country, for Dr. Patrick Soon-Shiong, the physician and billionaire who bought The Los Angeles Times in 2018, it hasn't always gone smoothly. But few prefer the alternative of hedge-fund ownership. (...) From Utah to Minnesota and from Long Island to the Berkshires, local grandees have decided that a newspaper is an essential part of the civic fabric. Their track records as owners are somewhat mixed, but mixed in this case is better than the alternative.

Researchers at the University of North Carolina at Chapel Hill released a report last year showing that in the previous 15 years, more than a quarter of American newspapers disappeared, leaving behind what they called "news deserts." The 2020 report was an update of a similar one from 2018, but just in those two years another 300 newspapers died, taking 6,000 journalism jobs with them.

"I don't think anybody in the news business even has rose colored glasses anymore," said Tom Rosenstiel, executive director of the American Press Institute, a nonprofit journalism advocacy group. "The advantage of a local owner who cares about the community is that they in theory can give you runway and also say, 'Operate at break-even on a cash-flow basis and you're good,'" said Mr. Rosenstiel.

For instance, Glen Taylor, a Minnesota billionaire who owns the Minneapolis Star Tribune, is not showering the newsroom with money, said Michael Klingensmith, publisher and chief executive of the paper. "The understanding we have with Glen is that if we generate cash, it's ours to keep but he's not interested in investing more," he said. "He expects the business to be completely self-sufficient."

But at 240 staffers, the newsroom is as big as it was when Mr. Klingensmith arrived in 2010, something relatively few papers can boast of over the same period. The Star Tribune's goal was to reach 100,000 digital subscribers by the end of last year, and it hit that mark by May. And the paper just won a prestigious Polk Award for its coverage of the killing of George Floyd and the aftermath.

“The communities that have papers owned by very wealthy people in general have fared much better because they stayed the course with large newsrooms,” said Ken Doctor, the C.E.O. and founder of Lookout Local, which is trying to revive the local news business in smaller markets, starting in Santa Cruz, Calif. Hedge funds, by contrast, have expected as much as 20 percent of revenue a year from their properties, which can often be achieved only by slashing the number of reporters and editors for short-term gain.

Alden Global Capital has made deep cuts at many of its MediaNews Group publications, including The Denver Post and The San Jose Mercury News. Alden argues that it is rescuing papers that might otherwise have gone out of business in the past two decades. Alden Global Capital is a hedge fund based in Manhattan, New York City. By mid-2020, Alden had stakes in roughly two hundred American newspapers. The company added more newspapers to its portfolio in 2021 when it purchased Tribune Publishing and became the second-largest newspaper publisher in the United States

And a billionaire buyer is far from a panacea for the industry’s ills. “It’s not just, go find yourself a rich guy. It’s the right rich person. There are lots of people with lots of money. A lot of them shouldn’t run newspaper companies,” said Ann Marie Lipinski, curator of the Nieman Foundation for Journalism at Harvard and the former editor of The Chicago Tribune. “Sam Zell is Exhibit A. So be careful who you ask.” Mr. Zell, the real estate maverick and billionaire whose nickname is “the grave dancer,” took Tribune Publishing private in a leveraged buyout in 2007. The company filed for bankruptcy the next year. His brief tenure helped set in motion the events leading to the Alden Capital bid.(...)

“These buyers range across the political spectrum, and on the surface have little in common except their wealth,” said Ms. Lipinski. “Each seems to feel that American democracy is sailing through choppy waters, and they’ve decided to buy a newspaper instead of a yacht.”

#### DOCUMENT 4 -

#### Startups aim to reinvigorate local news in America

*The Economist*, Apr 16th 2022 | BALTIMORE, MARYLAND

In its heyday in the 1950s, the spacious five-storey redbrick building on North Calvert Street housed the hundreds of employees of the *Baltimore Sun*, the city’s pre-eminent newspaper. Like other local papers across America, the *Sun* has since fallen on hard times. In 2018, after years of lay-offs, it moved out of downtown.

Back at the city’s Inner Harbour, construction crews hurry in and out of a former power plant. They are converting the building into office space for a new occupant aspiring to fill the gap left by the *Sun*’s shrinking presence. When it launches online this spring, the *Baltimore Banner*, a non-profit news organisation backed by a local businessman and philanthropist, Stewart Bainum junior, aims to boast more writers than its crosstown rival. “Our goal is to make sure Baltimore doesn’t become a news desert,” says Imtiaz Patel, the CEO.

The slow death of local news in America is a well-documented phenomenon. The internet has ended the monopolies on news and advertising once enjoyed by local media. But a wave of startups is betting that a digital-first strategy, with its reach and low costs, can reverse the decline. The initiatives are experimenting with a variety of business models.

The scale of the collapse of local news has been stunning. In a report published in 2020 Penelope Abernathy, a professor now at the Northwestern University Medill School of Journalism, found that 1,800 communities that had a local news outlet 16 years earlier now had none. Two-thirds of counties lack a daily newspaper.

Political scientists believe the consequences have been severe. The demise of local news has been linked to greater political polarisation, declining participation in local elections and reduced accountability for local elected officials, leading to more corruption. It has also contributed to the growing nationalisation of politics, with a voter’s choice for president increasingly predictive of their choice for school-board representative. Some people are now prepared to throw money at the problem.

One way is through philanthropy. Rich benefactors propping up local news is nothing new—the *Boston Globe*, *Los Angeles Times* and *Washington Post* all rely to varying degrees on patrons with money to spare. New ventures like the *Baltimore Banner* reckon it is an advantage not to be weighed down by the legacy infrastructure of print. The American Journalism Project gives grants to non-profit local news

organisations across the country, with an eye to cultivating sustainable businesses. But what if the philanthropists lose interest? “What Stewart provides is seed capital,” says Mr Patel. “Longer term, we are aiming for a diversity of revenue sources.”

Other startups are leveraging one of the internet’s oldest innovations: the email newsletter. In the vanguard is Substack, a technology company that provides the tools and infrastructure for writers to establish their own paid email subscriptions. Although many of the platform’s best-known publications cater to a national audience, some are focusing locally.

After the national magazine he worked on closed in 2018, Tony Mecia pondered a return to life as a freelancer in Charlotte, North Carolina. But after seeing how many local stories went unreported even by the city’s main paper, Mr Mecia decided to start his own newsletter on Substack, the *Charlotte Ledger*. “It’s a turnkey solution, I probably never would have started the *Ledger* without something like Substack,” says Mr Mecia. With no need for external financing, the business can grow with subscribers, and Mr Mecia can focus on reporting.

Some national digital-news organisations believe their formula can work locally. Axios, mostly known for its daily email newsletters on national politics, started Axios Local last year to deliver regular email newsletters tailored to 14 cities, with 11 more soon to come. With its headquarters in Arlington, Virginia, handling operations, and leveraging a well known brand, Axios is betting that its ad-supported newsletters will allow it to invest in local journalists. “From a business perspective, we go where there’s population, audience and money first, and then work our way out to the harder-to-reach areas,” explains Jim VandeHei, the ceo of Axios.

