MARVIN KALB: Hello, welcome to the National Press Club and to another edition of The Kalb Report. I'm Marvin Kalb and our guest tonight is Rupert Murdoch. And our subject, The Making of a Modern Media Mogul. About 15 years ago, a biographer of Rupert Murdoch described him as “one of the most powerful men in the world.” The communications revolution in which we now find ourselves is changing the world, everything about it; what we read, see, listen to, appreciate, everything from economics to politics to culture, Rupert Murdoch is now in the middle of all of that. His corporation, The News Corporation, owns and runs a movie company, you've heard of Avatar, I'm sure; Fox Television featuring entertainment and sports, Fox News on cable with ratings higher than any other cable operation, the Wall Street, the New York Post, Harper Collins book publisher, and that's all just in the United States. A lot more overseas in England, Europe, and Asia.

Rupert Murdoch is indeed a modern media mogul, and we are delighted, indeed honored, to have him as our guest today. Mr. Murdoch, welcome.

RUPERT MURDOCH: Thank you very much.

MARVIN KALB: I'd like to start first with that quote, “one of the most powerful men in the world.” And that was 15 years ago. So we can imagine what you are today. How do you take to that kind of a description?

RUPERT MURDOCH: I don’t let it get to me, I don't really believe it.

MARVIN KALB: You don't believe it? Well, a lot of people do. Let me start with three quotes from people you know, or knew of, and then let’s talk about each one of them. The first is from an Australian clergyman late 19th century, who believed that, and I quote, “A free press is probably the strongest foe of tyranny. No autocrat can tolerate the
widespread dissemination among his people of a free discussion of his conduct.” You remember?

**RUPERT MURDOCH:** No. Was it my grandfather?

**MARVIN KALB:** Your grandfather, Patrick Murdoch. And he seemed to have been, with that quote, a passionate fan of what we’d call the First Amendment, an absolutist, in a way. And I'm wondering what your own view would be? Do you share that kind of total commitment to the First Amendment?

**RUPERT MURDOCH:** Oh, absolutely. I think it’s fundamental to this country and its strengths and its lack of presence in other countries shows their weaknesses. You have a great advantage with it.

**MARVIN KALB:** The second quote is from a newspaper publisher, early 20th century, English, who explained his success by saying, “A newspaper is to be made to pay. Let it deal with what interests the mass of people, let it give the public what it wants.” Remember who said that?

**RUPERT MURDOCH:** Are you going to say my father or Northcliffe?

**MARVIN KALB:** Lord Northcliffe.

**RUPERT MURDOCH:** Lord Northcliffe, it sounds like.

**MARVIN KALB:** Absolutely. And Lord Northcliffe was the mentor of your father, who was a great journalist in his own right. Do you share that view?
RUPERT MURDOCH: Yes, I do believe that the public wants good, ethical journalism, good, factual journalism. But they also want to be entertained.

MARVIN KALB: Well, it seems that what Lord Northcliffe was saying was that you give the public what it wants. And you'll remember that in a good part of the 20th century, there was a kind of philosophical argument among American journalists going back to Walter Lippmann, that the American public certainly should have what it wants, but Lippmann also added that it ought to be given what it needs in a very complex society. Would you buy into both elements there, what it wants?

RUPERT MURDOCH: Absolutely, I think that it should-- me that should provide debate on the great issues of the day with informed comment on both sides of every issue. That is an additional thing. But I think it’s also part of the attraction of media.

MARVIN KALB: But I think what Northcliffe was saying was that the most important thing is give them what they want. Lippmann was adding a whole new dimension to that, what they need. But you're buying into both, are you not?

RUPERT MURDOCH: Well, Northcliffe wasn’t above expressing opinions in his papers. Of course, he was the founder of The Daily Mail, the first really popular paper in Britain, the penny press, if you like.

MARVIN KALB: The penny press in the American context. But tabloid is what you're saying?

RUPERT MURDOCH: Well, what we would call tabloid-- well, I think tabloid’s a misunderstood word in this country, you mean it differently. In Britain, in Australia it means a compact-sized paper. Tabloid, you mean here is often thought to be really cheap,
unreliable journalism. I don't think that was true of Northcliffe. But *The Daily Mail* was certainly full of human interest stories which haven't previously been reported.

**MARVIN KALB:** Third quote is from a very modern mogul. The quote is, “My past consists of a series of interlocking wars.” Do you remember that quote?

**RUPERT MURDOCH:** No.

**MARVIN KALB:** You said it.

**RUPERT MURDOCH:** Me? I've got to say, it sounds like me.

**MARVIN KALB:** You said it.

**RUPERT MURDOCH:** Yeah, could describe me.

**MARVIN KALB:** I was wondering what you meant by the interlocking wars? “My past consists of a series of interlocking wars.”

**RUPERT MURDOCH:** Well, I've had to battle my way up and be in very competitive situations, sometimes create competitive situations by starting new enterprises. We have been involved in newspaper wars, television wars, and all types of media wars, I guess. And I've enjoyed them. We've lost a few, but won enough still to be here.

**MARVIN KALB:** But you're using the term wars, suggesting extreme competition, very ferocious competition?
RUPERT MURDOCH: Yes, particularly in the early days in Australia, really ferocious. Not so much since.

MARVIN KALB: What about in England?

RUPERT MURDOCH: Well, they were pretty sleepy there, you know. If you went to work for eight hours every day, you were ahead of the competition. (Laughter)

MARVIN KALB: What about your dealing in England with trade unions?

RUPERT MURDOCH: Oh, yes, that was tougher. Everybody was fighting the trade unions, but the publishers would always meet, agree to fight them and before they got back to their offices be giving in. So, you know, they deserved what they got. And the unions and the different crafts were all out of control and the papers were missing editions and full of mistakes that couldn’t be corrected in time. It was very tough going. And I waited until I thought I was big enough to take a strike and come back at the end of it, you know, whether it would be a week or two weeks or three weeks, I could come back at the end of it and the readers would still be there. Or enough of them not to ruin the business.

MARVIN KALB: But it’s said that you broke the back of the trade union.

RUPERT MURDOCH: That was a very tough, unpleasant fight.

MARVIN KALB: And when it was over, did the unions continue to work in your newspapers?

RUPERT MURDOCH: No.
MARVIN KALB: No, they were union-free newspapers?

