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Building a Stronger Local Media Ecosystem: The Role of Media Policy

EXECUTIVE SUMMARY

This paper plays out against a backdrop of continued closures and diminished local news reporting across much of the United States. It explores the role that media policy can and should play in supporting local journalism.

In examining this topic, we investigate three fundamental questions:

- 1. What is local media policy?
- 2. What are the key existential issues and/or problems local media policy must wrestle with?
- 3. What potential solutions to the local news crisis can media policy potentially help address?

The core of our response to these questions is derived from a series of five public webinars hosted by the Tow Center. Through these events, we invited a range of industry and academic experts to share their perspectives on areas related to these major themes.

Our conversations explored the scope of media policy, barriers to implementation, opportunities for policy to make a difference, and some of the unique characteristics that shape U.S. media policy and attitudes toward potential policy interventions.

To this, we have added further context and updates on some of the latest policy developments, based on a literature review and our continued interest in this subject.

Why this matters

Although we have seen experimentation and the emergence of new players in the local news space, the overarching narrative of the past two decades is one of a slow and steady decline. The result has been the emergence of news deserts and ghost newspapers, as well as the rise of partisan pink slime websites and online misinformation. This has resulted in reduced accountability and information deficits in many communities across the United States.

To tackle these issues, by arresting this decline and rebuilding local news and information ecosystems, will require fresh thinking and engagement from a broad range of stakeholders.

Media policy can play a crucial role in shaping this future. It can directly influence the means and models that are responsible for the creation and distribution of local news and information. Moreover, through means such as tax incentives, it can also encourage the consumption and creation of local news by supporting activities related to subscriptions, advertising, and payroll.

This breadth of policy possibilities is important given the state that local news is in, and the role of local journalism in contributing to a healthy democracy and active communities. This includes journalism's role in providing critical information at a local level, functions that incorporate watchdog reporting, and acting as a good neighbor by helping to build — and create — a sense of community. Local journalism also plays a key role in identifying stories (and industry talent) that are later picked up by regional and national outlets.

Here are some of our key findings from the project:

Opportunities

• There was a consensus across our five panels that the status quo is a broken system. Fresh approaches are needed to tackle issues such as sustainability, funding for journalism, and meeting information gaps. We see an opportunity to reset and redraw the local news map.

- We are beginning to see more state-led efforts to support local news and information. This includes direct funding, research and mapping to identify local needs, and policies that promote media diversity in terms of ownership and target audiences.
- New models are emerging for funding and delivering local news and information. This includes nonprofits, community foundations, and new philanthropic players, as well as fresh formats and delivery mechanisms.
- Media policy can be used to help redress long-term imbalances and inequities. That applies to both the supply and demand side of journalistic work. Populations in rural environs, communities of color, and less affluent constituencies consistently have failed to have their information needs met. They remain among the most vulnerable to the impact of cuts and closures being seen today across the local news and information ecosystem.
- Policy often feels focused on the supply side, with the demand dimension overlooked. Media policy should also support
 who consumes news and information, as well as who creates and shares it. There is a key equity dimension to the
 production, as well as distribution and consumption of news and information, which needs to be more explicitly
 reinforced.
- Support should be platform- and ownership-model agnostic. The future of news might not look like the past. The commercial model for local news may be difficult to sustain, leading some new and existing organizations to explore nonprofit models as a more financially viable alternative.
- Policy makers have a plethora of instruments at their disposal to help support local news and information. This does not just mean direct public funding, but also looking at ownership models, advertising budgets, and opportunities to encourage partnerships and subscriptions and directing more advertising to local outlets.
- Multiple agencies and stakeholders can play a role in contributing to this future. It is not the proviso of any one single entity, which is both a challenge and an opportunity.

Challenges

- For now, the federal media policy boat and nationwide efforts to help fund journalism has sailed. While some states are pursuing their own policies, there are concerns that these efforts are focused on blue and purple states, and that others will be left behind.
- Although the sands are shifting, there remains some resistance to the idea of government intervention in local journalism. This is rooted in fears that it could lead to reliance on government funding and a loss of independence for local news outlets. Others may worry that intervention could have a negative impact on freedom of speech, making it difficult for the press to critique their funders.
- Although newspapers remain important sources of news and original reporting, they are not the only format or
 producers of content that merit assistance. Their voices as lobbyists and historic papers of record often give them an
 outsize influence in policy discussions.
- Smaller players and organizations can be easily overlooked by funders and policymakers. Yet they often deliver highly valuable and valued work. They need a seat at the table.
- We cannot look at information provision without engaging with platforms such as Google and Meta. Although they have supported local journalism in the form of grants and products, more needs to be done to take on their market power in terms of both digital advertising and the distribution of information. Policymakers are not necessarily willing to take on the platforms in this arena.
- Market-led approaches have historically dominated media policy. However, there is evidence of market failure in this
 arena. Tackling this will therefore require a new approach that is not in keeping with traditional U.S. media policy
 models.

Moving Forward

• To effectively address the local news crisis, we need a clear vision of what we want this landscape to look like. Without this, not only will it be difficult to move forward, but it will also be difficult to agree consensus and buy-in for media policy.

- As part of this, we may want to look at what minimum local news and information provision(s) should be and how the success of interventions would be measured.
- Sustaining and ideally growing local journalism in the United States looks likely to require significant funding. There may not be the political appetite for this, despite the trajectory the sector is on, and the known consequences of misinformation of the absence of fresh, accurate news. It is therefore incumbent on journalists, researchers, think tanks, and membership organizations to continue to make the case for supporting local news.

The challenges facing local journalism are significant, but there are also many opportunities and tactics that can be deployed to delay — and, ideally, reverse — the slow death of local news in the United States.

Many of our panelists made the case for redrawing the local media map, but we recognize that this may currently be unrealistic. Although we welcome bold action, we must also be pragmatic. A more incremental approach, based on existing conversations and current practices at a state and local level, may be more likely to move the policy needle.

Although not our preferred option, this is better than stasis or the status quo, the current status of too many policy efforts across the country. As a result, we have purposely avoided making explicit recommendations, but instead offer a menu of options, ideas, and considerations for policymakers and funders to contemplate. We encourage stakeholders to consider these ideas and weigh up these different options.

One thing is clear: Inaction is not an option. We need to see policy initiatives at a federal, state, and local level to enable the local news industry to change course, and to help make local journalism in the United States more sustainable and vibrant for decades to come.

INTRODUCTION

The key challenges faced by local journalism in the United States, and indeed around the world, are well known. Although there is some optimism (https://www.semafor.com/article/01/01/2023/6-reasons-for-optimism-about-media-in-2023) ¹ about the emergence of new models for local news, the wider narrative is of a sector that has been in freefall for much of the past two decades. Titles have shuttered and journalists have been laid off, leading to the widespread emergence of ghost newspapers and news deserts (https://www.washingtonpost.com/business/economy/ghost-papers-and-news-deserts-will-america-ever-get-its-local-news-back/2019/12/25/2f57c7d4-1ddd-11ea-9ddd-3e0321c180e7_story.html). ²

Since the mid-2000s, the United States has lost more than one-fourth of its newspapers, with research (https://localnewsinitiative.northwestern.edu/research/state-of-local-news/report/) from Northwestern projecting this will rise to a third by 2025.³ In total, the United States has lost (https://www.usnewsdeserts.com/wp-content/uploads/2020/06/2020_News_Deserts_and_Ghost_Newspapers.pdf) more than 70 daily newspapers and more than 2,000 weekly or non-daily newspapers.⁴ That includes the shuttering of more than 500 rural newspapers, which often leave communities without a reliable news organization to serve residents. Around 7 percent (211) of counties across the United States have no local newspaper.

From a press release (https://news.northwestern.edu/stories/2022/06/new-deserts-presskit/?fj=1) for the Northwestern study:

Most of the communities that have lost newspapers do not get a print or digital replacement, leaving 70 million residents — or a fifth of the country's population — either living in an area with no local news organizations, or one at risk, with only one local news outlet and very limited access to critical news and information. 5

Alongside this, newspapers and other outlets are often operating with smaller staffs than before.

From 2008 to 2020, newsroom employment numbers dropped 57 percent from 71,000 jobs to about 31,000, according to a Pew Research Center report (https://www.pewresearch.org/fact-tank/2021/07/13/u-s-newsroom-employment-has-fallen-26-since-2008/). Across all newsrooms — newspaper, radio, broadcast television, cable, and "other information services" (digital publishers) — the number of employees dropped from 114,000 in 2008 to 85,000 in 2020. The impact of COVID-19

on media markets meant that between March 2020 and August 2021, 6,154 news organization workers were laid off, Tow data finds (https://www.cjr.org/tow_center_reports/more-than-6150-news-workers-laid-off.php). This includes both editorial and noneditorial staffers.

Local news organization closures have led to less access to news and information, ⁸ rising government expenditure, ⁹ less knowledgeable citizens, ¹⁰ more polarized voting behavior, ¹¹ lower voter turnout, ¹² lower levels of civic engagement, ¹³ and less of a sense of community for residents. ¹⁴

These economic trends are troubling for the larger news ecosystem as well. Newspapers have been found to set the news and information agendas for their communities, and television and radio outlets rely on the newspapers to gather their news. ¹⁵ A 2019 study found (https://www.niemanlab.org/2019/09/local-newspapers-are-suffering-but-theyre-still-by-far-the-most-significant-journalism-producers-in-their-communities/) that newspapers produce about 60 percent of the local news stories in the United States: more than TV, radio, and digital-only publications combined. ¹⁶

Against this backdrop, we have seen a shift in the willingness to talk about the types of support that might be needed to sustain local journalism. These efforts have included legislative proposals such as the Save Local Journalism Act, and the inclusion of media outlets in initial efforts (Build Back Better) by the Biden administration to invest in infrastructure. Statewide responses have also been evident, with interventions in New Jersey (https://njcivicinfo.org/about/) and Colorado (https://localnewslab.org/colorado-media-project/) among those leading the way.

We have also seen further research demonstrating the need for these efforts

(https://agorajournalism.center/newsecosystem22/introduction-oregons-critical-moment/) ¹⁸ at a local and state level, as well as calls for investment and support for sectors such as civic media (https://localnewsroadmap.org/wp-content/uploads/2023/02/The-Roadmap-for-Local-News-Feb-2-23.pdf), ¹⁹ and the emergence of new coalitions, such as Rebuild Local News (https://www.rebuildlocalnews.org/), which aims

(https://twitter.com/rebuild_news/status/1617903957762002947) "to turbocharge the campaign to strengthen democracy with public policies to support the local press." ²⁰

There's a growing sense of urgency about many of these conversations. This is shaped not just by the closures and cutbacks we have seen in local newsrooms over the past decade and a half, but also by pessimistic projections for the future health of this industry.

During the first of five webinars that underpin the findings of this report, Emily Bell

(https://towcenter.columbia.edu/content/emily-bell) of the Tow Center recalled a conversation with John Thornton (https://www.texastribune.org/about/staff/john-thornton/), one of the co-founders of *The Texas Tribune*, where he told her, "I'm generally a pessimist, but I was not nearly pessimistic enough about the aspects for local news. And now we're in crisis and we need to do something about it."

"I feel at least we are now having that conversation," Bell said. "We have the attention, and we have some really interesting solutions. ... Whether we have the political will to actually make progress on those, I think will be fascinating" to see.

In the past 12 to 18 months, conversations on Capitol Hill exploring federal solutions have stalled. Momentum may take some time to return. In its place, conversations taking place at several state houses across the country point to the most likely way forward in the near future.

Many of the media policy issues at the local, state, and national levels are similar regardless of their origin. This report highlights those recurring challenges and considerations, as well as some of the ideas and opportunities that might help to address them. In doing so, it serves as a primer for stakeholders interested in understanding this landscape and its core issues. Alongside outlining the most common features of this landscape, we also offer a number of potential practical remedies for addressing our local news emergency.

The time to act is now, before it is too late, and the viability of local journalism in the United States is irrevocably harmed. We hope you will join us in playing a part in tackling this pressing and important issue.