The range of experiments is encouraging, and all are eager, like the *Baltimore Banner*, to stress the conservatism of their strategies, prioritising long-run sustainability ahead of growth at all costs. But success in local news, whatever the model, will not be easy. And Ms Abernathy worries that these new digital initiatives will leave much of the country untouched outside America’s major cities. “In these places”, she says, “there’s no one left to hold the powerful accountable.”

## DOCUMENT 5 - Bezos and Washington Post show honeymoon is over for tech mogul media owners

Edward HELMORE | *The Guardian* | 29 January 2023

Amid intense speculation to the contrary, the tech billionaire Jeff Bezos last week sought to reassure a nervous newsroom at the *Washington Post* that he was not seeking to sell the august newspaper.

The rumors, stoked by layoff anxiety at the newspaper and – again, speculation – that another multibillionaire, Mike Bloomberg, is in the market for the title, had been the subject of feverish debate in US media circles.

Anxiety peaked 10 days ago when Bezos visited the Post and reaffirmed his commitment to journalism, but just four days before the paper announced a wave of layoffs across the title.

On the surface, nothing had changed but the story did serve to illustrate how well the recent marriage of rich tech moguls and US media has worked out after a wave of wealthy men (and women) purchased troubled news outlets, in some cases, after decades of dynastic family ownership.

With the valuations of tech companies now falling across the sector, what would be the knock-on to media outlets that the tech billionaires bought as totems of prestige, influence and public service, and who may

have imagined that they could refashion for a modern media by consumer-focused data technology?

Some experts think recent years have been a rude awakening for US media’s new ruling class.

“I think Bezos came in thinking he understood technology in a way that old-fashioned newspaper people don’t,” said Eli Noam, professor of tele-information at Columbia University and author of 2015’s *Who Owns the World’s Media?*. “He discovered that technology doesn’t really work to overcome the structural problems of the print industry. Or if it does, it works for everybody else, too.”

Over the past decade, the influx of tech money into the news media was as dramatic as it was surprising. Bezos bought the *Post* from the Graham family in 2013 for \$250m; eBay founder Pierre Omidyar pumped the same sum into First Look Media; Laurene Powell Jobs bought a controlling stake in the *Atlantic* for a reported \$160m; Biotech billionaire Patrick Soon-Shiong paid \$500m for the *Los Angeles Times*; and Salesforce founder Marc Benioff bought the rights to the trademark “Time” for \$190m.

The trend for tech money to buy media companies, Puck pointed out last week, led journalists to comfort themselves with the idea that “mega-successful

economic animals would view their work product like a piece of art or an heirloom”.

That calculus is now challenged as the US news industry struggles with the problems that have beset it for years: declining print products, struggles to make money online and a wealth of upstart digital rivals. “Part of the newspaper business has been kept afloat, beyond underpaying its staff, by some form of private generosity and philanthropy. (...)”

“This generation of tech billionaires has probably reduced its appetite for print publications, and there’s a growing scepticism of their ability to turn the business around in the face of fundamental trends,” Noam said. In parallel but reversed trends, “new” media organizations with no relation to legacy print are also under pressure.

Vice Media, which received investment from Disney and 21st Century Fox, and was once valued at \$5.7bn, is on the block for less than \$1bn. In December, loss-making BuzzFeed recently announced it was cutting 12% of its estimated 1,522 employees.

Separately, the news startup Semafor said last week it was looking to return \$10m in funding it received from the indicted crypto king Sam Bankman-Fried, following the lead of Vox Media and ProPublica.

According to a report by Price Waterhouse Coopers, the tech deals market more broadly essentially froze in the last three months of 2022 with both deal value and volume decreasing 83% and 57%, respectively. (...)

But the impression that media companies could be run as consumer-focused tech companies like Amazon or Google may have been misinformed, said Robert Thompson, founding director of the Bleier Center for Television and Popular Culture.

“Tech, by its very name, is science. Media companies, at least when we talk about content, is show business, and show business really resists behaving in predictable ways,” he said.

And yet the value that Bezos is able to leverage from the *Washington Post* is unmistakable and lies beyond the paper’s profit and loss accounts. And they are the same ones that have always attracted people to media ownership: influence and prestige.

“Washington is full of issues that affect Amazon and owning the *Washington Post* gives you soft power,” said Noam. “Everybody knows it and understands it.” People always say Bezos personally owns the Post but that’s a distinction without a difference.”

For Bezos, as for the other billionaire tech-media investors, Thompson said: “It’s a complex recipe of prestige, ego, the history of the *Post*, the ways it can be leveraged culturally and politically. What matters is how competently tech comes up with ways to make it into new media – and that’s a lot harder than it looks.”

Complex consumer data signatures and real-time analytics tools can strongly influence what stories are written and how news is promoted at many news organisations, echoing features of addictive games, and raising questions about the news media’s public accountability and issues of managerial surveillance and discipline, said Caitlin Pietre, author of *All the News That’s Fit to Click*.(...)

Still, Thompson believes that even now newspapers can still be unique products despite the growing power of tech and the people that run it. “Content is the wild card, because however many audience profiles you do it refuses to give up its secrets. Robotics might be able to do everything humans can do better at some point, but show business may be one of the last,” he said. <sup>1</sup>

## MEDIA CONSOLIDATION

### DOCUMENT 6 – VIDEO - What Does Media Concentration Do to a Country? (The case of Australia)

[https://www.youtube.com/watch?v=gEcq8c90IOw&ab\\_channel=MediaReformCoalition](https://www.youtube.com/watch?v=gEcq8c90IOw&ab_channel=MediaReformCoalition)

Watch the introduction at least

### DOCUMENT 7 - La concentration des médias menace le pluralisme

<https://larevuedesmedias.ina.fr/la-concentration-des-medias-menace-le-pluralisme>

Julia Cagé, économiste de la presse, analyse les risques de la concentration des médias actuelle.

propos recueillis par [Guillaume Galpin](#)

**ina**, La Revue des Médias, 04 décembre 2015

*On assiste à une concentration exceptionnelle dans le paysage médiatique français. Mais, compte-tenu de la crise dans laquelle sont plongés les médias, est-ce que cette concentration n'est pas inévitable ?*

**Julia Cagé :** Il y a deux choses qui sont en train de se passer. D'une part, il y a une reconsolidation des médias et on aurait pu assister à la disparition d'un certain nombre de titres – on a eu très peu de fermetures en France relativement aux États-Unis par exemple. Ou à une consolidation avec des fusions et des créations de groupes comme ce qui est en train de se passer aujourd'hui. Par contre, ce qui n'était pas obligatoire et pas forcément attendu, c'est la nature des entreprises qui ont racheté ces médias à la chaîne. On aurait pu voir une consolidation avec la fusion entre un certain nombre de médias détenus de manière indépendante. Mais là, ce qui s'est passé, c'est qu'on a eu à la fois une consolidation mais aussi une perte d'indépendance parce que la plupart des titres ont été rachetés par des groupes industriels ou de télécoms qui n'ont pas pour objet premier de faire du média. Il y a le problème de l'identité de ceux qui rachètent les médias – et en particulier de leur secteur d'activité. Et il y a un autre problème : celui du pluralisme. Quand une même personne possède plusieurs hebdomadaires dont *L'Express*, un titre de presse quotidienne nationale *Libération*, une radio *RMC*, une chaîne de télévision *BFM*,... là c'est un problème. Si une même personne fait main basse sur plusieurs médias et qui plus est diffuse sur plusieurs supports, on doit le réguler. Dans tous les pays et dans toutes les démocraties qui fonctionnent bien, il y a des lois relativement fortes pour empêcher cette concentration de la presse du point de vue de l'actionnariat. Aux États-Unis, par exemple, il est interdit de posséder tout à la fois une radio, une télévision et un journal dans une même localité.