RUPERT MURDOCH: Yes. Yes, we had a staff association, that sort of thing, that we deal with and currently basis--

MARVIN KALB: Do you feel it was a better paper after the unions were--

RUPERT MURDOCH: Oh, yes. We haven’t missed an edition. And incidentally, since that date in 1986, I think, not one of our competitors have missed an edition to the unions because they learned their lesson. And it was very, very interesting. I mean, it allowed 20 years after America, it allowed computerization to come in, using-- we give people, I think, better paid than anybody else there now as a result. But, you know, we can change jobs, for people the manning scales are different. And people work harder. They're very happy, but they get good salaries, all of them. But they're extraordinarily automated.

MARVIN KALB: I want to go back to the interlocking wars. The reason I as that question is that someone who works for you, Bill O’Reilly, sitting in this seat here a couple of years ago--

RUPERT MURDOCH: Really?

MARVIN KALB: Yes. Very good guest, very good, very interesting guest. But he was describing his relationship to the world almost in me against them terms. And I'm wondering if you see yourself in a conflict with the rest of the world or do you see moments when you're in a state of tranquility?
RUPERT MURDOCH: I don’t get much tranquility, but no, I’m not at war with the world. Bill likes to say it. Well, he’s a Long Island working class boy, isn’t it good? And I can’t claim that privilege. But yes, I saw certainly that I was taking on the newspaper establishment in Australia because we had very little money, we were a very small company, and you had to buy those things that were failing and get them on their feet and fight. And in Britain, it was fun there. Perhaps it was part of my Australianism, wanted to take them on.

MARVIN KALB: Take on the Brits?

RUPERT MURDOCH: No, to take on the English. (Laughter)

MARVIN KALB: Fair enough.

RUPERT MURDOCH: And we won pretty well.

MARVIN KALB: I want to ask you about your father, Keith Murdoch, who was a small media mogul, if there is such a thing in his day, but also an outstanding journalist. And he was the reporter who literally broke the story on the battle at Gallipoli in 1915 when the Turkish army killed literally thousands of Australian and New Zealand troops and a lot of Turks died as well.

RUPERT MURDOCH: Not so many.

MARVIN KALB: Not that many.

RUPERT MURDOCH: I mean, the Australians and New Zealanders and Canadians, and some Brits, were just mown down in this ridiculous campaign.
MARVIN KALB: Your father, to cover that, had a deal with the commanding officer who allowed him to go there and actually cover it. But there was an arrangement. And the arrangement was that Keith Murdoch would not write what he was seeing. But what he saw was so awful that he felt he had to write it. And, of course, the British government, an English government fell, and a couple of generals lost their positions as a result. I'm asking you, do you feel that any reporter in doing his job, her job, should strike a deal with a government to cover the war?

RUPERT MURDOCH: I think there are times of national security and so on, yes. In fact, my father, that's not an accurate story, totally. He was allowed in, there was strict censorship. He was on his way to London to take charge of, or to set up, a bureau for half the newspapers in Australia to cover the war in Europe. And he had a small office in The Times, and he was typing away a letter to the Australian prime minister about it. And the editor of The Times walked in and said, “What are you doing, young man, and can I look at it?” to him. He said, “Can I show this to the boss?” meaning Northcliffe. My father agreed. Northcliffe immediately took it down to the Prime Minister, Lloyd George, who made it a cabinet paper, and then there was a commission set up which recommended the closure of the campaign a couple of months later. And yes indeed, first they recalled the commander. Well, the commission investigated it, and supported all my father’s allegations.

MARVIN KALB: Absolutely. What I'm getting at is a broader issue. If you're involved in a war, and the United States is now involved in two wars, do you believe that your reporters, people who work for you, should make a deal with the government in order to cover a conflict, should allow themselves to be embedded with the forces?
RUPERT MURDOCH: Well, to be embedded with the forces is not accepting censorship in any way.

MARVIN KALB: No?

RUPERT MURDOCH: I don't think it’s compromising them. No, I think these are different times now. But, you know, we had very strict censorship in the Second World War and there were great debates going on between Admiral Halsey and General MacArthur and things like that, which never found their way into the press. But, Vietnam changed all that and times are different. Now, we take it as a rule that journalists must be free to report everything. Unfortunately, in the war in Iraq and in Afghanistan, particularly in Iraq, the journalists were holed up in a hotel in Baghdad most of the time because it was too dangerous for them to move out. And I don't think there was enough coverage.

MARVIN KALB: But the idea of the embedded--

RUPERT MURDOCH: There were different phases of them being embedded with the-

MARVIN KALB: But you don't have a problem with the embedding at this point?

RUPERT MURDOCH: No, no not at all. I mean, I don't think it compromises the journalists.

MARVIN KALB: Okay. One of your biographers, William Shawcross, in trying to explain what makes Rupert tick, said the following, “His life appears as a series of
psychic leaps in perpetual acceleration and endless acquisition with no step far enough, no property inadequate reward.”

**RUPERT MURDOCH:** Wow. I think that's a pretty big overstatement. I mean, it is true when I was young and ambitious and smaller, I took risks, I bet the company a few times. Then not again until perhaps very closely the strike we took in London, that was betting. I think that's where most of our profits were coming from. And then when I started Sky Television as a sort of pirate operation, which was legal in Europe and unlicensed-- not illegal, but unlicensed and Mrs. Thatcher seemed to like the idea of someone competing with the BBC. And we started, and that nearly sent me broke. We were losing a fortune and we had opposition which did have a license, and they were losing twice as much money. And they finally came to us, but they had three times as much in reserve. And they finally came and said, “Let’s merge the two into one.” And now there we are with BSkyB with ten million customers.

**MARVIN KALB:** Was that when your fortune, so to speak, turned around and went positive? What was the big moment?

**RUPERT MURDOCH:** Oh, it’s had its ups and downs, I don't know about my fortune.

**MARVIN KALB:** What was the big moment?

**RUPERT MURDOCH:** -- that much. BSkyB was a great success, but we only earn 40 percent of it today, but we've had all our money back several times. And I think things are-- you know, you have your breaks and luck and you do things which people think are crazy. Fox News was thought to be crazy. “There's no room for anyone but CNN.” But when Ted Turner started CNN, people said, “There's no room for CNN.” So, here we are
today with something worth ten or twelve billion dollars, which is the work of Roger Ailes, has done it absolutely brilliant.

MARVIN KALB: Tell me, I'm curious, how do you get your news in the course of a day?

RUPERT MURDOCH: I spend more time than most people reading the newspapers. I try to read the Journal, I read the New York Post, I read--

MARVIN KALB: But you own those two. (Laughter)

RUPERT MURDOCH: Yeah?

MARVIN KALB: What else do you read?

RUPERT MURDOCH: I thought it was my responsibility to read them. Because I'm going to be held responsible for them, I think that's fair.

MARVIN KALB: You read The Times?

RUPERT MURDOCH: I read a lot of The Times. I go through it and I stop at several places. (Laughter)

MARVIN KALB: The Washington Post?