Damian Radcliffe and Nick Mathews

April 2023

METHODOLOGY

This report began as a five-part webinar series hosted by the Tow Center between October 2021 and January 2022.

The series was organized and moderated by Damian Radcliffe (https://towcenter.columbia.edu/content/damian-radcliffe), the Carolyn S. Chambers Professor of Journalism (https://journalism.uoregon.edu/directory/faculty-and-staff/all/damianr) and a Professor of Practice at the University of Oregon, as part of a Knight-News Innovation Fellowship awarded (https://twitter.com/TowCenter/status/1371916690385203211) by the Tow Center for Digital Journalism in 2021-'22.

Damian was supported on this project by Dr. Nick Mathews (https://nick-mathews.com/), then a PhD student at the University of Minnesota Hubbard School of Journalism & Mass Communication and now an assistant professor at the University of Missouri-Kansas City.

The webinars set out to address the question: "What role can (and should) media policy play in supporting a strong, sustainable, vibrant local media sector in the United States?"

We drew upon focus groups, an established research method in the social sciences. This method encourages open conversation around a specific topic: in this case, local media policy. We decided from the outset to hold these webinars in the public domain, so that a small group of experts could discuss dimensions of this topic with each other and the public. ²¹ This approach reflected Zoom-era realities as well as an opportunity to make this subject accessible through open, iterative research gathering.

Each webinar was recorded and distributed via the Tow Center's YouTube and SoundCloud channels. Transcripts were published on Scribd, and event summaries were published in Tow's weekly newsletter. This created multiple opportunities for stakeholders to engage with these discussions in their own time and not just during the live events.

We believe our approach led to a more inclusive research-gathering process that enabled us to demystify the media policy space and make it accessible to a wide range of interested parties. This included other media experts, journalists, funders, students, and policymakers.

Given the deliberate broadness of our research question, we sought to ensure that discussions were exploratory, featuring experts from across academia and industry, to get a variety of informed perspectives on our research topic.

We compiled our initial list of participants by using existing contacts and knowledge of the field, and in consultation with the team at the Tow Center. To this end, we included experts from the United States as well as participants based — or with detailed knowledge of media policy — in other markets. Given that the challenges faced by local journalism are not unique to the United States, we believe that lessons can be learned from looking at media policy responses globally as well as domestically.

We also wanted our conversations to be platform agnostic. Although local newspapers remain the primary source of local reporting in the United States, efforts to strengthen and support local news will require a multi-platform and multi-stakeholder approach.

To ensure that we captured perspectives from across the local news landscape, we interviewed experts and practitioners from academia and industry. This included contributors based at advocacy and membership organizations, researchers, and funders, and those focused on different models of journalism, such as those with a digital-first or digital-only focus and nonprofit and community media.

The series consisted of five 60-minute webinars. A total of 15 experts participated in these sessions. Nine of them were academics employed by universities, and six were industry leaders working in think tanks, funders, and foundations, or as independent researchers and journalists. Their job titles at the time of the series are reflected in the report text, with updates to roles listed in the Appendix.

We organized our discussions with a clear eye on diversity, in terms of the professional background and experience of our participants as well as gender and ethnicity.

Many of the participants, including the authors, have extensive experience as journalism practitioners, leaders, and entrepreneurs, often at a local level. This helps to underpin the informed viewpoints they brought to this series. That expertise, and the detailed insights our panelists brought to our webinars, can be seen in the quotes from them that are used throughout this report. These quotes stem directly from those discussions and their published transcripts.

Each webinar included opportunities to address questions from the audience, posted into the Zoom chat. Sessions were nondirective, open, and semi-structured in nature.

Although we drafted an interview protocol to use for each session (and shared it with participants in advance), we did not stick rigidly to it. Instead, webinars had a more conversational tone, flowing — when possible — between points of interest and following up on insights provided by our expert panelists.

We used professional transcription services to transcribe the interviews. Using a method known in the social sciences as grounded theory, ²² we conducted close readings of the transcripts and began to assemble categories and themes. These themes were then refined through comparison and combination, culminating in the structure and themes in this report.

In the end, we developed three overarching themes and shaped the structure of this report around these areas:

- 1) What is local media policy?
- 2) What are the issues and problems in the local media policy space?
- 3) What are potential solutions for local policy?

In doing this, we summarize some of the media policy debates taking place in this space and how they can have an impact on supporting the future of local journalism in the United States. From these themes, we also created a list of recommendations for funders, researchers, and practitioners alike. These can be seen in Chapter 6.

Links to the recordings of each of the webinars from which this report has stemmed, their transcripts, and summaries of each event published in the Tow newsletter can be found in an appendix at the end of this report.

WHAT DO WE MEAN BY MEDIA POLICY?

In this short opening chapter, we provide some initial context about the nature and characteristics of media policy in the United States, exploring top-line definitions and purposes.

3.1 The role of media policy

There's no single definition of media policy and its constituent parts. The instruments (https://doi.org/10.1093/acrefore/9780190228613.013.100)²³ at a policymaker's disposal, and their willingness to use them, also vary across different markets.

Nonetheless, in the local news space, we are seeing widespread discussion about the role that media policy can play in helping to sustain (and potentially build) local news provision.

This spectrum was demonstrated through our webinar series:

- Panel 1: An Introduction to Media Policy
- Panel 2: Lessons from Overseas
- Panel 3: Giving a Voice to Grassroots Media
- Panel 4: Emerging Issues and Fresh Ideas
- Panel 5: Lessons Learned and a Look at What Happens Next.

(More details about the panelists, links to recordings and transcripts, are in the report appendix.)

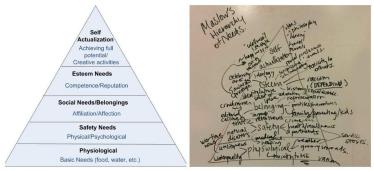
Discussing the role of media policy, Jessica J. González (https://www.freepress.net/about/staff/jessica-j-gonzalez), an attorney and racial-justice advocate who became co-CEO of Free Press in 2020, noted two key purposes. "There's a media policy function that mitigates the harms of the existing corporate media structure, and another one ... about rebuilding and restructuring our media system so that it serves the public good."

Victor Pickard, the C. Edwin Baker Professor of Media Policy and Political Economy at the University of Pennsylvania's Annenberg School for Communication, argued that media policy is wrapped up in the wider role of government. It's a "social contract" with communities, he said, which seeks "to maximize positive externalities and minimize negative ones."

González echoed many of these themes. She described a vibrant local media sector as one that is open to all (addressing digital divides in the process) and one that helps to tackle misinformation. This ecosystem needs to include a counterpoint to "our corporate media system," she suggested, which "allows hate and disinformation to run rampant. Not because it's good for people, but rather because it's good for business."

That means ensuring that communities have access to the information they need to function effectively, argues Nikki Usher, an associate professor at the University of San Diego in the Communication Studies department.. Referencing a 2011 report from Steven Waldman and the FCC Working Group on The Information Needs Of Communities (https://transition.fcc.gov/osp/inc-report/The_Information_Needs_of_Communities.pdf), ²⁴ they argued that communities "need access to education news, and political news, and traffic, and weather, and [information] about their local businesses."

Usher described this as information required to meet "basic human needs." Citing Harry Backlund (https://twitter.com/hdbacklund), the co-founder and operations director at City Bureau (https://www.citybureau.org/) — a member-supported civic journalism lab on Chicago's South Side — they reiterated a question Backlund asked in 2019: "Is Your Journalism a Luxury or Necessity? (https://www.citybureau.org/notebook/2019/7/17/journalism-is-a-luxury-information-is-a-necessity)" 25 "To me at this point, a lot of media policy has focused on the luxury and not so much on the necessity," Usher said.



(https://www.cjr.org/wp-

content/uploads/2023/04/image3.jpg)

Image mapping Maslow's Hierarchy of Needs with notes from a City Bureau Fellowship brainstorming session linking information needs with Maslow's hierarchy, via Twitter (https://twitter.com/city_bureau/status/1151924646985588737).

3.2 What does media policy look like?

Just as it is not easy to define what we mean by media policy, it is also challenging to determine who is responsible for it. Reflecting on the U.S. media policy landscape, Victor Pickard told us, "We could spend endless hours quibbling over it."

He continued, "While some people would take a very narrow purview and perhaps focus just on what the ... Federal Communications Commission is doing ... I tend to take a very expansive view." For Pickard, media policy therefore "includes all government action that regulates or significantly affects any aspect of our media and communication systems."

Stakeholders contributing to this environment include courts and legislative bodies like Congress, as well as other decision makers at a federal, state, and local level.

Pickard noted the existence of platform-specific policies such as the fairness doctrine (broadcast media) and net neutrality (internet). Yet, at the same time, "there's all kinds of government interventions that directly or indirectly affect journalism," which include "everything from copyright to spectrum policy" as well as "wider areas such as public interest regulations, media ownership restrictions, media subsidies, and antitrust laws."

This report takes a similarly holistic view, mirroring the worldview shared by many of our panelists. In Chapter 5, we explore eight potential remedies and instruments that can be used to further media policy goals in support of local news and local journalism.

The responsibility for their implementation varies. As a result, the role of safeguarding the future of local journalism in the United States does not lie with one single entity.

What is clear, however, is the need for action. Media policy can play a pivotal role in helping us to meet this challenge.

As Sue Cross, the executive director and CEO of the Institute for Nonprofit News (https://inn.org/) (INN), reminded us, the scale of change witnessed by the media industry is profound.

"We've lost 60 percent of our newspaper journalists in this country in under 20 years, and tens of thousands of reporting jobs just during the pandemic," Cross said. The journalism crisis is "not just [about] digital transition," and "it's not cyclical." She added, "This is a long-term change," observing that it's a story we are seeing playing out in local media outlets around the world.

3.3 Media policy today

Concerns about media sustainability and news deserts — both geographic and in terms of specific communities — are perhaps the biggest drivers for media policy discussions in the United States today. Alongside this, there's also a greater, long-overdue focus on questions of DEI (diversity, equity, and inclusion), in terms of media coverage, employment, and (to some extent) ownership. ²⁶

Akoto Ofori-Atta and Lauren Williams, co-founders of Capital B (https://capitalbnews.org/), a Black-led nonprofit local and national news organization reporting for Black communities, wrote

(https://www.politico.com/news/magazine/2022/01/21/media-journalism-future-527294) in Politico in 2022:

The journalism industry faces a series of grave challenges: social platforms fuel political polarization, spread misand disinformation, and gobble up ad revenue; America's local news ecosystem is in peril (https://www.usnewsdeserts.com/); and there's an embarrassing lack of racial, regional and social economic diversity (https://googletrends.github.io/asne/?view=0&filter=race) in U.S. newsrooms. ²⁷

Media policy is not a panacea for these critical issues, but it can play a role in helping address them. Of these, the topic that has typically attracted the most attention is the important question of how to make journalism sustainable.

Given the federal structure of government in the United States, as well as the myriad factors involved in shaping — and supporting — the media landscape, media policy is inevitably formed by a broad spectrum of stakeholders. A key challenge is getting them to work together, and to agree on the goals media policy should work toward.

These media policy goals include questions of sustainability and ensuring civic and information needs are met, as well as wider questions in terms of media diversity (plurality of sources, as well as who tells and consumes the news) and news production.

There are also key questions about who support should go to, particularly when considering potential policy interventions in the form of funding. Although this framing remains newspaper heavy, that is starting to shift, as Elizabeth Hansen Shapiro, Senior Research Fellow at the Tow Center for Digital Journalism, noted.

These efforts, manifest in proposed initiatives such as the Local Journalism Sustainability Act (https://www.congress.gov/bill/117th-congress/house-bill/3940/text)²⁸ and Build Back Better,²⁹ generated a lot of "energy and excitement," she told us. "A lot of these policy ideas felt like they were just ideas that we've been kicking around in some cases forever, and so it was just really gratifying to see all of it get into legislative language."