*Ces télécoms qui rachètent ces médias, ce n'est pas dans l'optique d'enrichir leur offre de services ?*

**Julia Cagé :** Pas forcément. Typiquement, on ne peut pas dire que le rachat effectué par Xavier Niel répond à une volonté d'enrichir l'offre de services de Free. On n'a vu aucun lien, aucune synergie entre *Le Monde*, *Le Nouvel Observateur* et Free. Dans le cas de Patrick Drahi c'est un tout petit peu différent parce qu'on a vu les premières offres émerger où, pour un abonnement téléphonique, vous aviez un journal gratuit. Et d'ailleurs on ne peut qu'interroger et dénoncer cette pratique qui revient à rabaisser le rôle de la presse et le travail des journalistes qui travaillent par exemple à *L'Express*. Quelle est leur véritable motivation ? Je ne pense pas que ce soit une manière d'enrichir leur offre télécoms par une offre médias et de mélanger à la fois le fournisseur d'accès et le contenu de produits. Je pense que ce qui a conduit à ça est une recherche d'influence politique, de prise de contrôle et de pouvoir avec un jeu de concurrence entre les deux d'ailleurs. On a toujours vu Patrick Drahi bouger avec un coup de retard sur Xavier Niel. Quand on voit Xavier Niel qui crée aujourd'hui un fonds d'investissement, avec Matthieu Pigasse, de plusieurs millions d'euros pour racheter des médias, on voit bien que ce n'est pas dans la logique de synergiser l'activité de télécoms de Xavier Niel mais bien de construire un empire médiatique, en France et à l'international. Et de ce point de vue-là, il n'y a pas vraiment de différence entre un Xavier Niel, un Vincent Bolloré ou un Martin Bouygues. Dans tous les cas, on a des gens qui ne viennent pas du secteur des médias et qui réinvestissent de l'argent dans les médias.

*Mais quel est le risque que ces hommes ne soient pas seulement des entrepreneurs de presse pour l'indépendance des médias ?*

**Julia Cagé :** Il y a plusieurs risques. Le premier est celui du pluralisme parce qu'on a une concentration accrue, donc un nombre très réduit de groupes, alors qu'on a des lois normalement pour limiter la concentration sauf que ces lois en

France sont extrêmement vieilles. On n'a pas régulé les médias sérieusement depuis 1986, c'est-à-dire avant l'invention d'Internet, donc il y a très peu de limites à la concentration. Donc le premier risque c'est la perte du pluralisme d'opinion, risque qui va être transféré au lecteur.

Le deuxième risque est pour les journalistes. Après, il y a différents types de propriétaires. Il y a des propriétaires ouvertement interventionnistes comme Vincent Bolloré et je pense dans ce cas à Canal+. Le risque est évident puisque Vincent Bolloré a très directement censuré des documentaires de la chaîne.. C'est plus compliqué à voir dans le cas d'un Xavier Niel ou d'un Patrick Drahi, puisque ce sont des gens qui ne vont pas forcément intervenir dans le contenu. Mais le risque le plus fort c'est celui de l'autocensure de la part des journalistes qui vont par exemple arrêter d'enquêter sur le secteur des télécoms pour ne pas déplaire potentiellement à leur actionnaire majoritaire.

***Dans ce cas, comment faire pour garantir leur indépendance ? Que pensez-vous des propositions de Fleur Pellerin qui dit vouloir renforcer les pouvoirs du CSA début janvier ?***

**Julia Cagé :** Fleur Pellerin a raison, elle va dans le bon sens mais elle ne va pas assez loin. Il n'y a aucune raison que ça ne concerne que l'audiovisuel, la radio et la télé. Ça devrait être aussi étendu à la presse écrite.

Deuxièmement, dans les mesures qu'elle a annoncées, il s'agit plutôt de vérifier que, dans chaque entreprise, il y ait une charte signée entre les journalistes et les actionnaires. Une charte éthique et déontologique. Le problème aujourd'hui c'est que les journalistes sont en position de faiblesse et je crois qu'en fait il devrait y avoir une charte globale pour l'ensemble de la profession, négociée avec le ministère, les syndicats de presse et les syndicats de journalistes, et qui s'imposerait en amont à l'ensemble des titres papiers, sur Internet, et à l'ensemble de l'audiovisuel. Ce que Fleur Pellerin a dit va dans la bonne direction, et encore une fois c'est tant mieux, car je pense que le ministère a été trop long à réagir sur ce sujet. C'est un mieux mais ça ne va clairement pas du tout assez loin dans ce qu'il faudrait faire pour garantir l'indépendance des journalistes en France.

***Vous proposez dans votre dernier livre un modèle de société de médias. En quoi il résoudrait ces problèmes d'indépendance et de pluralisme ?***

**Julia Cagé :** Le modèle que je propose de société de médias à but non lucratif est un modèle dans lequel on donne beaucoup de plus de droits de vote aux journalistes, au-delà des seuls droits de vote de l'actionnaire majoritaire, mais également aux lecteurs. C'est-à-dire que ce n'est pas un modèle où on va laisser l'actionnaire majoritaire seul aux manettes pouvant prendre toutes les décisions, y compris celles de nommer les directeurs de rédaction même si c'est contre l'avis des journalistes, ou de censurer des reportages. Au contraire, le pouvoir va être partagé entre les actionnaires, les lecteurs et les journalistes. Donc de ce point de vue-là, les journalistes sont protégés puisqu'eux-mêmes sont partie prenante de la décision et je pense que c'est quelque chose d'extrêmement important.