RUPERT MURDOCH: No, I don't read The Washington Post. I probably should, but I don’t. I mean, very occasionally.
MARVIN KALB: Do you walk around with one of those Blackberries constantly checking on what's going on here, what's the market like, what's the developments in Iraq like?

RUPERT MURDOCH: No, no. But I have a computer, a double computer screen, behind me; one with the Wallstreetjournal.com, and the other with the Newyorktimes.com, and I'm comparing them.

MARVIN KALB: Content, big word, it’s become even bigger in your own vocabulary recently. At a meeting you said, “Content is not just king, it is the emperor of all things electronic. We're on the cusp of a digital dynasty from which our company and our shareholders will profit greatly.” Let’s put aside the money.

RUPERT MURDOCH: Put aside the second part, we’ll come to that, all right?

MARVIN KALB: No, but I want to talk about content. And I'd like to hear what your definition is? Because in reviewing everything under your sway, I'm not absolutely clear what it is that you as the boss consider content. So help us out.

RUPERT MURDOCH: Well, it’s what we print, it's the words. I hope it’s ethical, strong journalism. It’s television, everything from entertainment to news channels. And, of course, we try to make better and better films. The last year, we just made the all time world record-- not many people would have taken that risk of spending nearly $400 million on a firm.

MARVIN KALB: But you've made almost three billion on it.

RUPERT MURDOCH: No, no, no.
MARBIN KALB: No?

RUPERT MURDOCH: I wish.

MARBIN KALB: That's what you said.

RUPERT MURDOCH: We've brought in partners, and so on, on this. But we've done very nicely, we're not complaining. No, it’s taken $2.7 billion at the box office, but you get everything from 55 percent of the box office in this country for a film like that to 15 percent from China.

MARBIN KALB: I understand.

RUPERT MURDOCH: Where it’s state controlled. So we don’t get anything like $2.9 billion or $2.7 billion.

MARBIN KALB: Is content, then, anything that you put out?

RUPERT MURDOCH: Absolutely. That's what we produce, is content. Now, we get dragged into technical things sometimes that are necessary and investments in technical, but we're not a technical company and we don’t compete, we're not into making technical objects. We are all about words and pictures.

MARBIN KALB: Good. But what I'm trying to understand, when you talk about content, I assume you mean substantive content?

RUPERT MURDOCH: Indeed.
MARVIN KALB: All right. So is Avatar the same as an editorial in the Wall Street Journal, both being defined as content?

RUPERT MURDOCH: They're both content, absolutely.

MARVIN KALB: But they're quite different?

RUPERT MURDOCH: Very different, yes. But you can apply, and it’s a question of quality for both. I mean, let me just tell you how I got into the film business. I got a license for a television station in Adelaide after I'd been there three or four years. They were just issuing the first television licenses. And I found pretty quickly that in Adelaide, you really couldn't afford to make a lot of programs. You had to take what was brought by the stations in Sydney and Melbourne and be part of a big network. And I chaffed at that until we could finally put together a network. But that took many years. We had to wait for others to fail and get in.

And then I found that the cheapest way to run, the only profitable way to run, was to take a lot of American content. And the studios said, “If you want to buy from us, you'll buy everything we make,” which we fought unsuccesssfully. And so I had in the back of my mind I wanted to get to where it all started. So when it became possible, I decided to buy 20th Century Fox, I jumped at it. And it was the last reasonable deal in the exchange of a- and we paid a net $300 million for it. The next one sold for four billion.

MARVIN KALB: Forgive me, but I want to go back to content because I'm obviously missing something. For you, content, substantive content, can be anything from the Avatar movie to Hannity at 9:00 on Fox sounding off with his own opinions. Those opinions you put into substantive content, into that category?
RUPERT MURDOCH: I think Hannity is very good, I think he’s extremely sincere, open, Catholic conservative, traditionally. He's a very nice man and he has a huge audience, and that's fine. But no one says it’s anything other than comment. That is comment from one man.

MARVIN KALB: Right, so that to understand the content, what it is that Fox Television puts out, and let me quickly say I do occasional commentary for Fox, let that be on the record. I want to understand, though, that there appears to be two Foxes. There's a Fox in the evening with highly opinionated anchors, and then there is Fox News during the day which is pretty much what it would be in almost any other network.

RUPERT MURDOCH: No, we think it’s different.

MARVIN KALB: In what way?

RUPERT MURDOCH: I think that's our strength.

MARVIN KALB: No, but tell me what--

RUPERT MURDOCH: Because we have both sides.

MARVIN KALB: You have?

RUPERT MURDOCH: Both sides.

MARVIN KALB: You have both sides of an issue?
RUPERT MURDOCH: Yes, on our news shows, on politics, or whatever, we have Democrats and Republicans and Libertarians, whatever.

MARVIN KALB: But the other networks have both sides as well, though?

RUPERT MURDOCH: Well, I think they just have-- they tend to be Democrats.

MARVIN KALB: They tend to be Democrats?

RUPERT MURDOCH: Yeah, come on, let’s be honest about it.

MARVIN KALB: No, but I mean, is that a bad thing, to be a Democrat?

RUPERT MURDOCH: No, but we're not Republicans.

MARVIN KALB: Oh, you're not a Republican?

RUPERT MURDOCH: No.

MARVIN KALB: You're a conservative?

RUPERT MURDOCH: No, I might be a radical.

MARVIN KALB: What are you?

RUPERT MURDOCH: Somewhat radical, I would say.

MARVIN KALB: You're a radical?
RUPERT MURDOCH: Yeah, I'm not frightened of change.

MARVIN KALB: But why is it that so much of your radical beliefs are on one side of the political spectrum?

RUPERT MURDOCH: Well, I'm not saying I agree with Mr. Hannity, for that matter, or Bill O’Reilly, or whoever.

MARVIN KALB: Or Glenn Beck? Or Sarah Palin, for example? She is now one of your commentators.

RUPERT MURDOCH: Yes, occasionally.

MARVIN KALB: Do you consider her a journalist?

RUPERT MURDOCH: No.

MARVIN KALB: So why is she--

RUPERT MURDOCH: Nor does she pretend to be one.

MARVIN KALB: Correct, she's a politician.

RUPERT MURDOCH: Yes, but we have a lot of politicians.

MARVIN KALB: No, but you're putting her into a journalistic environment, putting a mantle of journalism on her, are you not?
RUPERT MURDOCH: No. Well, depends on what you call a commentator. But if something big happens, we might go to a Democrat and then go to Sarah Palin or whatever. I don't know how often Roger uses Sarah Palin. I know whenever he does, the ratings leap.