Although these ideas have stalled at a federal level, it does not mean that these policy discussions have ended. "We have to ... rebuild for the next cycle," Hansen Shapiro counseled. Moreover, these conversations are not just happening on Capitol Hill: "There are policy discussions happening, even if at the marquee federal level, a lot of that has fallen off for now."

At state and city levels, for example, there are conversations about the importance of revenue from public notices (https://www.thedailystar.com/opinion/editorials/in-our-opinion-public-notices-must-remain-in-newspapers/article_762f66e8-a193-11ed-8abf-bf7e7757cfe7.html) ³⁰ (a core income source for some newspapers), City Hall advertising budgets, and other potential public funding allocations that might support local news and information providers.

In the next chapter, we outline some of the biggest questions policymakers are grappling with as they have these conversations, before we move on to exploring some of the solutions they can put in place to support local journalism.

CHALLENGES IN MEDIA POLICY: EIGHT KEY ISSUES

Because the potential scope of media policy is a broad church, there are multiple interventions that can be made and stakeholders who can make them.

In this chapter we identify some of the choppy waters that U.S. media policymakers must navigate when seeking to establish these potential solutions. In doing this, we have outlined eight of the most important issues they may contend with.

4.1 To subsidize or not to subsidize: That is the question

The most obvious instrument available to policymakers is subsidization, including direct funding of local media outlets through grants and other forms of financial assistance.

However, in the United States, in contrast to many other countries (https://doi.org/10.1177/19401612211060255),³¹ there has historically been resistance to ideas of direct intervention and government funding. There are multiple reasons, including fears of lost independence and concerns about becoming reliant on this income stream.

Some of these ideas are fallacious. As Joshua P. Darr (https://twitter.com/joshuadarr) has pointed out (https://www.niemanlab.org/2021/12/government-subsidies-to-save-local-news/), 32 "The government has always subsidized local news." Nevertheless, these ideas persist.

Scott Bosley, the former executive director of the American Society of News Editors, told *The New York Times* (https://www.nytimes.com/2009/01/24/business/media/24ads.html)³³ in early 2009, at a time of similar concern (https://archives.cjr.org/reconstruction/executive_summary_the_reconstr.php)³⁴ about the future of local news, that support from the government might "impugn the perception of the public about the coverage of that newspaper. Trust is all we have," said Bosley, who retired in late 2009. "And it's hard-earned and hard to keep now. It would add another degree of difficulty to that."

These anxieties were echoed (https://www.cjr.org/tow_center_reports/local-small-market-newspapers-study.php) by local news leaders during a 2016-2017 Tow project. They feared that direct government funding would make it difficult for journalists to report independently. ³⁵ In particular, they had concerns that this would impede their ability to be critical of public bodies, lest they retaliate by later withholding funding. That concern is not unfounded, and this type of pressure can be all too common across parts of the Global South (https://covid-report.trust.org/), ³⁶ especially in markets where governments are often one of the biggest sources of advertising income.

Alongside these worries, there are also legitimate anxieties about becoming reliant on these income sources. "I am very wary of too much government intervention and relying too much on government subsidies," cautioned Nikki Usher, alluding to how norms can quickly be upended and the consequences of this. "The concern some people have, including myself, is not so much about government support, but about dependency on government support and what happens when the government pulls the rug out [from] under you. ... It can't be the only lifeline, but it needs to be a pillar."

Nonetheless, despite a wariness and reticence related to direct subsidies

(https://www.cjr.org/the media today/government-funding-journalism.php), 37 ideas

(https://www.poynter.org/business-work/2021/a-window-of-opportunity-has-at-last-opened-for-federal-aid-to-support-local-journalism/) on how to make it happen ³⁸ are now on the table (https://www.niemanlab.org/2021/12/government-subsidies-to-save-local-news/), ³⁹ reflecting the uncertain future for local news in the United States.

At the same time, we should remember that government and policymakers have long had multiple forms of soft subsidies at their disposal.

News media outlets have been supported by mechanisms such as monies released from spectrum auctions (https://www.niemanlab.org/2019/07/how-free-press-convinced-new-jersey-to-allocate-2-million-for-rehabilitating-local-news/), ⁴⁰ public notices and government advertising, and even large-scale subscriptions to specific publications by libraries, journalism schools, and governmental offices. Some of these efforts may not necessarily have been conducted with that explicit goal in mind, but news outlets have benefited financially from these arrangements.

Others, such as Steve Waldman, president of Rebuild Local News (https://www.rebuildlocalnews.org/) and co-founder of Report for America (https://www.reportforamerica.org/), and Simon Galperin, founder of the Community Info Coop (https://infodistricts.org/), have called (https://medium.com/community-info-districts/the-plan-3ce29f39f7c9) ⁴¹ for journalism to be funded as a "public good (https://www.cjr.org/opinion/how-public-policy-can-help-save-local-news.php)" ⁴² in line with existing funding mechanisms (and the rationale behind them) for a number of other local services.

Galperin's Community Info Coop is a nonprofit exploring new models of public funding and participation in journalism, media, and technology. Its Info Districts Project (https://www.infodistricts.org/info-districts) "envisions a public utility district model for local news and information," he told us. "In the United States, they're called special service districts" that often fund libraries, fire departments, or sewage and sanitation services: "We could leverage those same models to fund local news and information as a public good in our local communities."

This view that journalism is a public good, and should be funded as such, is shared by Sue Cross at INN. "Our news outlets have become more like our libraries or our hospitals or our fire departments or roads," she told us. "They are a public good."

4.2 Compatibility with the First Amendment

Despite these shifting sands, concerns about public funding — often couched in the guise of encroachments on the First Amendment — are deep rooted in the United States, a country without a track record of public media and large-scale direct government funding for independent media. 43

As Dan Kennedy, (https://camd.northeastern.edu/faculty/dan-kennedy/) a Professor of Journalism at Northeastern University, wrote in 2021 (https://www.wgbh.org/news/commentary/2021/07/28/why-we-need-federal-assistance-to-help-save-local-news), ⁴⁴ for some critics the idea of government help "sounds absurd, even dangerous." He recapped the common refrain we hear from critics of government support for journalism: "You get what you pay for, and if government officials are funneling money to media outlets, then it's not unreasonable to expect that they'll demand sticky-sweet favorable coverage in return."

Critics argue such moves would be incompatible with the principles of the First Amendment. "Yet," Kennedy wrote, "the situation is so dire that once-unthinkable ideas need to be on the table."

Emily Bell agrees, but also contended that "there's nothing inherently anti-First Amendment about having adequately funded libraries or public media. It's actually the opposite of that. ... Waving the First Amendment should not be the thing that stops us from investing in proper infrastructure," she said. "This *is* infrastructure. We're talking about democratic structure when we're talking about a proper news provision at a local level."

Arguably the real barrier is not the First Amendment, but the dominance of free market economics, and concerns that policy intervention will skew the market.

"The market won't fix itself," Victor Pickard argued, stressing a position (https://hbr.org/2020/03/journalisms-market-failure-is-a-crisis-for-democracy) he has taken (https://www.niemanlab.org/2020/12/the-commercial-era-for-local-journalism-is-over/) for some time (https://www.theguardian.com/commentisfree/2020/feb/19/american-journalism-press-publishing-mcclatchy). 45 "I think the evidence is in, and that at least for particular kinds of journalism, there really is no commercial future. The market will continue to drive local journalism in particular into the ground."

He added, "Unfortunately, so much of what we're dealing with now are really discursive impediments, that you'll start talking about these things and as a knee-jerk reaction, people would just say 'First Amendment' as a kind of conversation stopper. If we get the true meaning of the First Amendment, the free press clause would be rendered facile if there was no press to protect."

4.3 The role of Big Tech and antitrust laws

Another key media policy dimension to emerge in recent years relates to the potential use of antitrust laws (https://www.investopedia.com/terms/a/antitrust.asp) 46 and a willingness (https://www.vox.com/recode/2020/10/6/21505027/congress-big-tech-antitrust-report-facebook-google-amazon-applemark-zuckerberg-jeff-bezos-tim-cook) 47 to explore whether tech titans such as Facebook and Google are too powerful and should therefore be broken up. 48

In a July 2022 op-ed, Dean Ridings (https://www.linkedin.com/in/dean-ridings), the CEO of America's Newspapers, a trade association representing thousands of titles across the United States, reiterated

(https://www.baltimoresun.com/opinion/op-ed/bs-ed-op-0720-jcpa-20220720-ceznmreg7vakfcmxljrwn5wyba-story.html) the narrative that Big Tech had undermined journalism's traditional advertising-funded business model. At the same time, he suggested, tech platforms had benefited from using the content created by local outlets and small publishers.

Ridings' focus was on tech companies' dominance of the online advertising business, a power that he says "deprive[s] publishers of the ability to monetize their content." He wrote, "Big Tech's threat to local journalism will not go away on its own, and the cost of inaction is too great to ignore. Congress must act." ⁴⁹

Ironically, antitrust laws have also prevented media outlets from collectively negotiating with these Silicon Valley giants, a move the Journalism Competition & Preservation Act (https://www.congress.gov/bill/117th-congress/senate-bill/673/text) (JCPA) sought to initially address in 2021. The proposal quietly died a death (https://www.washingtonpost.com/technology/2022/12/06/ndaa-jcpa-newspapers-fail/) late last year, ⁵⁰ but its goal was to create a four-year safe harbor from antitrust laws for print, broadcast, or digital news companies to collectively negotiate with online content distributors (i.e., social media companies) about the terms by which their content can be shared.

"Legislative solutions like the Journalism Competition and Preservation Act (JCPA) are essential to rein in the influence of these out-of-control tech titans, revive struggling local news organizations, and protect the First Amendment," wrote (https://triblive.com/opinion/david-chavern-big-tech-is-trying-to-cancel-local-news/) ⁵¹ David Chavern (https://www.newsmediaalliance.org/about-us/david-chavern/), former president and CEO of the trade body News Media Alliance (https://www.newsmediaalliance.org/). (Chavern stepped down at the end of 2022.)

Not everyone agrees. Free Press, for example, argued (https://www.freepress.net/news/press-releases/jcpa-wrong-solution-crisis-journalism) ⁵² that "the legislation would allow a news-media cartel to negotiate jointly with these social-media companies in ways that would entrench existing power relationships between the largest publishers and the largest platforms."

We don't intend to debate the pros and cons of this proposed legislation here, but instead note that debates on Big Tech's role in the future of local news are on the agenda of policymakers.

These moves will not turn back the clock. "But we need a reset to [tackle] the [market] dominance that keeps growing," said Nikki Usher.

This matters, Emily Bell said, because "small news organizations don't really have a sustainable future in a market which works on the basis of advertising dollars," especially when this market "is controlled by a couple of really enormous companies."

Google and Facebook are keen to stress the money they have given to journalism. Yet, as Sameer Padania, founder of Macroscope (https://macrosco.pe/), pointed out, Facebook/Meta has shifted much of its support from direct dollars to a focus on Facebook's tools and how to use them.

"They will be developing products that are supportive of the journalism ecosystem, and there's nothing wrong with that," Padania told us. "But one of the worries is that they're increasingly tying their support for news organizations into that loop. So, it's less and less giving the money and it's more and more saying, 'We'll support you in a structural sense.' And I think that that brings in a whole different set of policy questions."

As a result, policymakers might seek more transparency from tech companies about how they fund and support local and national news providers. This includes who is being funded, what they are funded for, and how this relates to the platforms' own suites of new and existing products. Should support and funding, for example, be contingent on using the products of a given platform? Arguably, we need greater transparency (and accountability) about the nature of different platforms' support for journalism, which may well throw up further antitrust issues.

