

Murdoch scandal follows classic media baron script

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(AP) -- If the phone hacking scandal gripping Rupert Murdoch's News Corp. empire has a familiar ring, it might be because you've heard the story before. Scrappy outsider turns modest newspaper business into international media conglomerate. Ambition turns to hubris. Mogul dramatically falls from grace.

From William Randolph Hearst to <u>Rupert Murdoch</u>, many media barons' stories follow a familiar arc.

"He's one of a series," said James Curran, a professor of communications at Goldsmiths University in London. "He seems to me to be in the same press baron tradition."

Before Murdoch came Robert Maxwell and Conrad Black, both of whose careers at the top of the British media establishment ended in disgrace. Before those two came Lord Beaverbrook, the Daily Express owner whose excesses were lampooned by Evelyn Waugh in his 1938 novel "Scoop."

Earlier still was the New York Journal's William Randolph Hearst, who has become linked to the swashbuckling maverick at the center of Orson Wells' 1941 classic "Citizen Kane."

There are huge differences: Unlike Black and Maxwell, Hearst, Murdoch, and Beaverbrook stayed successful. The Hearst Corp. is 125 years old; News Corp. is worth \$60 billion; there's still a statue to



Beaverbrook in his Canadian hometown of Fredericton.

But there are important parallels, too.

Britain's media tycoons came from abroad - Australia, Canada, or Eastern Europe - and rapidly became establishment figures, winning wealth, titles, and friends in high places.

Then, eventually, came the fall.

Beaverbrook's attempt to create his own political party was knocked back in the 1930s, and he found himself cast adrift following the defeat of close ally Winston Churchill in 1945.

Black's and Maxwell's careers were blighted by <u>criminality</u>. Maxwell, having raided his newspaper's pension fund, drowned under murky circumstances in 1991; Black was only released Friday from a U.S. prison following a 2007 conviction for cheating his shareholders.

Once one of the most powerful forces in British politics, courted by Labour and Conservative leaders alike, Murdoch also has seen his clout wither amid the scandal over illegal eavesdropping at his News of the World tabloid.

Revelations of widespread illegality there have led to the arrests of dozens of journalists and media executives, the resignations of high-flying political operatives and police leaders, and hundreds of millions of dollars in legal costs.

The narrative of the hacking scandal may echo earlier stories of overreach, but Murdoch's story has little to do with those of Black or Maxwell, said Tom Bower, who has written biographies of the latter.



"There is a sharp difference," said Bower, explaining that Murdoch built "a huge and successful business" based on hard work and sharp elbows, while his competitors failed because they had created "flimsy businesses based on fraud."

Murdoch's story bears a stronger resemblance to Beaverbrook, a turn-ofthe-century entrepreneur who would help revolutionize London's Fleet Street newspapers, according to Jacques Poitras, the author of "Beaverbrook: A Shattered Legacy."

Born William Aitken in the small maritime province of New Brunswick, Beaverbrook had a modest start selling insurance and magazines door to door before moving on to bond promotion and striking it rich.

He moved to England, where he was knighted, invested in the populist Daily Express, and - with the help of innovations such as crossword puzzles, gossip columns and society pages - turned it into the biggest-selling paper in the English-speaking world. That title was later claimed by Murdoch's News of the World.

"Both men published fabulously successful newspapers, and they were good at it," Poitras said. "They knew what people wanted (and) they delivered it."

Beaverbrook became fantastically influential, serving as a powerful Cabinet minister and Churchill adviser.

"His power in the 30s and 40s in London was unmatched," said Poitras. "I don't know if you could have someone of that clout now. ... Murdoch is the only one who seems to have made waves in the same way."

Compared to Beaverbrook and Murdoch, Maxwell and Black are a "second division of press baron," said Curran, the professor of



communications.

Black, a member of the Canadian elite, eventually came to own The Daily Telegraph, the Jerusalem Post, and a string of U.S. and Canadian newspapers before his embezzlement plunged his empire into crisis.

Maxwell's rags-to-riches-to-ruin story is in some respects more compelling.

Born into an Orthodox Jewish family in the destitute Carpathian mountain region of what was then known as Czechoslovakia, Maxwell narrowly escaped a Nazi concentration camp to move to London. He set up a successful publishing company and moved into politics, throwing his support behind the left-wing Labour Party.

As early as 1969, there were signs of trouble. Britain's trade department investigated Maxwell in the wake of a botched takeover deal, branding him unfit "to exercise proper stewardship of a publicly quoted company" - nearly the same language used by Labour lawmakers to condemn Murdoch in a critical report on phone hacking published last week.

Maxwell survived the trade investigation, spending the next two decades expanding his empire and racking up an enormous pile of debt. By the time his body was recovered from the waters off the Canary Islands - no one knows precisely how he died - his company was more than 2 billion pounds in the red.

Murdoch, who outmaneuvered Maxwell and Black to stay at the top of the British newspaper scene, has so far avoided falling into the same abyss that swallowed his competitors. Even his most strident critics don't accuse him of anything worse than "willful blindness." He remains at the head of a fabulously successful media company, responsible for recordsmashing films like "Avatar" or TV hits such as "The Simpsons," and



News Corp.'s share price is riding high.

His influence in Britain, however, has undeniably suffered. Politicians who once scrambled to kiss his hand are now lining up to boast about how independent they were. Prime Minister David Cameron, who in 2008 flew out to the tycoon's yacht to seek his blessing, acknowledged last week that "we all did too much cozying up to Rupert Murdoch."

In that respect, Murdoch's isolation - in Britain at least - seems redolent of the last scene of Citizen Kane: Successful, wealthy, but unloved.

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