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Donald Trump and Rupert Murdoch: inside the billionaire bromance

Trump has been good business for the media mogul, but their association goes back decades and stems from one thing: 'These men value only

power'



by Lucia Graves 17 June 2017

The alliance between Donald Trump and Rupert Murdoch has never been stronger. In April, the Australian-born media mogul topped the New York Times' list of Trump's key advisers outside the White House, identified as someone the president speaks to "on the phone every week". Last month the paper revised that upward to "almost every day", although the White House denies this.

At a recent speech in New York to mark a second world war battle in which the US fought alongside Australia, Trump was welcomed on stage by the News Corp chief.

"The man I'm about to introduce believes, as I do, in challenging conventional wisdom, because conventional wisdom is often not wise at all," Murdoch said, concluding with a hug for "my friend, Donald J Trump".

"Thank you to my very good friend Rupert Murdoch – there's only one Rupert that we know," said Trump in turn as he took the podium.

Now, with a reported criminal investigation in connection with sexual harassment allegations into Fox News, the stakes are higher than ever for the two friends.

During the 2016 election, Fox News played a crucial role for Trump. In the lead-up to the Republican primary, Murdoch openly favored Jeb Bush, and early reports highlighted tensions between Murdoch and Trump. Trump's closest ties were to Fox News's then-boss Roger Ailes and its then-star host Bill O'Reilly rather than to Murdoch, and the mogul's main conduit to the Trump campaign was said to be Trump's son-in-law Jared Kushner. Trump had a well-publicized tiff with Fox News after one of the network's top hosts, Megyn Kelly, challenged him during the first Republican debate.

But as far back as the summer of 2015, Trump was already getting significantly more Fox News airtime than any other presidential candidate, and by spring of last year he and Murdoch were having private meetings. In March 2016, Murdoch tweeted that Republicans would "be mad not to unify" behind Trump "if he becomes inevitable". Murdoch's New York Post endorsed him for the primary in April 2016 (although the paper did not endorse in the general election).

As Trump's "inevitability" grew and it became clear he was going to win the Republican nomination, the two men grew closer still, uniting around what is perhaps the biggest thing they have in common: both men love to win, and suddenly they were in a position to use one another to do just that. Fox was a crucial platform for Trump — and Trump was great for Murdoch's ratings.

By the time Trump had been elected, relations were close enough that the president-elect gave his first foreign newspaper interview to Murdoch's UK paper the Times – with Murdoch himself in the room.

For many, Murdoch's embrace of Trump was itself inevitable.

"His entire empire's at stake – that's why Murdoch is talking to him every day," said Sid Blumenthal, a former aide to Bill Clinton and longtime observer of New York politics. "It's not because he enjoys the sparkling conversation of Donald Trump."

Trump and Murdoch: the early years

Rupert Murdoch was born in Melbourne in 1931 and enjoyed a seemingly idyllic childhood, riding horses through the countryside and reading the great literature his mother insisted her children be surrounded by. The son

of a distinguished journalist and an Australian publishing executive, he was educated at Oxford but returned home following his father's death to take over the family business, News Limited. His early editorial emphasis on crime and scandal coverage drew criticism, but it was entertaining – and entertainment, he found, was good business. Soon his publications had proliferated in number, circulation and reach.

After expanding into London with the acquisition of the News of the World and the Sun, in the early 1970s he moved to New York City to pursue media properties in the US. Perhaps more than anything it was his 1976 acquisition of the New York Post, a highly esteemed liberal paper at the time, that brought him into the orbit of Trump. The 30-year-old son of a wealthy real estate developer had recently graduated from Wharton business school and was trying to establish himself in Manhattan – and like Murdoch, he found in the Post the ideal vehicle to do just that.

It was the Post's gossip section, Page Six, which Murdoch launched shortly after taking over the paper, that helped transform Trump from New York realtor to celebrity. For Murdoch, too, it was transformational: a chance to reach the city's most influential people.

Writing about Trump was inescapable, said Susan Mulcahy, one of Page Six's earliest reporters and editors, and it was also difficult.

"You had to double- and triple-check everything," she told the Guardian. "When it was a good story it was worth doing the extra work, but much of the time it would turn out to be a lie."

The woes of fact-checking Trump are now well known, but they weren't then, or even when Mulcahy first wrote about them publicly: her 1988 book about her time at Page Six devotes an entire half a chapter to Trump's fondness for falsehoods. "He's a pathological liar," she said. "I've said that repeatedly and I've been saying it since the 80s."

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That never seemed to concern Murdoch too much. Then as now, he and Trump had a symbiotic relationship: Trump provided entertaining coverage for Murdoch, and Murdoch provided good visibility for Trump. "Both of these guys are extremely transactional," said Lloyd Grove, who wrote a gossip column for the New York Daily News, the Post's rival publication, in the early to mid-aughts. "They have no permanent bonds, they just have permanent interests."