Since we hosted our webinar series, Meta has indicated (https://www.cjr.org/the_media_today/will-facebook-changes-leave-news-media-out-in-the-cold.php)⁵³ it is placing less emphasis on news, both in terms of the user experience (such as the dedicated News Tab and content featured in Facebook's News Feed) and the activities it will fund and support. "At a corporate level, Meta has finally decided that journalism is more trouble than it's worth," concluded the U.K. journalist Adam Timworth (https://twitter.com/adders), who wrote (https://onemanandhisblog.com/2022/07/facebooks-long-slow-breakup-with-journalism-is-underway/) that "Facebook's long, slow breakup with journalism is under way." ⁵⁴

One potential driver for this, *The Wall Street Journal* suggests (https://www.wsj.com/articles/facebook-shifts-resources-from-news-tab-and-bulletin-to-focus-on-creator-economy-11658250433), is "the stepping up of regulation around the world aiming to require technology platforms such as Facebook to pay for news." ⁵⁵

Any such moves shouldn't, nonetheless, detract from the impact of tech platforms on advertising markets. Facebook/Meta's retreat from supporting local journalism should not detract from its considerable market power in the realm of digital advertising. This makes policy discussions about the advertising power of platforms like Facebook — and whether tackling this can simultaneously provide some firmer foundations for local journalism — all the more pressing.

4.4 What is local journalism? Who is a journalist? What does "the news" look like?

Together with strategic questions about the specific instruments that media policymakers have at their disposal, our discussions also highlighted considerations beyond *what* they could do, to *who* should benefit from any potential interventions.

Moreover, policy discussions should reflect the reality of existing information flows, as well as ensure a broader spectrum of participation from across the media landscape, not just from the biggest, most prominent players.

"We need to stop thinking about journalism in the traditional model," Nikki Usher told us, pointing to nonprofit outlets such as Outlier Media (https://outliermedia.org/) in Detroit and opportunities to engage with communities through platforms like SMS. "We need to think really big and broad about what information is, what news is, who the providers are in communities, because they may not be a news organization."

Emily Bell highlighted that this means defining what journalism is and specifically who journalists are. "For the first time I think America is facing this idea that somehow you're going to have to define this, have a legal definition, which at least identifies who might or might not be suitable for subsidy," she said.

These definitions are also likely to determine who will be involved in policy discussions, an area that several of our panelists suggested needed broadening. "This should be for as broad and imaginative a group as we can possibly include," Bell said. "But I think that none of this is going to be without significant challenge around definitions and around issues like free speech."

Part of the reason for this broad definition is shaped by the fact that where people get their news and information has changed dramatically. This evolution includes usage of local Facebook groups, platforms like NextDoor (https://nextdoor.com/), and apps like Citizen (https://citizen.com/). Although these can be useful channels for information

and engagement, they can also be rife with misinformation. (https://www.vox.com/recode/22217343/covid-19-misinformation-nextdoor-local-network)⁵⁶ They "don't contain any professional journalism at all," Bell said. "And quite often [they] don't even contain, the really valuable layer of what I would say is nonprofessional journalists, people who within their communities provide really useful sources of information."



(https://www.cjr.org/wp-

content/uploads/2023/04/image6.jpg)

Image showcasing the Citizen app, via (https://www.geekwire.com/2021/community-safety-app-citizen-launching-in-seattle-after-attracting-10m-users-across-u-s/) GeekWire

When it comes to rural environs, Christopher Ali, at the time an Associate Professor at the University of Virginia, noted that "we're talking a very small number of people in a lot of these communities who even have connectivity in the first place." This means that those who are online can have an outsized influence, acting as conduits for what others hear and find out about. "There's a tremendous amount of data management that goes on," he said, adding that places like the "Dollar General — in some of these communities — ends up being an information wholesaler for what's going on in the community."

Over the years, multiple studies from the Pew Research Center have validated this observation, noting (https://www.pewresearch.org/journalism/2019/03/26/nearly-as-many-americans-prefer-to-get-their-local-news-online-as-prefer-the-tv-set/)⁵⁷ in 2019 that 90 percent of respondents reported they commonly get local news from friends, neighbors, and family, while 17 percent do so often. This information sharing largely happens by word of mouth in person or over the phone, rather than through email, text, or social media.

These methods of information sharing and discovery also need to be viewed alongside efforts like WhereBy.US (https://www.whereby.us/) and Axios Local (https://www.axios.com/newsletters/local), which are more email focused as their primary delivery. What audiences and content creators consider to be "news" has also evolved, and funders and policymakers need to keep up. Local news doesn't necessarily look like it has in the past.

Bell argued that the key question is whether "newsrooms reach the audiences that they really need to reach." When it comes to funding, "we've slightly fetishized product" at the expense of "who and what the process should be for news provision at the local level."

4.5 Who gets funding and support?

How precious journalistic resources are allocated (https://en.ejo.ch/media-economics/supporting-local-journalism-in-the-age-of-covid-19)⁵⁸ is a key question for funders and policymakers. Victor Pickard and Christopher Ali have both argued that communities themselves should be making many of these decisions.

Should efforts focus on specific communities, such as news deserts? Given that many commercial companies continue to pay dividends to shareholders and carry high levels of debt, ought they to be excluded? What is the role of these efforts in helping address long-term harms and wrongs, as manifest in discussions about the need for media reparations

 $(https://www.sir.advancedleadership.harvard.edu/articles/the-business-of-forging-a-shared-future-begins-with-media-reparations)? \ ^{59}$

The answers to these questions inevitably shape the types of interventions that media policy might support. This is not necessarily about propping up old models of delivery, and the organizations behind them. However, for many of our panelists, that's *exactly* what many media policy discussions are guilty of.

Reflecting on discussions taking place at the end of 2021, Tracie Powell, founder of the Pivot Fund (https://thepivotfund.org/our-team) and chair at LION Publishers (https://www.lionpublishers.com/about/), mused that "It's still a conversation about saving newspapers instead of saving local news." She continued, "There's a really nuanced distinction there. ... I'm not in the business of trying to save these local newspapers. I think it's about time that we acknowledge that we are past that now. We really need to be talking about saving *local* news. And that looks a lot different than trying to save what's left of McClatchy or Gannett or whatever."

That's a view Victor Pickard is likely to agree with. "We have to be careful if and when we do roll out these subsidies, they can't just go back to shore up failing in commercial models," he said. "And even in cases where they might be going to incumbents, there should be conditions attached, so that those incumbents are transitioning into a nonprofit or perhaps a low-profit public benefit corporation."

Previous Tow research in 2021 has suggested (https://www.cjr.org/tow_center_reports/life-at-local-newspapers-in-aturbulent-era-findings-from-a-survey-of-more-than-300-newsroom-employees-in-the-united-states.php) 60 that many people working at local newspapers don't see a positive outlook for commercial local news. But they are intrigued about the prospects a nonprofit future might unlock.

Speaking to the growth of this sector, Sue Cross noted that there are now more than 2,500 journalists working in nonprofit newsrooms. "That's more journalists than in the whole NPR network, NPR central, and affiliate," she told us. "It's more journalists than Reuters fields worldwide. So we're really hitting this critical mass of a reporting resource for the country."

In some cases, journalists and communities are stepping up to fill gaps where there is no news, or access to it is greatly diminished. Cross highlighted Gig Harbor in Washington State as an example. The area had become a news desert after Gannett ceased publication of *Gig Harbor Life* in 2018. ⁶¹ Three years later, Gig Harbor Now (https://www.gigharbornow.org/) launched as an independent hyperlocal nonprofit news organization. Editor Vince Dice is the only full-time employee, supported by freelance reporters, many of them retired from careers in daily newspapers.

Nikki Usher also raised the important issue of *where* these efforts should be focused. "There is a partisan dimension," they reminded us. "Are we going to have these conversations in big red states, [where] the de facto position is to not trust anybody like us?"

In these areas, resistance to the media might mean these types of policy interventions will be overlooked and avoided. As a result, funding for news media is more likely to flow toward places that are more amenable to journalism, as well as public funding and philanthropic backing.

That potentially creates another risk, Usher said, namely that "inequities that we see in media more generally start to happen in the philanthropic sector." This can come from favoring particular locales or types of organizations, as well as the possibility of support being available for limited periods. The short-termism that several of our panelists highlighted may also mean that these types of funds might be unreliable and unstable income sources for media organizations.

Finally, Matthew Powers, Associate Professor in the Department of Communication and co-director of the Center for Journalism, Media and Democracy at the University of Washington, also posited whether support for local newspapers — the medium that has historically offered the majority of local news — risks propping up some organizations and companies "that not only are failing economically, but have also done relatively little to adapt."

4.6 Using media policy to redress long-term inequalities

Arguably, policymakers and funders need to think beyond geography and organizational structures to consider questions of coverage (in both geographical area and subject matter) as well as ownership models, and perhaps even the role that policy can play in helping to address long-standing issues, such as the lack of diversity in the labor force.

For example, Simon Galperin argued that "We need federal investment in new, hyperlocal public media and working with people who are actually comfortable centering the conversation around race and inequality." This means supporting outlets that are specifically seeking "to address those underlying systemic needs that have been for so long ignored."

Yet recent efforts merely reinforce a broken media system, Tracie Powell, Simon Galperin, and others argue, stressing how moves such as the initial provisions for local journalism featured (https://deadline.com/2021/11/build-back-better-act-local-news-sound-recordings-1234867570/)⁶² in proposed legislation such as Build Back Better reinforce the status quo.

"Part of why we still have this issue is because there weren't enough voices, I believe, at the table to inform the solutions that were created or drafted," Powell said. "So, if there had been more diverse, inclusive voices at the table, the drafters of the bill would've had a better understanding of how these smaller independent news outlets work."

Powell noted that the bill's suggested tax credits required a publication to employ a certain number of journalists. Not only does this overlook the number of mom-and-pop outlets in the United States that employ one or two people — many doing more than just reporting — it ignores how reliant many smaller publishers are on independent contractors and freelancers.

Victor Pickard pointed to some of the systemic failings that incumbents have demonstrated. "The commercial media system never served many communities, ever," he said. "There's been informational redlining and news deserts from the beginning."

Many of these issues are getting worse, and so media policy can potentially be used to remedy existing trendlines (https://localnewsinitiative.northwestern.edu/research/state-of-local-news/report/) ⁶³ as well as historic inequities.

As Steven Waldman, the president and co-founder of Report for America, wrote in 2022,

(https://www.poynter.org/commentary/2022/decline-of-local-news-steven-waldman/) "The decline in local news will make all communities worse. But it's also becoming increasingly clear that it will make poorer communities — both conservative and liberal — suffer more, and it will exacerbate the divisions in the country" ⁶⁴ by "creating a nation of local news haves and have-nots."

This has always been the case, but the number of have-nots is growing by the day. To remedy this, policymakers should consider access to news and information, the voices that are heard, and the stories that are told, as well as the people who tell them. ⁶⁵ Perceptions and potential realities of commercial viability, and disinterest in certain stories and communities, coupled with uncertain funding, are also factors that policymakers should include in any remedies they propose.

Policy interventions can serve as a counterpoint to these issues. However, several of our panelists noted that business decisions can also exacerbate many of these underlying issues.

Tracie Powell pointed to the decision by *The Times-Picayune* in 2012 to scale back (https://www.washingtonpost.com/new-orleans-times-picayune-to-limit-printing-to-three-days-per-week/2012/05/24/gJQA8kSEoU_story.html) ⁶⁶ its print schedule. Like many publications, the New Orleans paper moved to three days a week (from seven). Although it publishes daily news on its website, Nola.com (http://www.nola.com/), the move exacerbated news and information deserts, Powell says. After all, broadband access can be spotty in the city, and online-only "for a lot of people, means mobile."

She cautioned, "Journalists [need] to understand why they should care about ... changing our business models and how that impacted communities who already had limited access to quality, credible information."

Allied to this, she highlighted the need to redress long-term harm toward communities.

Powell and Galperin cited the work of Media 2070 (https://mediareparations.org/) as one potential avenue to address this. The initiative, a project of Free Press, outlines "the history of U.S. media participation in anti-Black racism and harm," and, as its website explains (https://www.freepress.net/issues/future-journalism/media-reparations), ⁶⁷ "advocates for media institutions and policymakers to make reparations to the Black community for policies and practices that have baked inequities into our media system."