***Vous parlez beaucoup de la presse écrite dans votre livre. Ce modèle est-il exportable à tous les autres médias ?***

**Julia Cagé :** Oui bien sûr. Je parle des médias d'information générale, c'est pour ça qu'une grande partie du livre parle de la presse écrite, mais pas seulement. Le modèle que je propose est aussi exportable aux télévisions et aux radios d'information comme BFM, iTélé, LCI... Ce modèle n'est cependant pas exportable à un média tourné vers la production de loisirs et de contenus de flux. Il s'agit de réguler la production d'information politique et générale, celle qui alimente le bon fonctionnement de nos démocraties. Donc oui, mon modèle est exportable à l'audiovisuel même si je parle moins de l'audiovisuel parce que c'est un secteur où on a déjà un modèle un peu alternatif avec l'audiovisuel public. Mais, et on le voit avec ce qui s'est passé à Canal+ avec Bolloré, on a aussi besoin de trouver des formes innovantes de gouvernance dans l'audiovisuel privé.

***Quelle est la différence entre concentration et consolidation de la presse ?***

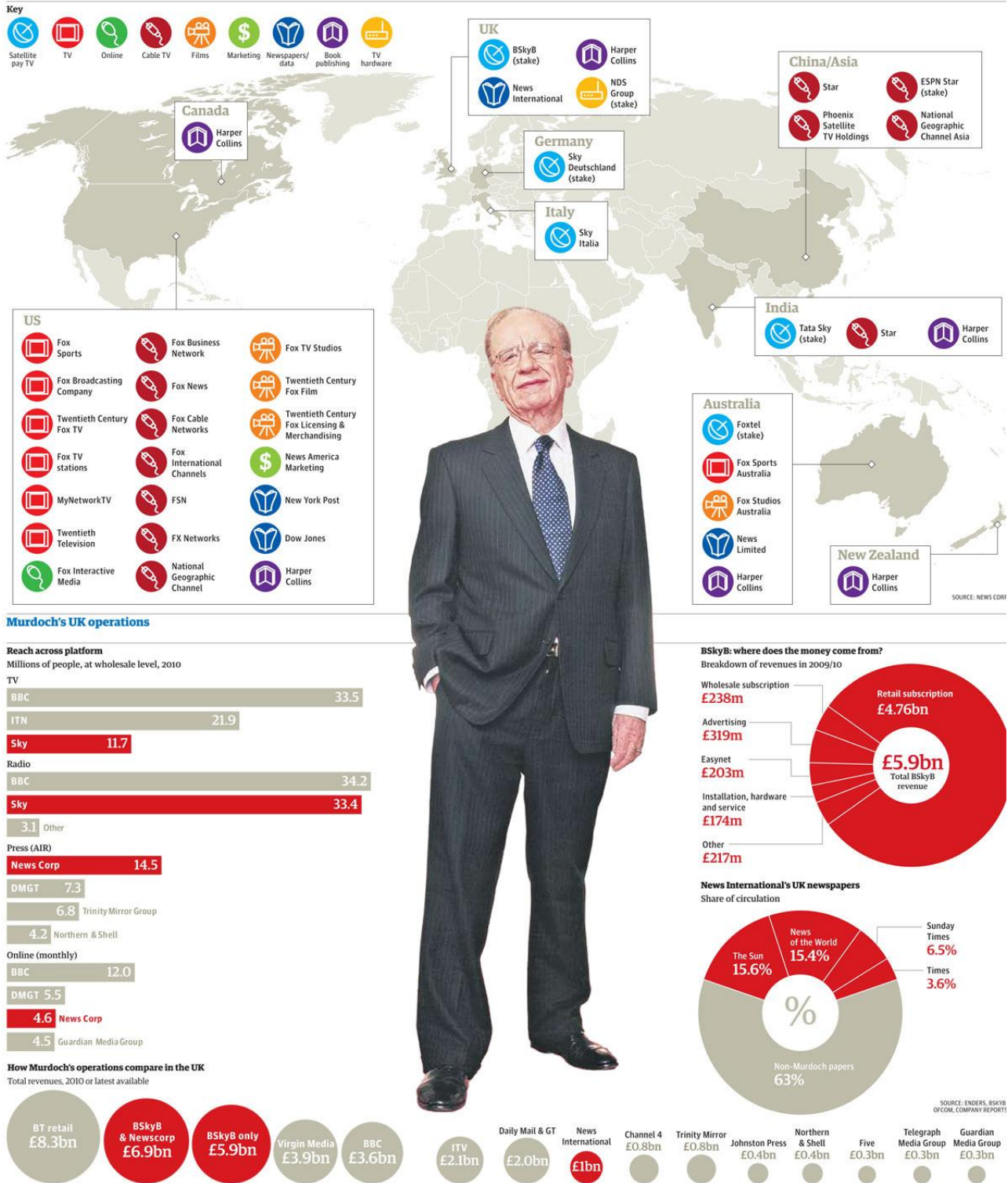
**Julia Cagé :** Consolidation, c'est le mot politiquement correct pour parler de concentration. Quand vous rachetez un média et que vous ne voulez pas être accusé justement de vous mettre en position de monopole, ou plutôt d'oligopole, vous allez dire qu'il faut que le secteur se consolide pour que les acteurs puissent profiter d'économies d'échelles et réaliser des profits. C'est le même mot mais il y en a un qui est utilisé de manière politiquement correcte. Consolidation, il n'y a rien de négatif alors que concentration, on voit bien tous les problèmes que ça pose en termes de pluralisme.

*Julia Cagé est professeur d'économie à Sciences Po Paris et auteure de « Sauver les médias : capitalisme, financement participatif et démocratie » aux éditions du Seuil.*



# THE CASE OF THE MURDOCH EMPIRE

Rupert Murdoch's global empire What News Corporation owns



## DOCUMENT 8 - Does Murdoch make the political weather or follow it? Yes.

Columbia Journalism Review, The Media Today, AUGUST 1, 2022 By JON ALLSOP

"IT'S *THE SUN* WOT WON IT." Thirty years ago, *The Sun*, a Rupert Murdoch-owned tabloid in the UK, plastered those words on its front page—a humblebrag it was not—after John Major, then Britain's Conservative prime minister, was reelected; the day before, the paper had mocked up a front-page image of Neil Kinnock, Major's Labour Party opponent, inside a lightbulb next to the headline "If Kinnock wins today will the last person to leave Britain please turn out the lights." Years later—appearing before an inquiry that was established following a massive



phone-hacking scandal at another of his titles—Murdoch said that the “*Sun* wot won it” headline was “tasteless and wrong” since newspapers “don’t have that sort of power,” adding that he’d given the editor responsible for it “a hell of a bollocking.” But *The Sun* would again nod back at the lightbulb front page, returning to the theme in 2019 to warn that a Kinnock administration would have been a “picnic” compared to the “Marxist” plans of that year’s Labour candidate, Jeremy Corbyn. Boris Johnson, the Conservative prime minister, was subsequently reelected.