At times over the years, those interests put them at odds. In 1982, when the Daily News went up for sale, both moguls put in rival bids for the paper (neither was accepted). Six years later, Trump would try to buy the Post out from under Murdoch after regulatory rules forced him to put it up for sale. Murdoch rebuffed Trump's offer, sold it elsewhere and was able to buy it back again in 1993.

Trump was glad to see Murdoch return. Though the future president's affair with Marla Maples would, largely by his own design, be chronicled exhaustively under the Post's new owner, Peter Kalikow, Trump apparently still preferred Murdoch's rule. "He's killing me," Trump said of Kalikow in 1988. "Rupert, come back."

Five years later, Rupert did. But only after expanding his newspaper business and building the foundations of the cable television empire he enjoys today, the empire which would one day make Trump's path to the presidency possible.

The Cohn connection

Trump and Murdoch had something else in common: a deep and abiding connection to Roy Cohn, one of America's most reviled but most successful defense attorneys, who rose to political prominence in the 1950s as a legal adviser to Senator Joseph McCarthy. As the writer Ken Auletta put it in a 1978 Esquire profile: "Prospective clients who want to kill their husband, torture a business partner, break the government's legs, hire Roy Cohn. He is a legal executioner – the toughest, meanest, loyalest, vilest, and one of the most brilliant lawyers in America."

Both Murdoch and Trump were clients of Cohn, as Trump biographer Harry Hurt III noted in a 1993 book, but over the years the lawyer also became something of a mentor to them. After Murdoch's arrival from Australia in 1976, Cohn offered entree into the world of America's powered elite. And for Trump, a political neophyte from Queens looking to get on Manhattan's "fast track" (in the words of Trump ally Roger Stone), the relationship was transformational. For a while, Cohn once told Vanity Fair, he and Trump spoke "15 or 20 times a day".

"Murdoch came in from the outside," said Blumenthal. "Cohn was his Virgil who guided him through the netherworlds of New York influence," he added, "which led to Trump, among others, who was not much of a power broker at the time."

Stone, in an interview with the Washington Post, put it in even starker terms: "I think, to a certain extent, Donald learned how the world worked from Roy,

who was not only a brilliant lawyer, but a brilliant strategist who understood the political system and how to play it like a violin."

Murdoch and Trump were still coming up in the world, but Cohn was approaching the height of his power. He would host lavish parties with politicians, journalists and celebrities, and it was through such salons and attendant parties at exclusive clubs such as Studio 54 (the owners were also clients of Cohn's) that Murdoch and Trump came to know one another socially. "They were taking their tips from Roy," Hurt said in an interview. "I'm not saying they were swallowing the whole glass of Kool-Aid but they definitely took a few good gulps, and you can see that reflected, especially in the subsequent behaviour of Donald Trump," he said. "Rupert maybe only took one gulp of the Kool-Aid and then spat it out."

Chief among those tips was how to play the media. At the Post, where their mutual apprenticeship in the dark arts of media manipulation started, Cohn was, at least in the early years, the go-between for Trump and the paper's editorial side. Cohn was an important source for Page Six's Mulcahy, and he certainly knew how to make himself valuable to a reporter. When Mulcahy had to cover Ronald Reagan's first inaugural on 24 hours' notice, Cohn got her security clearance and into all the evening's exclusive parties at the drop of the hat. But Cohn also had some unsavory qualities as a source. "Roy seemed to think because he gave me stories, I would do his bidding," Mulcahy recalled.



Donald Trump with Anna and Rupert Murdoch. Photograph: Sonia Moskowitz/Zuma Press

Such presumptions seem to have rubbed off on Trump in later years. Linda Stasi, who covered Trump's tumultuous relationship with Maples in the 1990s, recently told the New York Times that Trump wouldn't just plant stories – he actively sought to direct them. "It never occurred to him that he couldn't control everything," she said, adding that even now, "he is shocked that he is not in control of the press."

In what is perhaps the most striking example of such habits, 1991 audio_obtained by the Washington Post seemed to reveal Trump masquerading as his own publicist to brag about his sexual conquests. Though Trump has denied or evaded questions about posing as his own spokesman, the recording corroborates the accounts of numerous reporters and editors who covered him throughout the 1970s, 80s and 90s. Such misogynistic boasting by Trump's alter ego was very much the pattern, as when he boasted that in addition to living with Maples, he had "three other girlfriends".