In 2020, Galperin and Media 2070 co-founder Alicia Bell wrote (https://www.niemanlab.org/2020/12/media-reparations-now/) about how "journalism [is] the beneficiary of historic and ongoing injustice." Media philanthropists should help support media justice initiatives, they argued, writing that "not only should these efforts be conducted by and with the

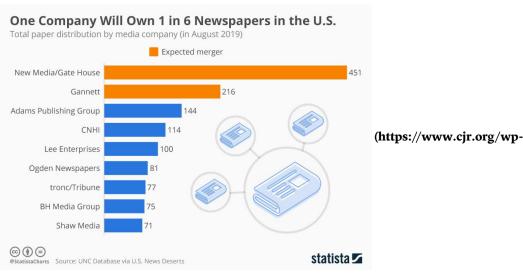
people most impacted by anti-Blackness and anti-Indigeneity, but they should also be determined by them." 68

Also highlighting Media 2070's work, Jessica J. González noted "the history of the media being used to prop up anti-Black racism. ... Those discriminatory practices run deep, some still exist today," she told us. "So, the solutions that we're looking at, then, are not to prop up yesterday's gatekeepers, because those really weren't serving us all too well. And certainly, that model won't work if the United States is to transition to an equitable and multiracial democracy." (Media 2070 is a project (https://mediareparations.org/about/) of Free Press, a 501(c)(3) nonpartisan organization of which González is co-CEO.)

4.7 Supporting media plurality

At a time of increasing news and information deserts, it may almost seem churlish to raise the issue of media plurality; nonetheless, this remains an important topic for policymakers. Kristy Hess, at the time an Associate Professor of Communication at Deakin University in Victoria, Australia, raised this topic through the context of media ownership and its consolidation. Consumers not only have access to a narrower range of news and information sources, but also to the companies behind them.

The 2019 megamerger of Gannett and GateHouse meant the company owned one in six U.S. local print newspapers at that time. It was the latest in a series of moves that have reduced the plurality of ownership in local news in recent years.



content/uploads/2023/04/image5.jpg)

Infographic via (https://www.statista.com/chart/18921/newspaper-distribution-in-the-united-states/) Statista

"More than half of all newspapers have changed ownership in the past decade, some multiple times," Penny Abernathy wrote (https://www.usnewsdeserts.com/reports/expanding-news-desert/loss-of-local-news/) ⁶⁹ in 2018. At that time, "the largest 25 newspaper chains own a third of all newspapers, including two-thirds of the country's 1,200 dailies." That concentration has only increased.

Margaret Sullivan, then The Washington Post's media columnist, predicted

(https://www.washingtonpost.com/lifestyle/style/when-local-news-goes-away-citizens-suffer-gannetts-megamerger-will-probably-just-inflict-more-pain/2019/08/16/51b6c078-bf6e-11e9-b873-63ace636af08_story.html) the merger would mean "even deeper cost-cutting in newsrooms that are already hollowed out." One reason for this prediction was the commitment (https://www.washingtonpost.com/business/2019/11/14/gannett-finalizes-deal-become-nations-largest-newspaper-publisher-setting-stage-million-cuts/) to save \$300 million announced as part of the deal. In the newspaper world, there aren't many ways to save that kind of money, Sullivan wrote, "but the cost-slashing measure that seems to spring most readily to mind is reducing headcount: cutting employees, including journalists."

COVID accelerated the pressure (https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3693903)⁷² on many newsrooms, with companies shuttering titles and laying off or furloughing staff. As the pandemic morphed into an endemic, life at many local newspapers has simply continued on the trajectory we have seen since the start of the 21st century. In August 2022, Gannett laid off 3 percent of its U.S. workforce (https://www.poynter.org/business-work/2022/gannett-august-2022-

layoffs-400-employees/), or roughly 400 employees, and also decided not to fill 400 open positions, in an effort to reduce costs. ⁷³ The chain announced (https://www.nytimes.com/2022/12/01/business/media/gannett-layoffs.html) ⁷⁴ further cuts in late 2022.

"We must continue to oppose runaway media consolidation, which has led to newsroom layoffs that have reduced local news," Jessica J. González told us. Her organization, Free Press, "has advocated (https://www.freepress.net/issues/media-control/media-consolidation/who-owns-media)⁷⁵ for a tightening of media ownership limits and other rules that would incentivize local control role of media outlets." Media mergers, Free Press has long argued, are also "Bad News for Communities of Color (https://www.freepress.net/blog/why-media-mergers-are-bad-news-communities-color)." ⁷⁶

Echoing this in a subsequent webinar, Sue Cross observed how "People who are rich will probably always have news. They can pay for highly customized products, they're very attractive to advertisers, but that doesn't necessarily serve our democracy." Nonprofit outlets, she said, are at the forefront of supporting "communities so affected by every equity issue: education, environment, access to jobs, access to broadband, climate change," although "those communities may not be the most commercially attractive." Looking at INN's membership, she observed that "70 percent of our members have specific efforts under way to deliberately serve underserved communities. … That may be rural communities, it's communities of color, communities that just are not affluent."

Joy Jenkins, Assistant Professor at the School of Journalism and Electronic Media at the University of Tennessee, also stressed that it's not just certain areas and communities that risk being marginalized by the existing media ecosystem: it's also styles of journalism and the breadth of journalistic voices.

"I've been doing some work in alternative newsweeklies (https://doi.org/10.1080/17512786.2016.1209976), and that's a whole other area of cultural journalism that is very much at stake of being lost," Jenkins told us. "And so I think there's potential to involve even more players in this [debate] and to think really broadly about what local journalism looks like. ... That's happening, and it's been really exciting to see."

4.8 Thinking long-term

Finally, media policymakers should be mindful of the fact that, too often, many of their interventions are guilty of being short-term fixes.

As a case in point, Matthew Powers points to France in 2013, when the tech giant Google established (https://blog.google/outreach-initiatives/google-news-initiative/google-creates-6om-digital-publishing/) a €60 million (\$81.3 million ⁷⁸) Digital Publishing Innovation Fund. ⁷⁹ "That's obviously a lot of money," Powers said, noting this was designed to be a one-time initiative. However, "there were questions about who it went to and ... it in no way solved the underlying problem, which was about compensation for the use of news articles by platforms."

Many subsequent interventions, such as emergency COVID-era funds, were also designed as one-offs. During the early stages of the pandemic, these efforts were driven by immediate short-term needs and fears that the crisis would be an "extinction-level event (https://www.theguardian.com/media/2020/apr/09/coronavirus-us-newspapers-impact)" for many news organizations. 80

This response was understandable, and the funding was incredibly valuable for many publishers. Yet, at the same time, given the trend lines that predated this period, it is incumbent on funders and policymakers to try to tackle (https://en.ejo.ch/media-economics/supporting-local-journalism-in-the-age-of-covid-19) both short-term needs and long-term considerations. ⁸¹ The two are not mutually exclusive.

Victor Pickard agrees with the need to think long-term. "I think there are grounds for hope," he told us, "but too much of the emphasis right now has been on these kinds of immediate stop-gap measures." What's missing is "restructuring for long-term sustainability. ... We really need to be bolder."

Nikki Usher also agreed, suggesting that — aside from such funding being a drop in the ocean — grants to publishers from tech titans like Google and Facebook seldom support long-term sustainability. Instead, smaller outlets merely "got the \$5,000 they need to make [it] to the next quarter."

This argument further resonated with Christopher Ali. Discussing funding for broadband — a primary vehicle for delivering news and information — he expressed sentiments equally applicable to media policy. "We need to think about what connectivity is going to look like 10 years, 20 years down the line. Otherwise, the \$65 billion that we're about to spend from the infrastructure package is going to be wasted," he said. "And that comes with putting a human face on the digital divide, rather than a technological face on the digital divide."

Thinking long-term is not a policy challenge that is unique to the United States. Although other nations have harnessed media policy tools to intervene in local media markets (https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7481652/), 82 these efforts also suffer from short-termism. "The big problem that we have here in Australia is the issue of ongoing structural reform, rather than these one-off types of Band-Aid measures," Kristy Hess told us.

To remedy this and explore the types of bolder interventions that Victor Pickard and others (https://www.cjr.org/analysis/local-news-rescue-plan.php)⁸³ have called for, policymakers have a range of instruments at their disposal. We explore eight of those in the next chapter. Integral to their implementation, however, is the necessity of determining what success looks like.

As Phil Napoli, the James R. Shepley Professor of Public Policy and Director of the DeWitt Wallace Center for Media & Democracy and Duke University, reminded us, researchers have "developed some reasonably reliable and agreed-upon, robust metrics of the health of local journalism." But at the same time, "We've also come to realize that it's one thing to assess what's being produced," he said. "Do we need to take into account consumption and impact and those things?"

Elizabeth Hansen Shapiro agreed these are significant questions, "because if we can't say what good information or a healthy information ecosystem does and what it's good for, then it's very hard to figure out how you make progress on really rebuilding, or really making the case that there should be any resources at all directed towards any of these issues."

She continued, "So, in my mind, that question of impact, and 'What does success look like?' really has to go hand in hand with this task of getting more and better information to underserved communities."

This may mean changes in political participation, Napoli suggests, or civic engagement, areas that research has shown are adversely impacted in the absence of local news (https://media4.manhattan-institute.org/sites/default/files/MI_Urban_Policy_2018.pdf#page=71). ⁸⁴

That said, the correlation between journalistic output and engagement in these areas — including, potentially, their growth as a result of strategic investments and interventions by funders and policymakers — may require further work.

Either way, without some form of roadmap, it is hard to effectively determine where policy intervention efforts should be focused, and to also measure how effective they have been. "I don't know if I've seen the nuanced conversations and sophisticated thinking about what a reconfigured local news ecosystem can look like," Napoli told us. "And that's the thing I would love to see."

SOLUTIONS: EIGHT WAYS MEDIA POLICY CAN HELP LOCAL NEWS

Having outlined some of the challenges media policymakers have to navigate, we move on to discussing policy areas that could make a difference to local news and journalism in the United States.

In doing this, we are cognizant of critiques provided by multiple panelists of the need to think big. And to think differently.

"The most progressive, thoughtful, substantial solutions aren't even on the table when it comes to media policy discussions," suggested Simon Galperin. "I think it's because a lot of bigger players are taking up oxygen, and a lot of people with resources aren't letting those resources flow."

Galperin noted that a lot of funding currently goes to legacy operators and larger companies, "where it's easiest, where capital already is," instead of being channeled to community ethnic media, start-ups, and other hyperlocal providers.

Our panelists frequently expressed the view that smaller entities must be given a seat at the table. The work of such outlets is seen as fundamental to meeting the information needs of communities across the country.

Alongside this, as we have seen, we need greater clarity on how to measure the impact of media policy. "Impact in news is not just 'Oh, we have news outlets that operate at sustainability," Elizabeth Hansen Shapiro reminded us.

Arguably, the biggest challenge facing media policy in the United States today is a willingness to act and agree on a way forward. Sameer Padania observes something similar happening in the U.K. "There's no lack of thinking," he said. "There is a lack of resources and actual policy decision making and policy willingness."

Much of the momentum that we saw in Congress at the start of the Biden administration to tackle this issue at a national level has already ebbed away. This means, Jessica J. González suggested, that "as we build future policies to support local news, we have to be aware that they [these ideas] could fall victim to the same political tradeoffs, unless we take a different approach."

It also makes it more likely that we will witness a patchwork of state-level initiatives addressing this topic. In 2022, the state of Colorado introduced a bill (https://leg.colorado.gov/bills/hb22-1121) incorporating elements (https://coloradosun.com/2022/03/23/colorado-supporting-local-media-taxes-opinion/) ⁸⁵ (such as a tax credit for subscriptions and local advertising credit) that had featured in the defunct Local Journalism Sustainability Act. If passed, the legislation would also require all state departments to allocate at least half of their annual advertising budget targeting Colorado residents toward local newspapers.

Nevertheless, the policy pendulum may swing back to encompass a mixture of national, state, and local solutions. With that in mind, in this chapter we examine eight policy areas, navigating a balance between bold ideas and those that are perhaps more likely to be implemented in the near future.

Tracie Powell neatly summed up this approach when she told us, "I'm not saying we need to burn everything down and start fresh and new. I am saying that we need to take a few more risks and we need to push that envelope."