The “*Sun* wot won it” front page is often held up in the UK as shorthand for a broader debate around the influence of the press at election time. It also speaks to a version of that debate that is specific to Murdoch but extends beyond the UK: the question of whether, in the various countries where he owns media properties, he has an uncanny ability to anoint political winners or simply jumps on the bandwagons of politicians who look likely to win anyway. Earlier this year, this debate resurfaced in Australia, where Murdoch was born and still dominates the newspaper business, after that country’s Labor Party returned to power. Ahead of the election, a senior Murdoch lieutenant insisted that Murdoch’s Australian media business had no unified view of who to back, though Murdoch’s many critics have long accused him of running political cover for Scott Morrison, then the incumbent Liberal Party prime minister (who was not “liberal” in the US sense of the word). A number of commentators characterized voters’ rejection of Morrison as a sign that Murdoch’s influence was on the wane. Kevin Rudd, a former Labor prime minister and longtime Murdoch critic, mocked up a copy of a Murdoch paper with the headline “Australia rejects Murdoch’s pick,” calling it a “front page you’ll never see.”

Now Murdoch’s political influence has returned as a topic of conversation in the US after two of his American titles, the *Wall Street Journal* and the *New York Post*, recently published near-simultaneous editorials strongly criticizing Donald Trump’s conduct on January 6, 2021. The *Post* went so far as to call Trump unfit to be president again. The two papers’ stance was not especially new—both have expressed squeamishness about the insurrection before, running similar back-to-back editorials after the House January 6 hearings kicked off in June—but it nonetheless generated reams of coverage across the rest of the press, where it was often taken as a sign that Murdoch and his media empire have decisively broken with Trump after backing him for years.

This conclusion elicited some pushback, with other commentators pointing out that prominent opinion hosts on Fox News, Murdoch’s most influential US property, have very much *not* broken with Trump, decrying the January 6 hearings, for example, as a sham. (“Wake me up when Sean Hannity editorializes against Trump,” *Washington Post* media critic Erik Wemple requested.) On Friday, however, Jeremy W. Peters, of the *New York Times*, reported that cracks are showing on the Fox end of the Murdoch-Trump relationship, too. Peters noted that Trump has not been interviewed on Fox in more than a hundred days and that the network has also recently eschewed live coverage of his rallies and speeches while granting more airtime to other Republican presidential hopefuls, not least Florida governor Ron DeSantis—snubs, Peters reported, that “are not coincidental,” reflecting Murdoch’s “skepticism” about Trump and his refusal to accept the result of the 2020 election. Fox’s Howard Kurtz insisted yesterday that there is no “edict” against having Trump on the network, adding that he had tried (and seemingly failed) to book Trump recently—but, per Peters’s reporting, Trump does indeed feel neglected by the network. Last week, after a host on *Fox & Friends* noted polls showing DeSantis besting Trump, Trump blasted the show on Twitter Truth Social, accusing it of having “gone to the ‘dark side.’”

Among those who accept that Murdoch *is* actually breaking with Trump (more on which in a moment), there are different theories as to why he’s doing it—theories that, together, reflect something like the aforementioned debate as to whether Murdoch is a merchant more of proactive influence or reactive judgment. Jonah Goldberg, of *The Dispatch*, has suggested that while it’s hard to know what Murdoch is truly thinking, his papers’ recent anti-Trump editorials could reflect that Murdoch feels he has gained all he can from Trump and that he is now trying to pivot the Republican Party toward “more exciting prospects” by sending a signal to conservative elites, if not yet Republican voters, that there’s space on the right to explore a post-Trump future. Others have agreed that the recent editorials were pitched at political elites but suggested that their goal was only to distance Murdoch from Trump reputationally while Trumpy Fox hosts continue to play to the base. (...)

Murdoch is undoubtedly extremely powerful, not just in the US but in the UK, Australia, and elsewhere. His media properties—which, collectively, straddle key swaths of various markets—have manifestly exerted an outsize influence on political discourse, by reaching news consumers directly but also by molding the behavior of political elites who value that reach, or at least the perception of it; as the academic James Rodgers once put it with reference to the “*Sun* wot won it” debate, “if politicians believe in the power of the press, then, in that sense at least, it is real.”

And yet Murdoch's power has limits. He did not initially back Trump ahead of the 2016 presidential election; he pivoted to do so as Trump's hold on GOP voters became undeniable, and even then, he reportedly toyed, at one point, with throwing his weight behind Hillary Clinton. Murdoch, to my mind, exists in a constant equilibrium of making the weather while also checking the forecast; indeed, reading the public mood is essential to his ability to then influence it. This is not an exact science—which is where hedging comes in.

When it comes to Trump, specifically, both arms of the broader Murdoch debate can be true at once in much the same way: Murdoch may be showing some signs of souring on Trump because he senses that that's the way public opinion is blowing, *while also* seeing that as an opportunity to get to help make the next Republican king, *while also* leaving enough wiggle room to cozy back up to Trump if he ends up retaining the crown. Above all, Murdoch values winning—and, as with anyone for whom that's true, it's preferable, but not essential, that he dictate the terms of victory. In his *Times* story, Peters reported that Murdoch's Trump skepticism also “reflects concerns that Republicans in Washington, like Senator Mitch McConnell of Kentucky, the minority leader, have expressed to the Murdochs about the potential harm Mr. Trump could cause to the party's chances in upcoming elections.” Murdoch and McConnell are actually very similar. Both seem to find Trump an inconvenience. But they haven't hesitated to ride his coattails to power before. And they'd both do so again in a heartbeat.

#### DOCUMENT 9 - Record-breaking Australian petition calls for inquiry into Rupert Murdoch's media monopolies

Tim WYATT | *The Independent* | 16 July 2021

More than half a million Australians have signed a parliamentary petition demanding a public inquiry into Rupert Murdoch's control of the country's media landscape.

The petition, which was launched by former Labor prime minister Kevin Rudd last month, has drawn more signatures than any other and at times was so popular it caused the parliamentary petition website to crash.

“We are especially concerned that Australia's print media is overwhelmingly controlled by News Corporation, founded by Fox News billionaire Rupert Murdoch, with around two-thirds of daily newspaper readership,” the petition states.

“This power is routinely used to attack opponents in business and politics by blending editorial opinion with news reporting. Australians who hold contrary views have felt intimidated into silence. These facts chill free speech and undermine public debate.”

The petition calls for a Royal Commission, a judge-led public inquiry, into the diversity and strength of the Australian news media.

In a video announcing the launch of his petition, Mr Rudd described Mr Murdoch as an “arrogant cancer on our democracy” who had destroyed Australian politics' “level playing field” by using his media properties to vigorously campaign for the Liberal-National coalition.

Among the more than 140 newspapers owned by News Corporation are the nationally-distributed Australian newspaper, as well as a major local outlet in cities including Sydney, Melbourne, Brisbane and Adelaide. As well as a slate of magazines and radio stations, the company also runs the widely-read news website news.com.au, and owns both the Australian Sky News TV channel and the pay-TV company Foxtel.

The petition has now closed and will be presented to parliament, but observers say it is unlikely to lead to any action by the Liberal-National government of prime minister Scott Morrison.

The current Labor leader, Anthony Albanese, has also distanced himself from his predecessor's campaign.