MARVIN KALB: So that's a good thing? I mean, if the ratings go up--

RUPERT MURDOCH: We're not averse to high ratings. (Laughter)

MARVIN KALB: Let me ask you about other definitional issues. For example, tell the story. April, 1945, Ed Murrow, then a reporter based in London for CBS, visited the Buchenwald concentration camp right after it was opened. He did not go back to his hotel room and write an immediate broadcast. He was so overwhelmed by the horror that he saw that he spent three days thinking about it before he actually wrote it. When he did write it, it became one of the classics in American broadcasting history. Your own sense of that, would you think that was good journalism, to wait three days before you share with your public that which you experienced, this incredible experience? How would you put it?

RUPERT MURDOCH: Yes, I don't know that you could do it today.

MARVIN KALB: Why?

RUPERT MURDOCH: Because you would have had your competitors with you racing out to tell the story. Clearly, you can lead to classical work. But, you know, the race to be first can lead to corners being cut and we had to be careful about that. And that's where editing comes in. And I think if it was Buchenwald and was just discovered and the three
great networks all discovered it at the same moment, I would imagine they would have raced to get on the air.

MARVIN KALB: Absolutely. And so today, given the very nature of our journalism and competition, that kind of Murrow-type reporting would not fit in. It would not be acceptable?

RUPERT MURDOCH: Well, I think as the first breaking of the news, no, it would not be possible. But it’s still possible to make a major statement about it, or a major report. Oh, absolutely.

MARVIN KALB: And deep down, you don't have a problem with a reporter going beyond the facts, ma’am, and providing as well as the facts his or her own interpretation, beliefs, where political views would enter the telling of the story?

RUPERT MURDOCH: Well, it’s got to be very clear, I think, that the writer’s got to--it’s got to be clear that he is writing his opinion. But, of course, some things like that you can’t avoid subjective reporting.

MARVIN KALB: I want to take just a moment now to tell our radio and television audiences that this is *The Kalb Report*, I'm Marvin Kalb and we're here talking with Rupert Murdoch. Sir, you have said, “The old business model based mainly on advertising is dead. In the new business model, we will be charging consumers for the news we provide on our internet sites.” There have been critics who say that model won’t fly. You argue that it will, in fact, fly. So, again, help me understand some of this. When you took over the *Wall Street Journal* a couple of years ago, the *Journal* was providing, was charging, for the information that it provided online. When you came in, you said,
“Stop that, no more charging. It’s going to be free.” Now you have changed your mind, clearly. What made you change your mind, where are you now?

RUPERT MURDOCH: Well, I don't know that I said I would do that, I was certainly musing about it before we walked in and I listened to the executives and the case they made and looked at the revenue involved and the success of it. I mean, we have had all along about a million people paying for Wallstreetjournal.com. Some also buy the paper and they use it to keep up to date throughout the day, breaking news, markets and so forth, and others only rely on it. I think about 400,000. And we're very happy with that. And we're going to keep that and we're going to extend it to the Times in London and to any other papers we have.

MARVIN KALB: So that all of your papers--

RUPERT MURDOCH: And we're going to stop people like Google and Microsoft, or whoever, from taking our stories for nothing.

MARVIN KALB: And you can do that technically, I'm saying?

RUPERT MURDOCH: Yeah, there's a law of copyright.

MARVIN KALB: By copyright?

RUPERT MURDOCH: You just-- and they recognize it. If you call them up, you hardly need to write them a letter.

MARVIN KALB: Have you already done that?
RUPERT MURDOCH: No, because we haven’t-- Oh, yes, absolutely. As far as the WSJ.com, there's always been the rule, they don't touch that.

MARVIN KALB: As well as the papers that you have in--

RUPERT MURDOCH: The paper itself, they do. And they will be stopping that very shortly.

MARVIN KALB: Be stopping what exactly?

RUPERT MURDOCH: Well, if you go to Google news and you see stories and it says Wall Street Journal and you tap on it and you suddenly get the page or the story as in the Wall Street Journal and it’s for free. And they take it for nothing and they they've got this very clever business model which is, and they've invented-- almost a new type of advertising, search advertising, and so if they just pour out tens of millions of words a day one way or another, they have key words in there which tie to advertising beside it. Just textual advertising, and it’s produced a river of gold. But those words are being taken from, mostly, from the newspapers. And I think they ought to stop it, the newspapers ought to stand up and let them do their own reporting, or whatever.

MARVIN KALB: So in an ideal world, Google and the others will pay if they want to take anything from the Wall Street Journal or the New York Post or any other paper?

RUPERT MURDOCH: Yes.

MARVIN KALB: They are not doing that as yet?

RUPERT MURDOCH: No.
MARVIN KALB: But you intend for that to happen?

RUPERT MURDOCH: I don't think we’ll charge them, they just will say no. We’ll be very happy if they just publish our headline and maybe a sentence or two, and that's it. And followed by a subscription form for *The Journal*. And that brings you so-called traffic to your site and then you tell advertisers how much traffic you have.

MARVIN KALB: I understand. But Mr. Murdoch--

RUPERT MURDOCH: It's a little fictional.

MARVIN KALB: According to a late recent survey, not late, recent survey, 16 percent of the people who get their news on the internet, on the various websites, say that they are prepared to pay for it. But if my arithmetic is right, that's 84 percent who get their news from the websites, say they're not going to pay for it. What does that do for you, if that's true?

RUPERT MURDOCH: I think when they've got nowhere else to go they'll start paying. And if it's reasonable, no one’s going to ask for a lot of money. I mean, we're now selling an electronic edition of the whole *Journal* for $3.99 a week, which is a lot cheaper than buying it on the newsstand. It’s about the same as the average subscription, a bit less. But, you know, there's no paper involved, no print, no trucks.

MARVIN KALB: I know, but I'm surprised to hear--

RUPERT MURDOCH: I don’t like them. As far as I'm concerned, I like what we've done, but I'm old. I like the tactile experience of a newspaper.
MARVIN KALB: Yeah, I know, but you're also an awfully good businessman and you are somebody who’s, in effect, saying that you support an operation, a new technological operation that may very well be the end of the printed newspaper?

RUPERT MURDOCH: I think it’ll take a long time, but it may.

MARVIN KALB: And you can tolerate that?

RUPERT MURDOCH: It doesn’t destroy the traditional newspaper, it just comes in a different form.

MARVIN KALB: Yeah, but as you said, you don't have that thing that you can pick up with your Rice Krispies.

RUPERT MURDOCH: The fact is that it’s very hard, in this country, and in some other countries, to find people under the age of 30 who ever buy a newspaper. I don't know how many people at George Washington University, a student ever--

MARVIN KALB: A hundred percent buy the newspaper? A hundred percent?