5.1 Taxing Big Tech and making the platforms pay

Perhaps not surprisingly, a desire to get to grips with the platforms is top of many policymakers' lists. The primary focus of these efforts is their impact, as well as influence, on local information flows and revenue streams.

"Asking Google and Facebook to help pay for news that's circulated on their platforms is definitely a necessary intervention," Kristy Hess argued, suggesting it's an approach many news enterprises also support.

Jessica J. González also believes the platforms need to pay up, but framed this call slightly differently, advocating that policymakers should "tax online platforms, almost like a carbon tax for the pollution they've put into our information ecosystem." Specifically, Free Press recommends a tax on targeted online advertising (https://www.freepress.net/news/press-releases/free-press-calls-tax-targeted-ads-fund-civic-minded-journalism), ⁸⁶ a market dominated by Big Tech.

Redistribution of this revenue, she said, could be used "to build truly local, diverse news sources in communities, more of a public media model, just much more robust than the one we have today." Free Press proposes to deliver this via a Public Interest Media Endowment (https://www.freepress.net/blog/cutting-deals-big-tech-wont-save-journalism) designed to fund "diverse, local, independent and noncommercial news and information." ⁸⁷

As we outlined earlier, the notion of taxing Big Tech has gained some traction (https://www.nytimes.com/2019/03/17/technology/google-facebook-amazon-antitrust.html) 88 in the United States. This has gathered speed as the tech platforms' profits and power have grown, while local journalism's woes — and particularly those of local newspapers — have accelerated.

It is interesting to note that these types of proposals have been on the table for longer than perhaps many people might remember. As the analyst Benedict Evans (https://www.ben-evans.com/) wrote in 2021 (https://www.ben-evans.com/benedictevans/2021/2/17/paying-for-news), "Newspaper revenue really started to collapse well over a decade ago, and we've been discussing what to do about it for almost as long." 89

In 2010, for example, the Federal Trade Commission (FTC) articulated

(https://www.ftc.gov/sites/default/files/documents/public_events/how-will-journalism-survive-internet-age/new-staff-discussion.pdf) ⁹⁰ some of these possibilities in a discussion document outlining "the challenges faced by journalism in the Internet age." The document included sections exploring concepts such as "Additional Intellectual Property Rights to Support Claims against News Aggregators" and introducing "Statutory Limits to Fair Use."

Meanwhile, in 2019, Justin Hendrix, the co-founder, CEO, and editor of Tech Policy Press (https://techpolicy.press/), theorized (https://www.protegopress.com/how-congress-should-spend-the-ftcs-5-billion-facebook-fine/) 91 how a \$5 billion fine — levied against Facebook by the FTC due to multiple privacy violations — could be used to support local journalism:

\$5 billion is a sum double the endowment of the Knight Foundation, one of the most generous philanthropies investing in journalism. ... By law, the civil penalties that the FTC collects go straight into the Treasury's general fund. But that's just a default based on current federal law — and Congress could always override that with a new federal law specifically directing how this money gets spent.

(https://www.legislation.gov.au/Details/C2021A00021) — designed to help support the sustainability of public-interest journalism — has inspired other countries to follow suit (https://policyoptions.irpp.org/magazines/april-2022/canada-online-news-act-mistake/) ⁹² or follow its progress with interest. Although not without its issues (https://pressgazette.co.uk/australian-news-media-bargaining-code/), ⁹³ the code has unlocked more than \$140 million

In Australia in 2021, the News Media and Digital Platforms Mandatory Bargaining Code

(https://www.poynter.org/business-work/2022/australias-news-media-bargaining-code-pries-140-million-from-google-and-facebook/) (\$200 million AUD) for media outlets from the Google-Facebook duopoly. 94 Australian law requires the code to be reviewed (https://ministers.treasury.gov.au/ministers/josh-frydenberg-2018/media-releases/review-news-media-and-digital-platforms-

mandatory#:~:text=The%2oCode%2ocame%2ointo%2oeffect,media%2obusinesses%2oand%2odigital%2oplatforms.) within 12 months of operation, a move that should help iron out some of the issues that have arisen from its implementation.

In the United States, the proposed Journalism Competition and Preservation Act (https://www.congress.gov/bill/117th-congress/senate-bill/673)(JCPA) sought to enable news outlets to club together to negotiate payment from tech platforms. The proposal has currently stalled and was not without its critics. Some observed that it would squeeze out smaller players. As Jeremy Littau (https://journalism.cas.lehigh.edu/content/jeremy-littau), an associate professor of journalism and communication at Lehigh University, wrote in 2022 (https://slate.com/technology/2022/12/jcpa-journalism-competition-preservation-act.html), 95 it "excludes organizations with less than \$100,000 in revenue, which would shut out some small-town outlets as well as some nonprofit and niche local news organizations doing some of the most innovative work in creating a sustainable local news model."

Elsewhere, The Cato Institute (https://www.cato.org/), a DC-based libertarian think tank, noted (https://www.cato.org/blog/dangerous-journalism-competition-preservation-act-returns) ⁹⁶ that "this bill is incompatible with free markets and voluntary, mutually beneficial negotiation." The JCPA, it argued, "uses technology companies as a scapegoat for the difficulties of local newspaper journalism, which has seen its traditional content unbundled as a result of the internet."

At present, there is no clear path forward for this contentious policy dimension. But the discussion surrounding the relationship between Big Tech and journalism is unlikely to go away, and will continue to be a source of debate for the foreseeable future.

5.2 Encouraging greater levels of philanthropic support

As local news providers gravitate away from traditional advertising-funded business models, philanthropy has emerged as a potentially important source of revenue (https://knightfoundation.org/articles/how-philanthropy-became-a-growing-revenue-stream-for-local-news/) ⁹⁷ for many outlets.

Philanthropy can come in multiple forms: institutional and individual. It includes large national players like the Knight Foundation and the American Journalism Project (https://www.theajp.org/) through to regional and state providers such as the Geraldine R. Dodge Foundation in New Jersey, and community foundations, as well as donor-funding initiatives like NewsMatch (https://newsmatch.inn.org/).

"Philanthropic funding of news is also enabling this enormous amount of innovation," Sue Cross said. "And it's not just in big places. It's in small places across the country [too]."

These contributions are clearly important, but philanthropic funding is far from a silver bullet. Emily Bell called it "a mixed blessing," noting she includes Google and Facebook in this mix: "They bring lots of money to the table, but they also bring a kind of a view of what should be happening, which tacitly begins to shape journalism perhaps in a way that isn't quite as independent as we'd like it to be."

Moreover, many of the institutional issues that we have seen in the media — in terms of overlooked communities, newsroom diversity, the stories that get told and who gets to tell them — are also deep-rooted in many existing philanthropic efforts.

"Philanthropy needs to change, just as journalism needs to change," said Tracie Powell, who in May 2020 launched The Pivot Fund (https://thepivotfund.org/), a venture philanthropy organization dedicated to investing \$500 million into independent BIPOC-led community news.

Powell highlighted the importance "of helping donors to understand exactly who is creating and doing the work that's meeting the information needs of hyperlocal communities."

"These are the organizations the people who are already in trusted relationships with communities they serve," she said.

"Sometimes that Spanish-language radio program or radio station or the Black newspaper is that community's only source of information because the larger players just don't have the relationship or the trust from that community."

According to Powell, many of these media outlets are small and independent and may not be on the radar of some potential funders. Additionally, their work may not align with conventional measures of success, which can make it challenging to secure funding. She has written about (https://www.philanthropy.com/article/upstart-news-outlets-are-leading-a-media-revolution-in-communities-of-color-grant-makers-should-take-notice) the frequency with which "most of these funds go to white-led organizations, even when they're earmarked for publishers of color." 98

Simon Galperin similarly agreed on the need for a fresh approach, encouraging foundations to "spend down their endowments in a significant way" and urging them to avoid funding players that are already well capitalized. "There's a major systemic crisis happening in journalism," he said, "and those resources are going to be less effective in the future when the crisis is worse."

Alongside institutional philanthropy, the idea of "philanthropy" can also be applied to individual giving. Alongside reader subscriptions, this is a growing area of revenue, as news outlets seek to encourage donations from their audience.

As Sue Cross put it, "People are stepping up and saying, 'This is my news, I'm investing in it as part of the community." In contrast to traditional subscriptions, which typically only enable paying subscribers to access content, this model — long the mainstay of public media — can help make news content more accessible, which is potentially part of the appeal for individual donors.

Publications such as the Harpswell Anchor (https://harpswellanchor.org/) in Maine, an INN member, stress how contributions enable them to operate without a paywall. "We can offer this service to the community because of the support of tax-deductible gifts from the community," the outlet's website states (https://harpswellanchor.org/history/). 99 Policymakers can encourage this type of bottom-up philanthropic support by facilitating new structures for local news, an idea we turn to in the next section.

Beyond direct financial support, philanthropic bodies may be able to help in other ways. Before the Anchor was awarded 501(c)(3) status, the outlet partnered (https://harpswellanchor.org/2022/05/new-anchor-celebrates-1st-anniversary/) with Holbrook Community Foundation, which served as its fiscal sponsor, "accepting tax-deductible gifts on our behalf so we could get up and running." The nonprofit Anchor rose in June 2021 from the ashes (https://harpswellanchor.org/history/) of a previous iteration that closed in 2020 after 22 years.

Philanthropy will continue to be central to the future of local news, Sue Cross predicted. As a result, efforts to unlock this funding will remain critical for content creators and policymakers. Areas where Cross believes this will be integral include seed funding, support for news provision in less affluent communities, and financing certain types of journalism. "I don't think reader revenue alone or government support alone … will adequately support … deep investigative work," she said.

Nevertheless, she told us philanthropy is less essential to the overall revenue picture of nonprofit outlets than it was. Individual giving pays for nearly 40 percent of reporting across INN's network, with philanthropy accounting for a further 47 percent. This represents a shift from a 2013 Pew survey that found

(https://www.pewresearch.org/journalism/2013/06/10/nonprofit-journalism/) that around half of the nonprofit organizations they sampled generated at least 75 percent of their income "from a single revenue stream, almost always foundation grants." 100

This implies that philanthropic support will remain important for many news outlets, despite a reduced dependency on it. Consequently, these monies may become more focused on funding specific news content or locations deemed uncommercially viable. As The Communications Network (https://www.comnetwork.org/) put it (https://www.comnetwork.org/resources/philanthropy-cant-save-journalism-but-it-could-do-more-to-help/) in 2018, "Philanthropy can't save journalism, but it could do more to help." 101

5.3 Enabling new structures and business models

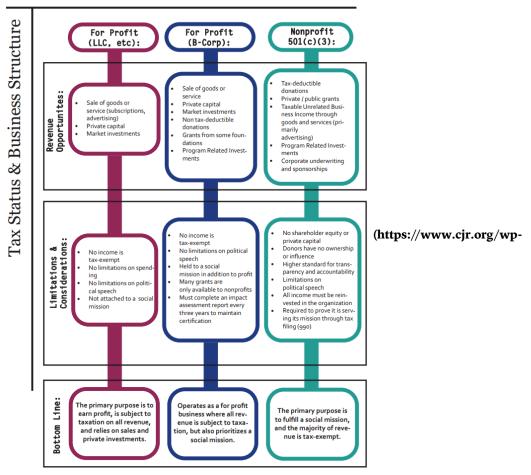
Policymakers can support the emergence of new forms of local journalism through efforts that tackle questions of ownership, taxation, and business structures, alongside incentivizing other behaviors such as partnerships.

Tow research has shown (https://www.cjr.org/tow_center_reports/life-at-local-newspapers-in-a-turbulent-era-findings-from-a-survey-of-more-than-300-newsroom-employees-in-the-united-states.php) that there is great skepticism among local newspaper employees about the future of the commercial model for local news. At the same time, there is considerable enthusiasm about the perceived potential for the nonprofit model. 102 Recent developments (https://www.nytimes.com/2022/10/12/business/media/gannett-cost-cutting.html) such as further layoffs, mandatory unpaid leave, and reduced 401(k) contributions at Gannett — one of the biggest commercial newspaper owners in the United States — is only likely to reinforce that perception. 103

Given this, it's not surprising that policymakers have been encouraged to explore support for nonprofit media structures. Aside from new players adopting this model at launch, there has also been interest in supporting existing players to transition to this structure.