Mr Rudd, quit Australian politics after losing the 2013 election and now works with a number of international think tanks and educational bodies, praised the 501,876 people who had added their names to his petition in a tweet on Wednesday. “Half a million Australians have spoken. They've smashed the records to make their voice heard: Australia needs a #MurdochRoyalCommission to protect the lifeblood of our democracy.”

Another former prime minister, the Liberal predecessor of Mr Morrison Malcolm Turnbull, has also added his name to the petition while admitting doubt it would actually end up changing anything about Mr Murdoch's monopolisation of the media.

News Corporation newspapers are among Australia's best-sellers, with some estimating they attract much as 70% of Australian newspaper readers, but have been regularly criticised for downplaying the impact of climate change and a string of scandals, including a cartoon of Serena Williams seen by many to be racist.

In January a News Corporation employee sent an all-staff email castigating the firm's "misinformation campaign" over the impact climate change had in the country's devastating wildfires. [...]

News Corporation has declined to comment on the call for a Royal Commission and its newspapers have tended to avoid covering Mr Rudd's petition.

## DOCUMENT 10 - How much influence does the Murdoch media have in Australia?

Kevin Rudd is convinced News Corp has too much influence. How much of the media does News Corp own in Australia? How much sway does it really have?

Explainer – *The Sydney Morning Herald*, By Zoe Samios, OCTOBER 15, 2020 (Extracts)

How influential is Rupert Murdoch's media empire? According to Kevin Rudd, extremely, and not in a good way. The former prime minister has emerged as one of the fiercest critics of the Murdoch family's media company, News Corp, which he says has the power to sway public opinion to protect its own agenda and to damage its political enemies.

**On October 10, Rudd created a petition to establish a royal commission into the strength and diversity of Australian news media – he called it a #MurdochRoyalCommission on Twitter. High on his list of concerns was that "Australia's print media is overwhelmingly controlled by News Corporation" and "this power is routinely used to attack opponents in business and politics by blending editorial opinion with news reporting".** As of the afternoon of October 15, the petition had attracted 247,693 signatures.

Rudd's latest blast against News Corp (which he describes as a "cancer on democracy") coincided with a rare media interview by James Murdoch, who told *The New York Times* he left the company because he was concerned its newspapers were disguising facts and endorsing disinformation.

**Rudd's push is the latest to raise questions about the influence the Murdoch family has over the public and politicians in Australia. On the one hand, News Corp has the biggest commercial media footprint in the country. On the other hand, in an era where there are more local and international online sources of news and many consumers get their news via Google and Facebook, can a traditional media company really shape public opinion to the extent that News Corp's critics believe?**

### What publications does News Corp own in Australia?

News Corp is the country's biggest newspaper owner when taking into account the amount of mastheads it owns and how many people read them. Its titles include national broadsheet *The Australian* and Sydney's *The Daily Telegraph*, Melbourne's *Herald Sun*, Brisbane's *The Courier Mail* and Adelaide's *The Advertiser*. But it isn't just the large capital cities where News Corp has a big audience – it has a newspaper in nearly every state and territory, owning the major newspaper in the Northern Territory, *The NT News*, and Tasmania's *Mercury* as well as a large number of online suburban and regional titles. And it runs Australia's second-biggest digital website, news.com.au, according to August figures from measurement provider Nielsen.

News Corp is also the controlling shareholder of pay TV company Foxtel; and it owns 24-hour channel Sky News in Australia. Sky's mostly conservative commentators include Alan Jones and Peta Credlin. Some of Sky's coverage appears on free-to-air regional channel WIN. And Nova Entertainment, the radio network that broadcasts Nova FM and Smooth FM across Australia, is a privately run company owned by Rupert Murdoch's eldest son, Lachlan.

There is only one other commercial news organisation that has scale comparable to News Corp in Australia – Nine Entertainment Co, the owner of this masthead. Nine, which bought Fairfax Media in 2018, owns the Nine television network; *The Sydney Morning Herald* and *The Age*, *The Australian Financial Review*, streaming platform Stan and radio stations such as 2GB in Sydney, 3AW in Melbourne and 4BC in Brisbane.

National broadcaster the ABC is the third major player through television, radio and the nation's most visited website. Like News Corp and Nine, it has a footprint that gives it the ability to communicate with the majority of the population daily.

The industry term for this is "reach".

#### **How much 'reach' does News Corp have?**

Derek Wilding, a professor at the University of Technology Sydney's Centre for Media Transition, says it is difficult to work out just how much reach News Corp – or any media company – has because of the way the industry measures audiences.

**"It's very difficult to actually pin down precisely the reach," he says. "We've tended to look just within existing markets – i.e. print or broadcast. That problem is exacerbated in an environment where there's increasing digital reach and people get their news not just directly from the news supplier but from digital platforms."**

A 2016 study by academics Franco Papandrea and Rodney Tiffen on media ownership and concentration said News Corp owned about 65 per cent of print newspaper readership across Australia. That study was based on data from 2012, before News Corp owned a range of regional newspapers it acquired from APN News & Media but, given News Corp has now stopped printing a number of these publications, it's unlikely there is much change in how much print readership News Corp controls. (This was the report cited in a study commissioned by the Australian Competition and Consumer Commission of how much market power Google and Facebook have.)

In information it provides to advertisers, News Corp says it reaches 16 million Australians each month across its news outlets. Nine says it reaches 70 per cent of Australians through its television network each month. It says that it has 2 million listeners to its radio stations and that its mastheads have an average of 12 million news readers across print and digital each month. In its 2019 annual report, the ABC says it reaches 68.3 per cent of the population with its different platforms. Reach also exaggerates audience. To qualify a person only needs to interact with a media company's journalism as little as once a month.

The other caveat about News Corp's reach is the conversation tends to be shaped by its print dominance. The fact that the total number of people reading physical newspapers is shrinking is often ignored. Decades ago, the influence of a print edition would be considered much greater than it is now with the fragmentation of

the media industry that has occurred because of the internet.

#### **Is the media industry more competitive than in the past?**

**Before the internet, moguls such as Rupert Murdoch dominated the media landscape. Today it's very different. Social media sites such as Facebook and tech giants such as Google have changed the way consumers read news, and the internet has allowed people to access articles from international news outlets. This has meant that traditional media such as newspapers don't hold the same kind of influence they once did, because there is so much choice for readers.**

*The New York Times* and *The Economist*, which previously would have struggled for global reach, have been able to find Australian readers. Other global mastheads such as *The Guardian* and *Daily Mail* employ large numbers of journalists and have established big online Australian audiences. Industry superannuation funds set up *The New Daily* website while universities fund *The Conversation*. Meanwhile, digital-only websites such as Junkee Media and Crikey make up a small portion of the media industry but their content resonates with Australians.

Wilding says it would be wrong to assume that these outlets have diminished the strength of large local players such as News Corp, the ABC and Nine. "While some of those international sources and local startups add to the range of accessible news, the bigger the existing large media players get ... the greater the challenge for smaller players to compete."

