

JAMES W. MICHAELS

1921-2007

As Editor of Forbes, He Forged
A Sharp-Edged 'Capitalist Tool'

By STEPHEN MILLER

As editor of *Forbes* for nearly four decades, James W. Michaels favored notes short and aerie. "This is stenography," he often wrote of copy that lacked point of view. "Congratulations! This is a masterful job of interviewing an interesting and colorful man and getting precisely one quote," he wrote about another article. Or, responding to obscure statistics, he might scowl, "How's your wife?" In Michaels-speak, that meant: "Compared to wife?"

One statistic was clear. Two decades after *Mc*, Michaels took over in 1951, circulation had more than doubled to 700,000. As of June 2007, the bi-weekly's circulation totaled 825,538, the weekly *Business Week* 818,303 and the biweekly *Fortune* 865,850, according to Audit Bureau of Circulations data.

Short of stature and a wearer of large glasses, Mr. Michaels, who died Tuesday in New York at age 86, pushed his editors and writers to work hard and well. "He hated people resting after doing a major story," recalls *Forbes* Inc. Chief Executive Steve Forbes, who's also editor in chief of the magazine. Sometimes it seemed that Mr. Michaels had edited (or re-edited) every word of the publication. He had had a writing career himself. As a United Press reporter in India, he dashed some of the first accounts of the assassination of Gandhi to the U.S. Many of Mr. Michaels's staffers at *Forbes* went on to high posts at other publications (including *The Wall Street Journal*).

"His very orderly, meticulous, pragmatic and business and style," says Rick Edmunds, a media business analyst at the Poynter Institute. While *Fortune* was known for longer articles and *Business Week* for a survey of the week's news, *Forbes* specialized in "having a fresh take and holding businesses accountable from a small-investor viewpoint," Mr. Edmunds says, adding that a marker of Mr. Michaels's strength is that "the magazine is not especially different from what it was when he was editor."

Mr. Michaels ran investigative features attacking trial lawyers and the National Education Association. *Forbes* began grading mutual funds and publishing lists of executive compensation and of the wealthiest Americans. One thing he taught was to buck conventional wisdom. In 1962, he published a prison-house interview with Jack Lord King, Michael Milken, at the time a so-called Wall Street figure. "Mike Milken is a chastened man," Mr. Michaels wrote. "He deserves a fresh hearing." The story ran 12,000 words.

For did he hesitate sometimes to break the usual mold of business journalism? At an editorial meeting, Stewart Finkerton, then deputy

managing editor, proposed a story on the burgeoning business of country music. All he had was a one-sentence description, and Mr. Michaels was fumed for skewering unprepared editors. Mr. Michaels said simply, "There's our cover." So Garth Brooks showed up on the March 2, 1982, issue.

Though *Forbes*'s ad campaigns called it the "capitalist tool," it was a tool that, if need be, could turn on big business. Mr. Michaels liked to refer to the magazine as the "drama critic" of business. (He displayed on his office wall what he said was a quote from a rival editor: "*Forbes*: They're Nasty, Vengeful People.") In decennial anniversary issues, the magazine published lists of the decline of leading corporations of decades past. "It is always safe to take counter-cyclical positions in a cyclical world," Mr. Michaels told *Ad Week* in 1985.

The son of a Buffalo, N.Y., vaudeville-theater owner, Mr. Michaels volunteered for the American Field Service in 1943 and drove an ambulance supporting British troops in Burma and India. He then turned to reporting, his widely distributed UP story began, "Mahatma K. Gandhi was assassinated today and, as if by pre-arrangement, savage rioting broke out in Bombay."

Forbes was a nine-man operation when Mr. Michaels joined as a mutual-fund reporter in 1954. By Mr. Michaels's account, it still operated along the lines of its founder, B.C. Forbes, "hobnobbing with the tycoons." But in 1961, Malcolm W. Forbes took over and—with his balloon and motorcycle rides, Faberge eggs, and occasional appearances in Lederhosen—provided the ad sales and the glamour. Mr. Michaels provided the editorial rigor.

Mr. Michaels could be as contrarian in life as in editing. He rarely socialized with publishing professionals and encouraged his staff to obtain as well. He distrusted electric typewriters—but plunged into word processing and the Internet, which allowed him to send his line-by-line editing from his Rhinebeck, N.Y., country house. At age 73, he took up scuba diving.

In 1999, Mr. Michaels retired as editor and took a job as group vice president at *Forbes* Inc., with responsibilities that included moving content on the Web. Though a bit removed from pop culture—he once failed to recognize sports commentator Howard Cosell when he sat next to him on a plane—Mr. Michaels in recent years became a minor TV star as a panelist on the show "*Forbes on Fox*."

Mr. Michaels claimed he could shorten any story by 15%, says Allan Sloan, a former *Forbes* reporter now at *Fortune*. When he retired, Mr. Michaels told *The Wall Street Journal* that he rejected a news release. He said, "I took some skeletons out."



By AP/Wide World

JAMES W. MICHAELS MILESTONES

- 1942: American Field Service in Burma and India
- 1946: United Press, assigned to New York
- 1954: *Forbes*
- 1956: Harvard magazine editor
- 1961: *Forbes* editor
- 1982: *Forbes* 400 (wealthiest Americans) introduced
- 1999: Editor at editor