RUPERT MURDOCH: No, no, no.

MARVIN KALB: No, I think you're right, they do not.

RUPERT MURDOCH: They pick up a little bit on television, a bit here, a bit there.
MARVIN KALB: Tell me, you've implied and perhaps even stated outright that you're in a pretty tough competition right now with the New York Times?

RUPERT MURDOCH: Not really. (Laughter)

MARVIN KALB: And that you would not lose a moment of sleep if the Times went under, and that you consider the Times too liberal and you'd like to do away with it. Now, take me apart on that.

RUPERT MURDOCH: No, that's not true. I've got great respect for the Times except it does have very clearly an agenda and you can see it in the way they choose their stories.

MARVIN KALB: The agenda being what?

RUPERT MURDOCH: What they put on page one. I think anything Mr. Obama wants.

MARVIN KALB: Anything that Obama wants?

RUPERT MURDOCH: Well, you can see it. You can see-- and the White House pays off by feeding them stories, and so on. This morning, you can see it, very good story, which we would have liked, but there you are. That's okay. I think people know where they are with it. Sometimes, a lot of people get irritated by the Times, certainly in New York there's a very big Jewish society who feels that it’s far too critical of Israel. No, no, the Times certainly has a cutting edge, but it has a lot of very good work in it, there's no doubt about it. We think it's formidable, but there's no harm in being-- they sell in New York, I mean, we're still looked upon as a financial paper, although we've broadened it enormously. But they sell about two to one against us in New York, about 480,000 to our 250, in rough terms. In the rest of the country, we sell about three times as many as they
do. We are really, well you could have put *USA Today* somewhere in here, the only national newspaper. But certainly the leading national newspaper.

**MARVIN KALB:** How do you get on with Mr. Sulzberger, the publisher of the *Times*?

**RUPERT MURDOCH:** Okay.

**MARVIN KALB:** Okay?

**RUPERT MURDOCH:** Yeah. I don’t see him much, we don’t do a lot of business, but fine.

**MARVIN KALB:** What about the story of--

**RUPERT MURDOCH:** He probably doesn’t like me, I don't think, but that's all right.

**MARVIN KALB:** --in the *Wall Street Journal* a weekend ago that seemed to compare him to effeminate--

**RUPERT MURDOCH:** Oh, that's nonsense.

**MARVIN KALB:** So it’s nonsense? Not to be taken seriously?

**RUPERT MURDOCH:** There was a whole group of pictures and there were stories, and pictures that had been changed, someone had written a book about men with slightly effeminate-shaped faces, were more attractive to women these days and there was a montage of faces. And I never saw it, I never noticed it.
MARVIN KALB: He did.

RUPERT MURDOCH: And then someone-- I don't know, I think 99.9 percent of the readers didn't notice it until someone did, and then it got written about on blogs, and so on and it was just the bottom of his face. I know who did it, and it was done as a joke. You know, he should have a life. I mean, come on.

MARVIN KALB: So you're quite happy with the competition with the Times. You don't want to really do it in?

RUPERT MURDOCH: No, but you know, we fight for every inch of advertising, of a type, and when we start our own big, New York edition in three weeks, we will have-- we’ll be fighting for some of their other advertising, that's to say from the big department stores and so on. But in national advertising, people are trying to reach the whole country, what's called business to business advertising, we go right after it and we're doing very well. I mean, we are up, well up, on a year ago whereas they're still down. And that goes for newspapers across the country. We are unique, I think, in having increased our advertising in the last year. But we're comparing with some pretty terrible times. Others haven't crawled out of that yet.

But, you know, just to make my say once. Newspapers, on the whole, get out of New York for a minute, they're semi monopolies and they've lived on all the classified advertising; real estate, job advertising, and so on. We've just been through a recession where a lot of that has just disappeared. But at the same time, it’s being attacked all the time by different sites on the internet in a way that apparently is effective. Now, the Wall Street Journal never had that body of advertising to lose. So, in a sense we were lucky about that.
MARVIN KALB: You have said, “I'm not a knee-jerk conservative.” That's a way you've described yourself. “And I am,” you said before, “radical,” and I'm not quite sure I know what you mean by that?

RUPERT MURDOCH: Well, I think sometimes, you know, strong change can be good.

MARVIN KALB: Strong change from what to where?

RUPERT MURDOCH: Well, if we think something is bad--

MARVIN KALB: Make it good?

RUPERT MURDOCH: Make it good.

MARVIN KALB: Well, what is bad now?

RUPERT MURDOCH: And you often have to go through a lot of vested interests on a thing like that.

MARVIN KALB: Let me tick off a couple of names, give me a quick Rupert Murdoch editorial on each one. Like President Obama?

RUPERT MURDOCH: Well, I'm like the rest of the country, I hope he does well. We've been critical. I think he’s missing a great opportunity for a wonderful legacy by not tackling the education system in this country, he’s made very good speeches about it, but he’s not really faced the unions, who were his supporters.
MARVIN KALB: Would you support him if he moved in that direction?

RUPERT MURDOCH: Absolutely, very strongly. What he has said in speeches that he’d like to see, he’s been absolutely right. Merit pay for teachers, less tenure, open go for charter schools, I think that's absolutely what's needed. We are criminal in this country in that we're turning out a new generation of people worse educated than their parents. And I think it’s going to have long-term effects that are very serious. And he said that himself.

MARVIN KALB: What about John McCain?

RUPERT MURDOCH: I find him personally likable. He’s sometimes a little hard to read. You wonder which side of the bed he got out of that morning. But he’s obviously a great patriot. Anybody who’s been through what he’s been through, you can make a lot of excuses for.

MARVIN KALB: You strike me as someone who has one foot in today and one foot in tomorrow. And I'd like to ask your opinion about the internet, the web. Where do you think it’s going? Is that really an indicator of the future? I mean, I notice that you've got your new iPad sitting there?

RUPERT MURDOCH: Yes, I think that the internet is a fantastic invention. I think it’s in its early stages of development through broadband, and so on, what you call the internet. Medical services, education, and a lot of areas, and connecting people up and informing people. But, we worry about newspapers and-- can I talk about this now for a minute?

MARVIN KALB: Go right ahead.
RUPERT MURDOCH: And young people not going to them, and so on. And the advertising base being eroded. And I think, and I got a glimpse of the future this last weekend, with the Apple iPad. It is a wonderful thing, it’s not all new invention, but it’s brought together all forms of media; music, books, newspapers, whatever, plus a lot of other things, games and so on.

MARVIN KALB: Well, here we can see.