#### **How influential is News Corp?**

**News Corp's influence is perhaps best articulated by one of its former senior executives. "News Corp has no influence with the public but an acute influence with politicians," says Kim Williams, who ran News Corp in Australia between 2011 and 2013.**

Being able to speak to a large section of the population is one thing. But influence is different – it requires news articles and analysis to have an effect on people or to sway a point of view.

Murdoch is one of the world's most successful media proprietors and his conservative views on politics and business are well known. His son Lachlan, who is co-chair of News Corp and runs the family's other US-focused business, Fox Corp, is said to share a similar world view.

But while right-leaning politicians have often aligned with News Corp on policy, there is a fairly long list of left-leaning politicians in the English-speaking world

who have attempted to curry favour with Rupert Murdoch to further their leadership ambitions. The list includes former prime minister Paul Keating (who allowed Murdoch to buy the Herald & Weekly Times in the 1980s) and former UK leader Tony Blair (godfather to one of Murdoch's children with Wendi Deng). (...)

There is some merit to Rudd's concerns. In some instances, News Corp has successfully lobbied the government. A compulsory code being created to make Google and Facebook pay for the use of news content is just one example of an issue News Corp lobbied hard for. But whether it succeeds will be a test of just how influential it is with politicians.

News Corp has also not been successful with changing some federal policy. The one rule that News Corp has wanted removed for years – anti-siphoning (the mandatory requirement for certain sport matches to appear on free-to-air television) – has never been removed. Foxtel, owned by News Corp, wants the laws to be relaxed to allow it to be able to run sports matches exclusively, a move that would gain it subscribers.

Whether News Corp can overthrow a prime minister could also be contested. Newspapers combine news reporting with commentary and analysis and this is often the sticking point among News Corp's critics. It is also one of the driving reasons behind James Murdoch's abrupt exit from the board of News Corp's parent company on July 31.

Wilding says in areas where News Corp owns the only major print newspaper, there is an ability to shape opinion.

**"The element that is often overlooked is the influence of the print circulation on the radio sector and the extent to which News Corp publications do drive radio agendas," Wilding adds. "The fact that**

**there's so many markets in which there's only a News Corp local publication means that they have that added reach via commercial radio. Particularly in Adelaide and Brisbane, where there's only one daily newspaper ... the influence of whoever owns that newspaper is enhanced."**

But sometimes, no matter what *The Australian* or *The Daily Telegraph* says, they do not affect outcomes. In Queensland and Victoria, Labor leads despite critical coverage of Premiers Daniel Andrews and Annastacia Palaszczuk.

Influence also requires an audience of all ages. Because of the wide range of choice on the internet, younger audiences do not tend to read newspapers in the same way they may have done decades ago.

News Corp critics say owning the majority of Australia's newspaper industry allows the Murdoch family to push their views out into the world, to mislead the public and ultimately shift perceptions of politicians and issues. However, it doesn't necessarily follow that they are successful in their attempts to influence.

It's more likely that the influence News Corp wields is not from galvanising the public but rather lies with politicians seeking approval or trying to appease editors with policy changes.

Wilding argues it's hard to measure how much influence News Corp has, but he says the influence of media proprietors on public policy is well documented.

**MORE ON MURDOCH, FOX NEWS AND THE DOMINION CASE LATER.**



## 6 Takeaways From The Times's Investigation Into Rupert Murdoch and His Family

USING 150 INTERVIEWS ON THREE CONTINENTS, THE TIMES DESCRIBES THE MURDOCH FAMILY'S ROLE IN DESTABILIZING DEMOCRACY IN NORTH AMERICA, EUROPE AND AUSTRALIA.

*The New York Times* BY [LIAM STACK](#) APRIL 3, 2019

Rupert Murdoch, the founder of a global media empire that includes Fox News, has said he “never asked a prime minister for anything.”

But that empire has given him influence over world affairs in a way few private citizens ever have, granting the Murdoch family enormous sway over not just the United States, but English-speaking countries around the world.

A six-month investigation by The New York Times covering three continents and including more than 150 interviews has described how Mr. Murdoch and his feuding sons turned their media outlets into right-wing political influence machines that have destabilized democracy in North America, Europe and Australia.

Here are some key takeaways from The Times's investigation into the Murdoch family and its role in the illiberal, right-wing political wave sweeping the globe.

### **THE MURDOCH FAMILY SITS AT THE CENTER OF GLOBAL UPHEAVAL.**

Fox News has long exerted a gravitational pull on the Republican Party in the United States, where it most recently amplified the nativist revolt that has fueled the rise of the far right and the election of President Trump. Mr. Murdoch's newspaper The Sun spent years demonizing the European Union to its readers in Britain, where it helped lead the Brexit campaign that persuaded a slim majority of voters in a 2016 referendum to endorse pulling out of the bloc. Political havoc has reigned in Britain ever since.

And in Australia, where his hold over the media is most extensive, Mr. Murdoch's outlets pushed for the repeal of the country's carbon tax and helped topple a series of prime ministers whose agenda he disliked, including Malcolm Turnbull last year.

At the center of this upheaval sits the Murdoch family, a clan whose dysfunction has both shaped and mirrored the global tumult of recent years.

The Times explored those family dynamics and their impact on the Murdoch empire, which is on the cusp of succession as its 88-year-old patriarch prepares to hand power to the son whose politics most resemble his own: Lachlan Murdoch.

A key step in that succession has paradoxically been the partial dismemberment of the empire, which significantly shrunk last month when Mr. Murdoch sold one of his companies, the film studio 21st Century Fox, to the Walt Disney Company for \$71.3 billion.

The deal turned Mr. Murdoch's children into billionaires and left Lachlan in control of a powerful political weapon: a streamlined company, the Fox Corporation, whose most potent asset is Fox News.

### **MR. MURDOCH NEARLY DIED LAST YEAR, MAKING THE SUCCESSION QUESTION AN URGENT ONE.**

Succession has been a source of tension in the Murdoch family for years, particularly between Mr. Murdoch's sons Lachlan and James.

His two sons are very different people. James wanted the company to become more digitally focused and more politically moderate, while Lachlan wanted to lean into the reactionary politics of the moment.

The brothers have spent their lives competing to succeed their father, and both men felt as if they had earned the top job. When Mr. Murdoch decided to promote Lachlan over James, it was Lachlan who delivered the news to James over lunch, souring the already poor relationship between the men.

James briefly quit the company in protest. But he was lured back by a carefully crafted compromise that put Lachlan in charge but allowed James to save face by maintaining the public illusion that he was the heir.

But all of these succession plans — as well as the lucrative Disney deal — were thrown into chaos last year when Mr. Murdoch broke his spine and collapsed on a yacht.

He was rushed to a hospital, and appeared to be so close to death that his wife, the model Jerry Hall, summoned his children to say their goodbyes.

Mr. Murdoch survived, but his brush with death only highlighted the instability in his family — and at the heart of his empire.