In October 2019, *The Salt Lake Tribune* became (https://www.sltrib.com/news/2019/11/04/historic-shift-salt-lake/)¹⁰⁴ the first U.S. legacy newspaper to transform from a for-profit news organization into a 501(c)(3) nonprofit. (https://www.sltrib.com/nonprofit/)¹⁰⁵

In 2020, in its first full year as a nonprofit, the *Tribune* received more than \$3.56 million in donations, arguably (https://localnewsinitiative.northwestern.edu/posts/2022/01/19/salt-lake-nonprofit/)¹⁰⁶ putting the paper on the path to a more sustainable future (and an experience they shared in late 2020 via a playbook (https://www.sltrib.com/news/2021/03/25/salt-lake-tribune-is/)¹⁰⁷ for others to learn from).



content/uploads/2023/04/image1.png)

 $Image\ via\ (https://local.sltrib.com/pdfs/Salt%20Lake\%20Tribune\%20Nonprofit\%20Playbook.pdf)\ The\ Salt\ Lake\ Tribune's\ Nonprofit\ Playbook.$

In 2022, INN reported (https://inn.org/news/nonprofit-news-outlets-are-growing-revenue-and-audiences-while-expanding-across-local-markets/) 108 that around 4 in 10 nonprofit news organizations are local. That's doubled from about 2 in 10 in 2017.

Meanwhile, a 2022 Pew Research Center study (https://www.pewresearch.org/journalism/2022/04/05/total-number-of-us-statehouse-reporters-rises-but-fewer-are-on-the-beat-full-time/) revealed that nonprofit news organizations are playing an increasingly important role in covering state capitols, an important area of civic journalism and local reporting.

Other outlets and institutions are also considering new business models. In early 2022, the *Chicago Sun-Times* became (https://www.wbez.org/pressroom/chicago-public-media-announces-its-acquisition-of-the-chicago-suntimes) ¹¹⁰ part of Chicago Public Media, parent company of the city's public radio station WBEZ. The move, which saw the paper transition into a nonprofit, was underpinned by \$61 million in philanthropic support from national and local foundations as well as individual donations.

Joy Jenkins told us about partnership initiatives at the University of Kansas (https://journalism.ku.edu/eudora-times) and the University of Georgia (https://www.editorandpublisher.com/stories/this-is-one-echo-that-wont-fade,210623), where students have been producing content (https://grady.uga.edu/journalism-students-to-play-integral-role-in-saving-community-newspaper/)¹¹¹ for local newspapers. The Eudora Times (https://www.eudoratimes.newsnirvana.com/) was founded in 2019 in a community that had been a news desert for nearly two decades. It won seven awards in 2022, and five the year before, from the Kansas Press Association. Other journalism schools have followed suit (https://www.editorandpublisher.com/stories/how-universities-are-filling-gaps-in-media-coverage,240837). ¹¹²

These moves have sought to address existing news deserts or the shuttering of publications. Elizabeth Hansen Shapiro highlighted another possibility, working "to acquire and transform small and midsize papers that would otherwise get rolled up into bigger conglomerates, or just shut for lack of new owners and new financing."

The Colorado News Conservancy (https://coloradonewsconservancy.com/) is a collaboration by the National Trust for Local News (https://www.ntln.org/) and The Colorado Sun (http://coloradosun.com/), which in 2021 purchased Colorado Community Media and its 24 weekly and monthly newspapers. "News is too important to be left to absentee owners who care only about double-digit profits, not the journalists and the communities they serve," reflected (https://coloradosun.com/2021/05/03/colorado-sun-purchases-colorado-community-media-newspapers/) Larry Ryckman, editor and co-founder of The Colorado Sun, in an editorial announcing the move.

Describing this as a "coalition of the willing," Hansen Shapiro said, "Resource sharing and bringing together journalists and newsrooms under a common entity really does work." Key to this, she said, are shared decision making, governance, and ownership.

This collaborative approach can also be seen in a model Simon Galperin is pursuing, the creation of a co-operative fund for community media publishers. The New Jersey Community Media Collective (https://www.njcommunitymedia.org/) began in 2020, when the Community Info Coop (https://infodistricts.org/) and Free Press (https://freepress.net/) collaborated with the New Jersey Local News Lab Fund (https://localnewslab.org/about/new-jersey-local-news-lab/) to establish a cooperative fund for local media projects serving underserved communities in the state. As Galperin explains, these local media projects have come together to "coordinate and grow the ecosystem for all of our benefit."

Creating the frameworks for these structures and new initiatives to flourish can be another part of policymaker's toolkits — and is another policy area that may become more prominent in the future.

5.4 Leveraging the tax code

The role of taxation as a lever for media policy has garnered more attention in the United States over the past couple of years, due to proposals such as payroll tax credits, and others focused on incentivizing advertisers and subscribers.

In late 2021, two New York state senators proposed (https://spectrumlocalnews.com/nys/central-ny/ny-state-of-politics/2021/11/24/lawmakers-proposed-tax-credits-to-aid-local-news) a bill

(https://www.nysenate.gov/legislation/bills/2023/S625) ¹¹⁴ that would use business tax credits to enable local news organizations to hire journalists by providing a quarterly tax credit of up to 50 percent of their salaries for the first year of employment and 30 percent for the next four years. They also floated the idea of subscribers to local publications receiving annual tax credits of up to \$250 a year, based on a reimbursement of 80 percent of the subscription cost in the first year, and 50 percent thereafter.

Preferential tax rates and statuses for media outlets offer further ways governments can help influence media policy. In France, for example, print newspapers and magazines have benefited from a reduced VAT (https://www.avalara.com/vatlive/en/country-guides/europe/france.html)rate of 2.1 percent.

Tax benefits are often cited (https://www.politico.com/news/magazine/2022/01/25/shafer-newspaper-nonprofit-money-00002109) ¹¹⁵ as a potential driver for nonprofit models of journalism. Reporters Committee for Freedom of the Press (https://www.rcfp.org/) (RCFP) a D.C. based nonprofit, notes "tax-exempt nonprofits are generally not taxed on the income they collect." They add, "Nonetheless, this general rule is not always true." Citing a further perceived benefit, "contributions made to tax-exempt nonprofits are generally treated as tax-deductible, a benefit that encourages others to give."

Sue Cross sees tax status as only one part of the equation. "It's not actually the most significant thing," she argued, remarking how 501(c)(3) status (https://www.irs.gov/charities-non-profits/charitable-organizations/exemption-requirements-501c3-organizations) "changes everything. ... Your legal and your financial commitment is to the community you serve and a public service. And that changes the journalism. ... It's much more tied to community needs."

In adopting this approach and debating how the tax code can be used to support journalists and journalism, policymakers may take comfort in the fact that this model has been used for other sectors. Many states already offer tax credits for other digital and creative industries. New York State introduced (https://www.cbiz.com/insights/articles/article-details/how-the-

recently-passed-new-york-state-budget-affects-your-income-taxes) ¹¹⁶ a Digital Gaming Media Production Credit in its 2022-23 budget as part of a move (https://esd.ny.gov/empire-state-digital-gaming-media-production-credit-program) ¹¹⁷ "to create and maintain digital game development industry jobs," with tax credits of up to \$5 million per year for companies producing digital games in the state.

Such efforts offer a potential precedent for journalism. If pursued, Samer Padania argues, these moves should be considered in the context of the wider creative industries. Padania pointed to media clusters in Bergen (https://mediacitybergen.no/) (Norway) and South Wales (https://clwstwr.org.uk/) as examples of places where journalism and media companies are positioned, and co-located, with this goal in mind.

"That's one of the things that's really interesting," Padania said. "There's a lot of cross-pollination and interesting things happening. ... Not least in things like audience practices ... and how they build real value for their audiences and grow them. There's a lot that journalists then can learn and use."

Regardless of whether policymakers pursue this type of joined-up approach, one core tax question they need to address — across the board, but particularly in this sphere — is one of equality.

In France, digital news outlets have often been taxed differently, leaving them unable to benefit from the same tax preferences enjoyed by their print siblings. Start-ups have been similarly hamstrung compared to their legacy cousins. Hopefully, this is something the United States can learn from so that legacy operators and new entrants can operate on a more level playing field.

As Matthew Powers, who studies this market, explained, "Startups have largely been formed without any direct governmental support. And oftentimes they've happened actually in part by sort of having to fight in order to get the same provisions that legacy news providers get." He pointed out that "for a long time, startups were actually not taxed at the preferential tax rate, which was the difference between getting a 2 percent tax rate versus a 20 percent tax rate."

5.5 Unlocking government advertising

Advertising revenues from federal and state sources have long been an important source of income for local news outlets. Newspapers, for example, have historically benefited from paid public notices (https://okpress.com/page/public-notice-importance) that are legally required to be placed by government and non-government sources. In 2020, David Westphal pointed out (https://www.poynter.org/business-work/2020/defying-forecasts-newspapers-have-retained-public-notices-and-theyve-grown-ever-more-critical-to-small-papers-survival/)¹¹⁸ that the value of this is unknown, but for some publishers it can be their primary — or a very significant — source of income. Local media can also be a vital channel for public health campaigns and outreach activity by government agencies.

"In many countries like Australia and the U.S., it has been government advertising spend that has long been a dominant source of income for media," Kristy Hess said. "And that's not something that we turn too much attention to, or critique, because it's a little bit uncomfortable. I've referred to this elsewhere

(https://www.taylorfrancis.com/chapters/edit/10.4324/9781351054867-10/mining-depleted-rivers-gold-kristy-hess) 119 as a silent, unspoken type of subsidy."

Hess argues that government advertising revenue has not dramatically affected the role of independent journalism. Nevertheless, she contends this is still a really important issue, not least because of *who* benefits from this revenue. "There are examples in Australia of some local governments allocating these types of funds to certain outlets over others, because they're concerned about aggressive coverage or because they feel the money's better spent recruiting their own marketing team to produce a government newsletter." Such moves, she added, are "a greater threat to independent journalism."

To overcome this, policymakers need to ensure they have structures in place to ensure transparency and oversight, in order to avoid these types of scenarios from happening.

At the same time, Hess also notes how other Australian states are "making sure that a strong percentage [of their advertising] is being allocated to rural and regional providers because it's just fundamental to their survival."

Some parts of the United States are adopting this approach. In late 2022, Chicago Mayor Lori E. Lightfoot signed (https://chicagoreader.com/reader/press-releases/chicago-departments-fifty-percent-advertising-spend-to-community-media/)¹²⁰ an executive order requiring city departments to allocate at least 50 percent of their annual advertising spending to community media outlets. More than 153 languages are spoken in households citywide, which are reached by this sector.

This follows a similar move by New York City, which in 2019 determined (https://www1.nyc.gov/assets/mome/pdf/mayor-executive-order-47.pdf)¹²¹ that the Department of Education, NYC Health + Hospitals, and the New York City Housing Authority should spend at least half of their annual print and digital advertising budgets with ethnic and community media outlets. In 2020, the city placed a record \$9.9 million worth of advertising in the sector, the Center for Community Media (CCM) reported (https://www.journalism.cuny.edu/centers/center-community-media/advertising-boost-initiative/), akin to 84 percent of the city's total print and digital advertising budget. That increased to a record \$15.6 million in 2021.



(https://www.cjr.org/wp-

content/uploads/2023/04/image7.png)

Image via (https://www.journalism.cuny.edu/2022/02/more-dollars-community-outlets-year-two/) the Center for Community Media

"This crucial spending became a lifeline for many of the more than 300 community outlets serving city audiences in 37 languages," the CCM noted. "In the year of the COVID-19 pandemic, the U.S. Census, and the presidential and city elections, it kept essential community news sources afloat."