Trump and Murdoch have scratched each other's backs over the years, starting at the New York Post, but more recently their connections have taken on an almost familial air. When Jared Kushner took over the New York Observer in mid-2006 (around the time he met Ivanka Trump, whom he would marry in 2009) he turned to Murdoch for counsel. Murdoch is thought to have influenced Kushner's rightward shift politically, passing on books by Charles Murray and Niall Ferguson.

Jared and Ivanka were known to double-date with Murdoch and his ex-wife Wendi Deng, and even after Murdoch's split with Deng, the two women and the two men remained close. Until December, Ivanka was a trustee for a \$300m fortune set aside for Murdoch's daughters with Deng. That means that throughout the 2016 presidential campaign, while Trump frequently appeared on Fox News, his daughter was directly implicated in the financial wellbeing of the network's owner's daughter.

Such developments show the continuity of the Trump-Murdoch bond beyond political convenience. "They're mutual users who've become one family," Blumenthal said. "She [was] a trustee of their money. That's as intimate as you can get."

Trump biographer Gwenda Blair agrees the bonds between the Trumps and Murdoch are deep. "They both speak the language of cable news – cabalese," she said.

Political back-scratching

Now, for the first time in their decades-long relationship, Murdoch really needs Trump: a reported federal probe into Fox News stemming from serial sexual harassment allegations threatens the model of his flagship network, which has already paid \$45m in sexual harassment claims and continued making settlements into this year.

In April, Trump proved he was quite willing to publicly downplay such allegations, asserting: "I don't think Bill [O'Reilly] did anything wrong" after it emerged that the high-profile Fox host had settled claims of sexual harassment.

Trump also, of course, presides over the Department of Justice tasked with overseeing such investigations.

Murdoch may well have welcomed his firings of Preet Bharara, the US attorney reportedly tasked with overseeing Murdoch's investigation, as well as that of James Comey, the director of the FBI. He certainly welcomed the relaxing of regulations for TV station owners earlier this year under the Federal Communication Commission's new Republican chairman Ajit Pai – something 21st Century Fox has previously fought for in court.

Murdoch has not been coy about his attitude toward such FCC protections. In 2014, he hit out at being barred from making a bid for several media properties he wished to acquire, tweeting: "Sorry can't buy Trib group or LA Times – cross-ownership laws from another age still in place."

But under President Trump such concerns are a thing of the past for Murdoch. The new relaxed rules allow for a level of media consolidation many believe will prove harmful to consumers and hinder the free and democratic flow of information.

But the crucial aspect of the Fox News controversy for Murdoch is how it might affect his proposed takeover of Sky, the British satellite broadcasting company, which he has been fixated on since at least 2010, when the deal was scrapped following the phone-hacking scandal plaguing his UK newspapers.

Wendy Walsh, a former radio host who recently went public with her sexual harassment allegations against O'Reilly, wants to make sure Murdoch's bid fails this time, too.

Walsh was among the accusers to travel to the UK in May to urge regulators to reject the Murdoch takeover in light of Fox's toxic culture regarding women. "Everyone's focusing on Russia, Russia, Russia," she told the Guardian. "Fox News played a large role in Donald Trump's election too, and they're both under investigation right now."

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UK media regulator Ofcom will make a determination by 20 June whether Murdoch can be considered a "fit and proper" owner given Fox's culture of sexual harassment and whether his expansion through Sky – of which he already owns 39% – would give him too much control of the UK media market, something the outgoing head of Ofcom warned about back in 2014 when he accused British government officials of unduly favoring Murdoch's companies and called their relationship "too cozy".

"I contend that a company that has harassed, discriminated against and retaliated against dozens of women and people of color since 2004 is not fit and proper," said Walsh's lawyer, Lisa Bloom. "The UK has long stood as a world leader for women's equality. We appeal to that moral standing now."

Trump "will be loyal to Murdoch", Bloom predicted, "and Murdoch will be loyal to Trump. These men value only power."

In his deep dive for the Atlantic, James Fallows found "many examples of Murdoch's using political connections to advance his business ends", and that his actions, generally, "are consistent with the use of political influence for corporate advantage". Specifics reported by the New York Times more than a decade ago further support the observation and will sound familiar to any recent observers of Trump's FCC. After Murdoch's papers, comprising roughly 35% of Britain's media market, endorsed New Labor's Tony Blair in 2001, for instance, Blair backed "a communications bill in the British Parliament that would loosen restrictions on foreign media ownership and allow a major newspaper publisher to own a broadcast television station as well as a provision its critics call the 'Murdoch clause' because it seems to apply mainly to News Corp", as the New York Times put it.

Such backscratching happened in America too.

Leveraging the presidency

To understand Murdoch's relationship with Trump, it helps to understand his relationship with one of the president's predecessors in the White House, Ronald Reagan, with whom Murdoch enjoyed surprisingly close ties, facilitated and fostered by the same man who links him to Trump: Roy Cohn.