### **THE MURDOCH EMPIRE HAS BEEN A CHEERLEADER FOR THE AMERICAN PRESIDENT AND HELPED OVERTHROW AN AUSTRALIAN PRIME MINISTER.**

Mr. Murdoch's media outlets have promoted right-wing politics and stoked reactionary populism across the globe in recent years.

During the 2016 campaign, the Fox News host Sean Hannity advised the president's former lawyer, Michael D. Cohen, to be on the lookout for ex-girlfriends or former employees of Mr. Trump lest they cause him

trouble, according to two people who know about the interactions (Hannity denies offering such advice). Mr. Cohen was later sentenced to three years in prison for paying hush money to two women who said they had affairs with Mr. Trump.

The Murdoch empire has also boldly flexed its muscles in Australia, which was for many years Lachlan's domain.

In Australia, Lachlan expressed disdain for efforts to fight climate change and once rebuked the staff at one of his family's newspapers, The Australian, for an editorial in support of same-sex marriage (He says through a representative that he is in favor of same-sex marriage). He also became close to the politician Tony Abbott, whose 2013 election as prime minister was given an assist by Murdoch newspapers.

The Murdoch family changed Australian politics in 2016 when it took control of Sky News Australia and imported the Fox News model. They quickly introduced a slate of right-wing opinion shows that often focused on race, immigration and climate change. The programming became known as Sky After Dark.

Last year, Mr. Turnbull and his staff accused Rupert and Lachlan Murdoch of using their media outlets to help foment the intraparty coup that thrust him from office in August. Mr. Turnbull, a moderate and longtime nemesis of his friend Mr. Abbott, was replaced by the right-wing nationalist Scott Morrison.

The Murdochs have denied any role in Mr. Turnbull's downfall.

### **JAMES MURDOCH THOUGHT FOX NEWS WAS TOXIC TO THE COMPANY.**

James Murdoch became disillusioned with the family empire in the years before Lachlan emerged as heir. He came to see Fox News, in particular, as a source of damaging ideological baggage that was hobbling the company's efforts to innovate and grow.

But Lachlan and Rupert did not share that belief. When Roger Ailes, the chief executive of Fox News, was ousted in 2016 amid a sexual harassment scandal, James wanted to revamp the network as a less partisan news outlet. He even floated the idea of hiring David Rhodes, a CBS executive.

His proposals went nowhere. Lachlan and Rupert opposed any change to what they saw as a winning formula and decided to stick with Fox's incendiary programming.

But James believed he had seen firsthand the damage that outlets like Fox News were doing to the company. He was the face of the Murdoch empire in Britain during a 2010 attempt to take over British Sky Broadcasting, in which the company owned a minority stake.

That bid was blown to pieces by the 2011 phone hacking scandal, which forced James and his father to appear

before Parliament to explain why their employees hacked into the voice mail of private citizens, including a dead 13-year-old girl. The scandal forced the Murdochs to abandon their bid for Sky.

Five years later, facing pressure from digital rivals like Netflix and Amazon, the family made a second bid for Sky. James again acted as the empire's public face. The bid again collapsed in a humiliating scandal.

This time it centered on the culture of Fox News, where sexual misconduct allegations and millions of dollars in secret settlements led to the departure of Mr. Ailes, the star host Bill O'Reilly and Bill Shine, an executive who later went to work for President Trump.

The behavior of Mr. Hannity, who used his show to spread conspiracy theories about the death of a Democratic National Committee staff member named Seth Rich, also fed concerns in Britain over the ethics of the company.

After months of review by regulators — and scrambling inside 21st Century Fox — the British government issued a withering rebuke to the Murdochs last year.

Not only did Britain block the company's bid for Sky, it also ruled that no member of the Murdoch family could serve at Sky in any capacity, including on its board. At the time, James was serving as Sky's chairman.

It was a deep humiliation that convinced James once and for all that the family empire could not survive its own politics and culture. Lachlan instead saw it as validation of his belief that James, having failed to acquire Sky once, had been the wrong man for the job.

Either way, by putting a much-needed revenue stream permanently outside the family's grasp, it helped make the sale of 21st Century Fox inevitable.

### **THE DISNEY DEAL WORSENER A FAMILY RIFT.**

James and Lachlan were bitterly split over the prospect of selling 21st Century Fox to Disney. James pushed hard for the deal, which was completed last month, and Lachlan fiercely opposed it.

Lachlan vociferously opposed the deal because it substantially shrank the company he returned from Australia to one day lead, people closer to his brother said. He felt so strongly that at one point he warned his father he would stop speaking to him if he continued to pursue the deal. Mr. Murdoch ignored that threat. (Lachlan denied making the threat.)

Lachlan's opposition was also fueled in part by his suspicion that his brother's judgment had been clouded by personal ambition, people closer to Lachlan said. He thought James was willing to sell 21st Century Fox for less than it was worth because he wanted the deal to include a job for himself at Disney.

The deal transformed Disney into a media colossus, and a job there might have enabled James to position himself as a successor to its chief executive, Robert A. Iger. It would also let him escape the family company, its political baggage and the prospect of working for Lachlan.

The two brothers clashed over everything. When James wanted to respond to President Trump's 2017 travel ban with a statement reassuring their company's Muslim employees, Lachlan strenuously resisted. When James bought their father's Beverly Hills mansion for \$30 million, Lachlan, who had also wanted the house, got so upset that their father gave him some of its antique furniture. James thought he had bought that, too.

During the Disney negotiations, Mr. Murdoch grew concerned enough that James's ambitions might interfere with the deal that he decided to assure Mr. Iger that it was not conditional upon Disney's hiring his son. In the end, the sale went through, but James did not get a job. Today, the two brothers are barely on speaking terms.

### **THREE OF THE MURDOCH CHILDREN WANTED OUT, AND LACHLAN MIGHT TOO.**

After the Disney deal, the commitment of Mr. Murdoch's children to what remains of his media empire has been called into question.

The Disney deal made all of them an enormous amount of money: Mr. Murdoch received \$4 billion and his

children received \$2 billion each. As executives at 21st Century Fox, Lachlan and James got an additional \$20 million in Disney stock plus golden parachutes worth \$70 million each.

Mr. Murdoch had structured his companies, 21st Century Fox and News Corporation, so that the Murdoch Family Trust held a controlling interest in them. He held half of the trust's eight votes, and the remaining four were divided up among his four adult children. They were barred from selling those shares to outsiders.

James struck out on his own at the end of 2018. To make a more complete break with the company, he and his sisters Elisabeth and Prudence offered to sell their shares to Lachlan.

Mr. Murdoch embraced the idea and urged Lachlan to buy out his siblings. Then father and son would own the company together.

Bankers drew up documents to execute the sale, but Lachlan backed out; he said that it was not financially doable, though the decision raised questions about his commitment to the company.

People close to James said they believed Lachlan was not sure he wanted to stay at the company after the Disney deal was complete. They said he might even want to go back to Australia.