RUPERT MURDOCH: Now, that's the Wall Street site, which we're very proud of and everybody says it’s the best newspaper site at the moment. I mean, others may pass it.

MARVIN KALB: But it’s a good illustration of what it is that we're moving toward.

RUPERT MURDOCH: You see, we can go back for seven days, go back and around, if you missed an article or someone’s told you you ought to see something within the paper last Saturday or last Friday, or something, you can find it. The whole papers are stored in memory disks in this beautiful-looking machine, all right? And you can play games with it. Here we are, there's the site. And then we update it, the front page, at least, every half hour through the day. So if something big happens, it’s there. And we have--Every word of the Wall Street Journal is there. It’s easy to navigate, it’s easy to find. You can pick the stories you want to read and you can touch-- you touch a picture and it becomes a video. So you actually see--

MARVIN KALB: We can see right now.

RUPERT MURDOCH: --illustrated the story above with a moving picture rather than just a still picture. So it’s an advancement.
MARVIN KALB: It’s interesting. Do you know now of the people who own this particular instrument, how many of them would turn to the *Wall Street Journal* and find out what the *Journal* site has? Do we know that?

RUPERT MURDOCH: Well, we know absolutely that, I don't know the exact number, but tens of thousands over the weekend of the 300,000 have bought it, did click on the *Wall Street Journal* site and visit it. Now, what we're doing it is anybody who today buys the *Journal* or WSJ.com at the full price, can have it for free. If you would like it and you don't read the Journal, then it’s nearly $4 a week, which is very cheap. And we hope to expand our circulation with it. If there's going to be a transition to this over the long term, it’ll have to be managed very, very carefully.

MARVIN KALB: If there is to be that transition?

RUPERT MURDOCH: Yes. If you say it's the end of the tactile newspaper, and--

MARVIN KALB: But is that what you think? I'm trying to get your--

RUPERT MURDOCH: I don't know. I just don’t know.

MARVIN KALB: I mean, 10 or 20 years from now?

RUPERT MURDOCH: This is going to be improved on by Apple, they'll have eight or nine competitors within 12 months in the electronic industry. And there's going to be tens of millions of this sort of thing sold all over the world.
MARVIN KALB: So what you're saying is that that is, in effect, your vision of the future of newspapers? And what I'm trying to understand is--

RUPERT MURDOCH: I think it’s a possibility, which I have to provide for. And it may be the saving of newspapers because it’ll be--

MARVIN KALB: How the saving?

RUPERT MURDOCH: Well, you don't have the costs of paper, ink, printing, trucks.

MARVIN KALB: No, but that's the end of the newspaper that you pick up?

RUPERT MURDOCH: That's when you come to the end of the road, yes. But if you have less newspapers and more of these, that's okay. You're going to have-- it’ll be more economic. It may well be the saving of the newspaper industry. Now, there'll be a lot of things available there, what they call apps, or applications, and a lot of them will just be blogs and irresponsible stuff. We believe that if you have a great name and trust from your readers and you keep earning it every day--

MARVIN KALB: Brand.

RUPERT MURDOCH: --people will come to you. Yes, to be associated with your brand.

MARVIN KALB: And if you maintain that quality brand, that will draw people, that will attract people to that same brand on the internet?

RUPERT MURDOCH: Yes.
MARVIN KALB: And even if the cost is the end of newspapers as we know it, that in your mind appears to be where it is that we may be going?

RUPERT MURDOCH: Well, it’s better than them going out of business altogether.

MARVIN KALB: And a lot of them are.

RUPERT MURDOCH: And a lot of them are finding it very hard at the moment.

MARVIN KALB: Mr. Murdoch, you do an awful lot of traveling around the world. And if the 20th century was the American century, what country do you think is going to be called the country of the 21st century?

RUPERT MURDOCH: I think America again, at least the first half of it. I don't pretend to be a seer about how far you can look, but if we-- we got to put a few things right. We got to get our immigration right, we've got to drain the brains out of other countries who want to come here, and we're not-- what we do is teach them and give them a ticket home. That's got to change. And we have a higher reproduction rate than other countries. We've got a lot of things going for us in the long-term and we have this, I think, traditional-- it’s almost in our DNA to be entrepreneurial, to be creative and to attract creative people. We don’t have a monopoly on that, but I think we're going to be very strong in the long term. We'll have some bumps on the way. We're just coming out of a very serious bump. I think I'm a little bit-- we could have another bump quite soon. But if you go beyond that.

MARVIN KALB: In your judgment, what country today is the most progressive in terms of economic and technological advance?
RUPERT MURDOCH: This country. In high tech, not on the same scale, but it’s been challenged to some extent by Israel which has got an explosion of high tech industries and growth in its GDP. And again, very clear, immigrants from all over the world.

MARVIN KALB: Fascinating. A concluding question.

RUPERT MURDOCH: I would say Europe, no.

MARVIN KALB: China, India?

RUPERT MURDOCH: No, I think China has a real problem until it frees itself up. I've just been reading a book called The Party, a recent book, and how it’s not about capitalism or communism, it’s about control. Until those controls come off and it gets freed up, debate and creativity, of which they're quite capable, gets started, and I think that's a long way away.

MARVIN KALB: We've got about a minute to go and I just want to ask you this concluding question. In this room, which is so crowded, as you can see, there are many journalism students. And there may be among them someone who would love to be a media mogul just like Rupert Murdoch.

RUPERT MURDOCH: Good.

MARVIN KALB: What advice would you give to that person?

RUPERT MURDOCH: Well, choose the area you want to be in and get some experience, get some training. Come to us or a local television station or a local
newspaper. Get some real grounding. And then if you still feel like it and are prepared to take a risk with whatever you've managed to save or raise or get from friends, buy something and then see if you can make a success, build on it.

MARVIN KALB: But build on the beginning, which would be as a reporter, as a journalist, as opposed to going into the management?

RUPERT MURDOCH: Absolutely.

MARVIN KALB: Why? Why the reporter is so important?

RUPERT MURDOCH: You've got to understand, I mean if you don't produce something that people want to buy, you can have all the managers in the world. The editor is the most important person in the building.

MARVIN KALB: And the reporter who actually goes out and does the story?

RUPERT MURDOCH: Oh, yes, but it’s the editor who appointments him and finds him and trains him, or whatever.

MARVIN KALB: I have to tell you that our time is up. We have faced what is often called the tyranny of the clock and I want very much to thank our audience, which has been just terrific, wonderful. But, most especially, I want to thank Rupert Murdoch for taking the time to be with us, for answering our questions, and for sharing all of those insights accumulated over many, many years. But that's it for now. I'm Marvin Kalb. And as Ed Murrow used to say, good night and good luck. (Applause)
Okay, now we've got 20 minutes when you can ask questions. And all I would ask you to do, I can see right here and there, I beg of you, ask a question, don’t make a speech. Identify yourself and ask Mr. Murdoch. Fine, we’ll start right over here, please.