Joe Conason, who covered Murdoch at the Village Voice throughout much of the 70s and 80s, called Cohn "the lynchpin" of Murdoch's cozy relationship with Reagan. Cohn was very close to Reagan going back to the "red scare" in Hollywood, said Conason, adding: "Reagan did lots of favors for Murdoch when he was president at the behest of Cohn."

Reagan presidential library documents obtained by investigative journalist Robert Parry show Cohn was instrumental in facilitating Murdoch's face-to-face meetings with Reagan, the first of which took place in January 1983, two years into the president's first term. Parry, the founder of Consortium News and author of America's Stolen Narrative, told the Guardian that he came across a photo of Cohn in the Oval office alongside Murdoch and Reagan by chance, while investigating another story. His subsequent request for documents mentioning Cohn revealed a series of letters in which Cohn demanded better treatment of Murdoch and his media properties by the president.



Ronald Reagan meeting with Rupert Murdoch in the Oval Office on 18 January 1983. Photograph: Ronald Reagan presidential library

In one such missive to the White House dated 27 January 1983, Cohn appears to suggest Murdoch's papers had granted Reagan favorable coverage in hopes of receiving political favors. He writes: "I had one interest when ... I first brought Rupert Murdoch and Governor Reagan together and that was that at least one major publisher in this country would become and remain pro-Reagan. Mr Murdoch has performed to the limit up through and including today."

In another letter, Cohn complained that though "the Post and other Murdoch's papers gave their blood on a daily basis", the president had, in a recent media appearance, failed to grant a Post reporter a question and even

encouraged his audience to read the Post's competition, the New York Daily News. "Without the Post, Reagan could not have carried New York," Cohn complained.

When the president failed to make time for one of Murdoch's papers while on a trip through Boston, the threats were all but explicit: "To say that all the good you tried to do, and I tried to do, and the President did in his meeting with Rupert has been severely damaged by this second insult, is an understatement," Cohn wrote in a note shortly after Murdoch's first face-to-face at the White House. "As of now, tempers are so hot that I would wait for things to cool off."

Among the gifts to Murdoch from Reagan was the elimination of the 'fairness doctrine', requiring balance in broadcasting

In the years that followed, with the help of the Reagan administration's relaxed policies, Murdoch's media empire in the US burgeoned: within two years he had become a naturalized citizen of the US, allowing him to meet a regulatory requirement that television stations be owned by Americans; and by 1986 he had founded the Fox Broadcasting Company. Among the biggest gifts to Murdoch from the Reagan administration was the elimination of the "fairness doctrine", which required political balance in broadcasting, allowing Murdoch a free pass in driving home his network's brand of fierce conservatism. But other smaller relaxations of regulations were helpful, too.

Practically every utterance of Reagan's initial FCC chairman, Mark Fowler, was music to Murdoch's ears. Fowler famously said a TV was nothing more than a "toaster with pictures" (read: a frivolous commodity requiring only the bare minimum in safety regulations), removed controls on what radio stations could air and indicated the same logic should apply to television. The rule change allowed stations to follow market incentives in programming, a move that allowed for the transformation of dutiful public affairs programs into just the sort of entertainment Murdoch made a fortune promoting.

It was Fowler's FCC that in approving his acquisition of local TV stations allowed Murdoch to form his fourth major network: Fox. Though Murdoch wouldn't enter the cable news market with the Fox News Channel until the following decade –1996, to be precise – through Reagan, Fowler and Cohn the groundwork had been laid.

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Now Murdoch's White House meetings are reportedly happening again, and if Murdoch needs Trump, Trump needs Murdoch, too. The president's disastrous performance his first months in office has been accompanied by a

historic slump in ratings, and with so many Americans relying on cable and Fox in particular for their national news, Murdoch is uniquely valuable to Trump right now.

So far Fox's fawning coverage of Trump, and in some cases total avoidance of certain topics unflattering to the president, hasn't been enough to lift him out of his presidential doldrums. Being skeptical about the significance of the regular government leaks regarding Trump's presidency has not necessarily played well with Fox's viewers.

The proof is in the place that hurts Murdoch and Trump the most: the ratings. Recently, MSNBC won all five weekdays in primetime over Fox News, according to Nielsen data, with NBC's The Rachel Maddow Show topping the week's list of most watched programs. And MSNBC finished last month as the No 1 cable news network on weeknights that month, beating out Fox and CNN for the first time since 2000.

We can't know what that will mean for the Trump-Murdoch axis, just as we can't know what these men are discussing on the phone, or what, precisely, the Trump presidential library will reveal some 30 years from now. We do, however, know that the last time this happened with the same media mogul and a president he had far fewer connections to, the media mogul got a hell of a lot out of it.