

Search

NewsMax.com

Web

Powered by 

Rupert Murdoch Sees Recession, 5 Years of Real Estate Woes

Sunday, Dec. 16, 2007 10:10 p.m. EST

Rupert Murdoch, media tycoon and new owner of the Wall Street Journal, predicts that the U.S. faces a recession that will hit the overall economy and could undermine real estate for five or six years.

Appearing on Fox News' "Your World with Neil Cavuto," Murdoch admitted that he's worried about the economy.

"I think we are in for a recession, probably. How bad it will be, I don't know. But I think there's a lot more bad news to come ..."

When Cavuto asked where the bad news will come from, Murdoch responded "European banks, insurance companies, pension funds."

He added that current woes "always start with housing booms."

"And it takes some time, a year or two, for an economy to come right through it, probably five or six years for the real estate market to come through it."

Cavuto's asked, "Five or six years?"

Murdoch explained, "That has sort of been the history of these things in the '60s and the '80s."

Murdoch suggested that banks will be back to normal in the near future. "I think in terms of banks cleaning up their balance sheets and getting back into lending and so on, I think that's only about a year or so," he said.

"The problem at the moment is, there is plenty of money everywhere, but the banks are frightened to

TOP NEWS

- [Four Major Banks Borrow From Fed](#)
- [Banks' Problem Mortgages Up 36 Percent](#)
- [Mortgage Crisis Widens at Lenders, Banks](#)
- [FDIC Keeping Close Eyes on Markets, Banks](#)

Related Stories

- [Barron's: Time to Sell Buffett Stock](#)
- [Greenspan Sees Early Signs of Stagflation](#)
- [Rupert Murdoch Sees Recession, 5 Years of Real Estate Woes](#)
- [Jim Rogers: 'Bernanke is an Idiot'](#)

TOOLS

-  [Print Friendly Version](#)
 [Forward this Page](#)
 [E-mail NewsMax](#)
 [RSS Feed](#)

lend it. And, therefore, it is harder for small-business men to get started. That's what have to watch, and the price of money. The banks are being so sort of super careful. They have had a big fright."

Cavuto noted that prospective borrowers have also been frightened - that even those who would normally qualify relatively easily, are backing off, too.

Murdoch wasn't so sure.

"We just borrowed some money the other day," he said. "We're an investment grade company. And it was done on the telephone for \$1 billion dollars. It was no trouble."

Ending on a positive note, Murdoch said "People talk. I was seeing the debates today, about jobs going overseas and so on. I thought disgraceful things. There is no one in America who wants a job who can't get one. We have got a state of very near full employment here. The country is doing pretty well."

© NewsMax 2007. All rights reserved.

Editor's note:

- [These 3 Stocks Will Be The Biggest Winners When 77 Million Baby Boomers Retire](#)
- [A U.S. Recession Is Now Unavoidable. Take These Urgent Steps Now.](#)

Street Talk Stories

- [Barron's: Time to Sell Buffett Stock](#)
- [The New, New Deal for Borrowers](#)
- [Women Spending Less, Holiday Sales Wobble](#)
- [Roach: 'Higher Rates the Only Hope'](#)
- [Murdoch Sees Recession, 5 Bad Realty Years](#)
- [Consumers Asleep at the Switch](#)
- [China Boom Has Serious Legs, Despite Inflation](#)
- [Jim Rogers: 'Bernanke is an Idiot'](#)
- [Greenspan: 'Long Rates Out of Control'](#)

[Home](#)

[MoneyNews Archives](#)

[Special Reports](#)

[Shop](#)

[Contact Us](#)

[RSS](#)

© 2007 NewsMax Media Inc.
All Rights Reserved