**QUESTION:** Hi, Mr. Murdoch. My name’s Ari Rabin-Havt, I'm from a group called Media Matters. In the week leading up to last year’s Tea Party, Fox News aired 73 in-show promotions for the events. Your business network host, David Asman, told viewers they needed to visit--

**RUPERT MURDOCH:** What's that?

**MARVIN KALB:** We're missing some of what you're saying. Could you speak into the microphone and speak a little more slowly, please?

**QUESTION:** Your business network host, David Asman, told viewers they needed to visit the Tea Party website to buy merchandise. And your network had graphics saying “Fox Day Tea Parties.” Is it appropriate for a news network to engage in that much politics?

**RUPERT MURDOCH:** No, I don't think we should be supporting the Tea Party or any other party. But I'd like to investigate what you're saying before I condemn anyone.

**MARVIN KALB:** On this side, please?

**QUESTION:** Hello, Mr. Murdoch. I'm a student at the George Washington University. It's been said that you like to view yourself as a modern day Hearst, by which it's meant--

**RUPERT MURDOCH:** A modern which?
QUESTION: A modern day Hearst, by which it’s meant a true newspaperman. I'm wondering, how much of your day is spent reading your newspapers and dealing with your newspapers as compared to the movie business and the TV business?

RUPERT MURDOCH: Oh, at least half on the newspapers. But, of course, unfortunately, being chief executive of a big company, one has to deal with a lot of issues in a lot of areas, which you try to pass down to other people but you're still there and still responsible. So, it’s not just reading newspapers or criticizing them or talking to editors.

MARVIN KALB: But you must really love newspapers because you own the New York Post and consistently year after year, it loses money. (Laughter)

RUPERT MURDOCH: Right.

MARVIN KALB: So you're laying out that extra money for them to pursue, so that's kind of your, what, a hobby?

RUPERT MURDOCH: No, it’s not at all. We think it does a lot of good. We think we fight a lot of good causes. But if newspapers are going to shrink in New York, we want to be the last one standing.

MARVIN KALB: Yes, please?

QUESTION: I'm Gary Arlen from Arlen Communications in Bethesda. I had the pleasure of sitting next to you at the All Things Digital Conference last year, and was fascinated by your responses, Mark Zuckerberg and others, from Facebook and others,
talked about user generated content. Can you talk a little bit about how you think consumer generated content plays into this new media world we're moving into?

**RUPERT MURDOCH:** No, I think we ought to look at it. We certainly encourage interactivity with our readers who are writing to us and publishing a lot of it. But before we want to see how they write, do we want to know them, before we would hire them and say, “Look, we’ll trust you with a story.” You know, these social networks are an interesting phenomenon, but I don't think they're changing the world.

**MARVIN KALB:** Yes, please?

**QUESTION:** Hi, Mr. Murdoch. Thank you for doing this. My name is Matt Negrin, I'm a reporter with Politico, but I'm not reporting on this event. I was wondering what your prediction is for the *New York Times* pay wall for their website, which is going to go into effect next year?

**RUPERT MURDOCH:** I don't know. I've spoken to them, they don't seem to be able to make up their minds. You know, they'll have opposition internally from some of their journalists, particularly their columnists who are very jealous of their wider audience. But, I think to really make it work, they've got to put a pay wall up. And you'll find I think most newspapers in this country are going to be putting up a pay wall. Now, how high does it go, does it allow them to have the first couple of paragraphs or certain feature articles? We'll see. I mean, we're experimenting with that ourselves. Not everything in the Journal has a pay wall around it. But for instance, the personal *Journal* doesn't. But most of the finance does, and the front section does.

**MARVIN KALB:** Yes, please?
QUESTION: Hello, my name is Timothy Watt and I'm with the Washington Center for Internships and Academic Seminars. I was just wondering if you would be willing to share your definition of ethical journalism with us, sir?

RUPERT MURDOCH: Yeah, honest. I think the facts have got to be told honestly and investigated properly. It’s not to say that mistakes don’t get made, but to be ethical, you have to consciously try to get to the truth of the matter.

QUESTION: Hi, Mr. Murdoch. My name’s Jason Millman, I'm an editor with Thompson Publishing Group in Washington, D.C. And I want to ask you about— you mentioned there are Democrats as well as Republicans on Fox News. I was wondering if you meant Democrats employed by Fox News, and if so, who would that be?

RUPERT MURDOCH: I wish I could tell you a couple of names, but they're certainly there. If Roger was here, he could certainly spit them out very quickly. I think probably every night, Greta Van Susteren, certainly close to the Democratic Party. She doesn’t do many political stories. She’s just a great journalist who goes after any story she can get. But people who have been involved in Democratic politics, and so on, yeah, we have people. I'm trying to think of the name of the lady in California who’s been with us from day one who we use a lot.

QUESTION: Susan Estrich.

RUPERT MURDOCH: You're right, I'm sorry. I apologize to him for not knowing.

MARVIN KALB: Okay. Yes, please?
QUESTION: My name is Katherine Gildensted (>). I'm a reporter from Denmark, of all places. Thank you for taking my question. You touched on that the technical side is not your focus. But what are your thoughts about innovating content, formats, interaction with users?

RUPERT MURDOCH: Well, I think, you know, technology is a great use and a great help and we should be watching it all the time and ready to use it in any way that can help us. But only to improve the content. Without the content, all these things are nothing.

MARVIN KALB: Please?

QUESTION: My name is Nathan Martin with the Washington Post Express. I'm not reporting for them, obviously. But Mr. Murdoch, you talked a little about the difference between commentary and reporting. And as young journalists prepare to go out into the workforce that you would encourage them to go out and actually report on stories rather than going into management. We're in an increasingly commentary world where people blog things. What would you tell someone who's looking at trying to actually report rather than just comment and regurgitate other news stories?

RUPERT MURDOCH: I encourage them, that's what we want. We want the facts and if they become great experts later on and we think they've got the wisdom, okay they can have a column, they’d go on the opinion pages.

MARVIN KALB: Please?

QUESTION: Thank you for your time today. My name’s Troy Pell, I'm from outside of Dallas. And one of the meanings of journalism that's also “dying” is the evening news
telecast. What would you do to fix it and get it into the 21st century and to make it viable once again?

**RUPERT MURDOCH:** I don't know, better minds than mine are working at that. There's so much other news. The fact is, in either the 24 hour news services, but I think the real problem for them is that the local television stations, a lot of which the big networks are, have pretty good news services from 6:00 to 6:30, or from 5:00 until 6:00 which mixes the big international news, the big national news, with the real local news. And people feel that they've heard all the news for the time, and they love their local news. Of course, they want to know everything from what's happening to what the weather’s going to be tomorrow. And I think that's all there is to it. And I think it’s very hard for the national news services to be purely national, want to come right after that. And I think you've seen them become more and more feature-ish, if I may say so, less hard news, more stories that are a bit off the news. Interesting, but with all three of them there, it’s very interesting. I mean, the different parts of the country, how they do. In New York or east coast, they've still got reasonable audiences. In California, many days, none of them achieve one percent of the audience. But maybe that's California.

**MARVIN KALB:** I saw recently that the three evening newscasts still get 24 million households, which is a lot. That still is a lot. Yes, please?

**QUESTION:** Mr. Murdoch, my name is David Earl, I'm a grad student at George Washington. And in the event of a major news event, something that's breaking, is your priority to best inform the viewer on Fox News, for example, with your best journalist, or would you prefer to generate the best ratings and bring forth your best commentator, such as a Sarah Palin versus your top journalist?
RUPERT MURDOCH: No. If you do the best job reporting those facts, we’ll get the best ratings. Don’t worry about that. You know, up until four or five years ago, if something very big happened, people turned to CNN. Not from us, but they came in to watch news, automatically they'd go to CNN. They're now automatically going to Fox. Big news events, Fox adds more to its audience than does CNN because they trust it.

QUESTION: Hi, my name is Sloane Dickey, I attend the George Washington University. About halfway through your discussion you said that the New York Times sets a liberal agenda. But there has been a lot of criticism from the White House and other news organizations that Fox News sets a very conservative agenda. Do you believe that Fox News sets any kind of agenda? And if so, what do you think that is?

RUPERT MURDOCH: No, I think, you know, let’s be honest. I think that sure, there's a lot of conservative commentary there. But there's not conservative angling of the news. And what's interesting, when they made a move against us at the White House, all the other networks immediately came to our defense, that you can’t do that. And we're, you know, they don't like it that we carry criticism. And no politician likes to be criticized and they grow paranoid. You know, that's life.

MARVIN KALB: What about the time that President Bush was in office, I don't believe that the President felt that the White House was in a war with Fox? They were quite happy with what they were getting.

RUPERT MURDOCH: They got criticized pretty hard quite a few times.

MARVIN KALB: Really?
RUPERT MURDOCH: You bet. Bill O'Reilly, for one, went after the President many times.

MARVIN KALB: Okay. Go ahead.

QUESTION: Hi, my name is Lindsey Masters.

RUPERT MURDOCH: But he wouldn’t appear on his show for some reason.

QUESTION: My name’s Lindsey Masters, I'm one of the one-man band reporters for CBS affiliate, WBUSA here in Washington. I'm not reporting. But I wanted to know in this country, journalists are taught not to have an opinion, not to sign petitions. Oftentimes, it’s in our contracts that we're not allowed to sign petitions. And this, of course, is the age of blogging. Do you believe that it’s time for journalists to have their own opinions and to be forthcoming with those?

RUPERT MURDOCH: Oh, absolutely. But if they only write opinion in the media that they have access to or that employs them, then I think they're less valuable. But should a journalist have opinions? Of course. They're all citizens, they vote, of course. There's nothing wrong with that. But how they do their job has got everything to do with it.

MARVIN KALB: Okay. Yes, please?

QUESTION: Yes. My name’s Nick Taxiaho Garel (?), the graduate school of political management this past December. And I wanted to ask you a question about a show that appeared on Fox News very briefly a couple of years back called The Half Hour News Hour, lasted very briefly. And maybe this is a question that Mr. Ailes would be, you know, more knowledgeable about answering. But it failed within a season. And I'm just
wondering, compared to a Colbert Report, or the Daily Show, is there any chance that a satirical, politically charged show could last on something like a Fox News?

RUPERT MURDOCH: Well, I would hope it would. I think there's room for an hour or half hour of satire where you send up everybody. But I don’t remember that show, I'm sorry. But I believe we didn't do it very well.

MARVIN KALB: Yes, please?

QUESTION: Hello, Mr. Murdoch. My name is Anton Gellman. I run Free World Pulse, which is a new media startup. And actually, we talked a lot about GGC (?) journalism and video coming from the internet, et cetera. But we don’t generally mention the amount of high quality and really freelance video that's emerging from all around the world. Do you have an opinion on all the real high quality and professional content that's being generated?

RUPERT MURDOCH: You mean there's a lot of high quality material appearing outside the main media? Yeah, I don't know how much, but I don't deny that and I think we should be watching for it and going out and finding those people and try to employ them.

QUESTION: You don't plan to leverage that content in your network, do you plan to bring it in from around the world into your kind of network space?

MARVIN KALB: Do you plan to bring that into your own network, all of the outside groups?
RUPERT MURDOCH: Well, I don't know about the groups. But yeah, where there's good work to be had, we would like to accommodate it on one of my networks.

MARVIN KALB: We've only got time for maybe two more questions. So go ahead, briefly?

RUPERT MURDOCH: I mean, we're desperate for good shows and desperate for good content. Look at the entertainment networks. We're number one, and have been for four years. But, you know, we depend really on one or two shows. And the other networks are the same. If someone comes with a great idea and a great show, we go for it like as fast as we can.

QUESTION: Hi, my name is Courtney Thompson. I'm from the DC area, and I have a truly difficult question for you. What is your favorite non-news television program? Do you watch television?

RUPERT MURDOCH: Yeah. Well, I'm a great admirer of House. (Laughter) Which happens to be on Fox, but I think it’s pretty good. We don’t make it, unfortunately. And there's a great news show on FX called Justified. I don't know who’s seen it. It’s only a couple of episodes, but it’s recommended.

MARVIN KALB: Last question.

QUESTION: My name is Martin Mense, and I'm a senior advisor to Niemanwatchdog.org. I'd like to ask you whether Fox News, or the New York Post, ever investigates corporate misdeeds? As an example, Merck didn't test Vioxx, the pain killer, for heart risks and some 50,000 heart attacks followed after marketing.
RUPERT MURDOCH: Well, I don't remember it investigating that, but we've certainly-- we reported on any other investigation. But do we have reporters investigating corporations? Absolutely. Look at our business pages.

MARVIN KALB: Okay, friends and neighbors, as they say, the time is up and thank you all very much for being here, and thank you to Mr. Murdoch. (Applause)

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