The move enabled these agencies to reach key audiences, Graciela Mochkofsky says. Mochkofsky, who at the time was the director of the Bilingual Journalism Program and executive director at the Center for Community Media at Craig Newmark Graduate School of Journalism, says previous efforts to reach immigrants and people of color in the city had centered on *The New York Times, The Wall Street Journal*, and the *New York Post*. "A lot of these ads were supposed to serve information needs and connect these communities with city resources," she reflected. "But they were not placing [in] the outlets that would actually be reaching these communities."

To aid the implementation of this new policy, CCM monitored compliance; acted as a liaison between city agencies, advertising agencies, and community media outlets; and created directories and pitch guides to help stakeholders understand how to make this work.

Elsewhere, Mochkofsky highlighted the work of El Tímpano (https://www.eltimpano.org/), which serves the Latino and Mayan immigrant communities in Oakland, California, as another model policymakers can learn from. Its website (https://www.eltimpano.org/) notes that "Approximately 10% of Oakland's Spanish-speaking households, as well as residents from across the Bay Area, subscribe to El Tímpano's SMS reporting platform for local news, information, and a platform to raise their voice."

El Tímpano has leaned into civic partnerships as a revenue source. "I realized I had to look beyond philanthropy and beyond reader revenue," founder Madeleine Bair told (https://www.lionpublishers.com/news-guest-madeleine-bair/) LION Publishers in 2021. Beginning with a contract to help officials working on the 2020 Census to reach and engage with communities they'd previously struggled to count, the outlet subsequently worked with the local health department to distribute information about COVID-19.

These types of examples offer another proven revenue route (https://whatsnewinpublishing.com/231-ways-publishers-can-make-media-pay/)¹²⁴ for publishers, and a means for policymakers to directly support local news organizations. That said, to Nikki Usher's warning about over-reliance on subsidies, publishers must be wary of putting all their eggs in one revenue basket. To successfully navigate any potential wind of change, media organizations must continue to diversify their revenue streams and generate income through a variety of means. ¹²⁵

5.6 Investing in public and community media

During our webinar series, we asked panelists to identify the single policy area they felt could make the most difference. Not surprisingly, money and funding frequently topped this list. Typically, this was through the lens of direct support for public and community media.

"Of course, there are a bunch of things," Matthew Powers told us, "but if I had to just pick one, I would say more per capita funding for public media."

Both Powers and Victor Pickard observed that the United States is an outlier in terms of funding for this sector. "It's woefully underfunded relative to Western Europe, and really to other parts of the world," Powers added. "It's clearly doable. We could have much better public media than we have now, and it could be much more broad[ly] available."

"We need lots and lots of money," Pickard agreed. "The U.S. is almost literally off the chart for how little we allocate towards our public media system. And if we could just increase that a fair amount, that would be fantastic."

Public media matters for multiple reasons, not least that it is, by definition, public. Accessibility matters. With increasing amounts of content — including journalism — available only to subscribers, it's important that high-quality reporting and information are freely available to all.

Joy Jenkins pointed to some of the tensions in newsrooms and their focus on loyal (paying) subscribers at the expense of more casual, fly-by audiences. "That raises questions over who are you losing, who's not having access," she said, noting how in the "pivot to paid," we also need to "really consider how to serve the broadest possible audience."

Too often, communities may find themselves struggling with the double whammy of news and broadband deserts, with the consequence (https://www.tandfonline.com/doi/full/10.1080/15205436.2022.2093749)¹²⁶ that it requires significant effort to access the local information and connectivity that many others take for granted.

"We can't have a free press if only some have access," says Christopher Ali. The growth of online misinformation, pink slime news sites (https://www.cjr.org/analysis/as-election-looms-a-network-of-mysterious-pink-slime-local-news-outlets-nearly-triples-in-size.php), ¹²⁷ and partisan news demonstrate what can happen (https://www.wired.com/story/paywalls-newsletters-and-the-new-echo-chamber/) ¹²⁸ when communities are excluded from reliable information ecosystems. Investing in public and community media is one way to offset the risk that the news will be available only for the rich, white, and blue (http://cup.columbia.edu/book/news-for-the-rich-white-and-blue/9780231184663). ¹²⁹

To encourage investment in community media, Graciela Mochkofsky stressed the importance of helping public officials, funders, and advertisers understand the reach and impact these smaller, often more niche outlets can have.

In New York City, 40 percent of the population are members of immigrant communities; "people who are foreign born," Mochkofsky explained. Community media is essential for many of these people, with the sector in the city producing content in more than 36 languages other than English. These audiences may not get their information from other sources, she said, "and there's no one else serving those communities."

Supporting this sector is also part of the shift, called for by multiple panelists, in terms of who should be funded and perceptions of what constitutes journalistic quality and value.

Mochkofsky highlighted the service and "extraordinary writing and reporting" produced at many community media providers. "They're severely under-resourced," she contended, so they need "more resources and to be taken seriously and to be seen as equal, even if the type of journalism they do is not the type of journalism that most funders or advertisers consider the only acceptable model."

To this point, several panelists called for the involvement of communities in helping to decide how potential funding for journalism is spent. This may help to shift the needle in terms of where support is directed, with communities possibly electing to direct money to a range of sources and providers.

Alongside supporting existing public and community providers, policymakers also need to consider how to help establish new media outlets. With that in mind, Simon Galperin encouraged them to consider establishing "a base level of local news [and] information."

To do this, he has advanced the idea of funding journalism like a public utility (https://www.cjr.org/united_states_project/local-news-special-service-community-information-districts.php). ¹³⁰ Mimicking tax models used by business improvement districts and library districts across the country, this effectively means that "a community would elect to tax themselves per household depending on what you see fit."

Galperin pointed to his hometown of Bloomfield, New Jersey, which has a population of 50,000. "If each person paid a \$5 tax every year to fund local news and information in our community, that would be \$250,000," he said, "which is plenty to run a community newsroom."

5.7 Funding specific acts of journalism

When it comes to help from policymakers and funders, there is an argument that this should focus on areas of market failure: that might include specific beats, as well as specific locales.

Within the U.S. Government, this type of support is not without precedent. In August 2022, the State Department awarded a \$120,000 grant to support a 12-week media accelerator focused on resilient news and information ecosystems in media deserts. The geographic focus of this work? Ethiopia. 131

According to Matthew Powers, specific funding projects like this are more common in Europe. "Oftentimes there are funds for individuals and organizations to be able to pursue either projects, or to develop organizations that do something the market is not currently willing to support," he said. "Now, this is not a panacea, but it's one way of trying to create space for the types of journalism we might think of as important, but that the market at present doesn't actually provide."

For Emily Bell, public service journalism in the United States is an area that might benefit from this type of intervention. Citing the example of reporting on school board discussions, Bell notes the value of this journalism, even if few people consume it at the time of publication.

"When something happens, or something goes wrong, they [these records] become absolutely invaluable," she said. "We've seen this over and over again: the boring business of creating a public record of what goes on in your community is often overlooked."

Alongside specific beats, there is also a case to be made for investing in news deserts, which can be found everywhere. BIPOC communities, for example, have often been underserved by many mainstream outlets in big media cities such as New York, Los Angeles, and Chicago. This is nothing new, but recent financial pressures have often made this lack of coverage even more acute.

Graciela Mochkofsky pointed to *The Los Angeles Times* as an instance of this issue in practice. "The assumption [was] that for decades they were serving the entire city of Los Angeles," yet, she said, "you will see that they only serve a small part of that city, leaving out, for example, the Latino population, which is almost half of the city population."

As a result, there's a need to support outlets — which might include mainstream incumbents — to address these important reporting gaps.

"We are very centered on building out based on what the people are calling for," Jessica J. González explained, "and so, yes, that's investment in journalists of color. Yes, that's investment from the public kitty into robust local news systems that don't really exist."

Funding specific acts of journalism, and news systems, may also need to consider the medium of delivery too. This might mean supporting SMS services, radio, and podcasts, as well as newsletters and print products. Print media might seem counterintuitive in the digital age, but it's a reminder of user preferences

(https://www.politico.com/magazine/story/2016/09/newspapers-print-news-online-journalism-214238/), ¹³² the attention (https://www.city.ac.uk/__data/assets/pdf_file/0007/436273/Are-Newspapers-Heading-Towards-Post-Print-Obscurity-A-Case-Study-of-The-Independents-Transition-to-Online-only.PDF) print products may get compared to online readership, ¹³³ and the realities of internet availability.

"Upwards of 42 million people lack access to a broadband network at home," Christopher Ali reminded us. Moreover, just because you have internet access doesn't mean it's reliable. "These issues are exacerbated in rural and tribal areas, which often lack the infrastructure — period — to be able to access the internet." He added, "The digital divide exists everywhere. It is not just a rural issue, but everywhere where we see systemic inequality, the digital divide is present."

Besides supporting specific beats, communities, and delivery formats, Tracie Powell also advocates support be focused on certain approaches and styles of journalism. "I think the biggest thing for journalism, period, is that we really start focusing on centering community," she said. "People have lost a lot of trust in this industry, in journalists themselves and journalism. They don't understand what it is and really don't care anymore. If the industry focused on ways that people are actually really consuming information and supporting that, we'd wind up on the right side of things. … We really should start at community, and I think we can build from there."

5.8 Giving smaller and independent players a seat at the table

A frequent criticism from many of our panelists centered on how media policy proposals typically support legacy operators and commercial media. That's something they would like to see changed.

Some of the ideas already outlined in this section, such as investing in public and community media, as well as coverage gaps, reflect this.

"Any policy must center the needs of communities and not the needs of the media industry," Jessica J. González maintains. "In the past, we've seen how media policy is often used to protect incumbent news, industry incumbents, uphold oppressive systems, and fail still to inform the public."

In Illinois in 2021, where a Local Journalism Task Force was created (https://www.ilga.gov/legislation/BillStatus.asp? DocNum=134&GAID=16&DocTypeID=SB&SessionID=110&GA=102) ¹³⁴ to study communities underserved by local journalism, Graciela Mochkofsky observed that "community media had to fight" to earn a spot at the table: "It's still very hard to be seen and to be recognized and to be treated as equals by their peers and by others."

The same story can be seen in other markets too, both in terms of lobbying and access to funding. Kristy Hess said Australia's News Media Bargaining Code "absolutely favors the big media players like News Corp. That is not really addressing issues of media diversity."

She added, "Smaller independent players are pulling together to try and have collective bargaining power. But small startups, the one-man or one-woman operators, they can't get access to any of this funding."

Matthew Powers painted a similar picture of the European news media landscape. "Not all the publishers are united, and these agreements tend to go first to the largest and most established ones," he said. As a result, smaller players are squeezed out as "the very large platforms get into negotiations and licensing agreements with the largest, most-established news organizations and news providers."

This sense of unfair competition is one Kristy Hess also identified with. Addressing this is another consideration policymakers need to get to grips with if they are to help smaller players and start-ups to thrive.

Sameer Padania suggested a way to bypass some of these potential harms could be proving a universal basic organizational income for those who qualify. "I leave it to you to decide who qualifies," Padania said, "but I think for those who are doing something that's public interests, information-needs focused, it should just be an automatic transfer that just happens."

Such approaches might seem radical, but small outlets have seldom been invited to the table and have often been overlooked when it comes to media policy discussions. Remedying this is especially important given that most local news outlets in the United States are considered "small market." A range of stakeholders can make a difference in helping to change this paradigm.

In a 2017 recommendation that remains true today, Dr. Christopher Ali and I wrote (https://medium.com/tow-center/15-ways-funders-j-schools-and-researchers-can-better-support-local-journalism-6643bdc736) that "we encourage funders to broaden their horizons with regard to the organizations in the local media sector they support." ¹³⁵

Aside from funders committing to this principle, member organizations need to continue to work hard to diversify their membership to be as inclusive as possible. Networks like LION Publishers (https://www.lionpublishers.com/), the Institute for Nonprofit News (https://inn.org/), and the Center for Community Media

(https://www.journalism.cuny.edu/centers/center-community-media/) can play a crucial role in supporting and advocating for their members. That includes lobbying, disseminating funding, and providing training and other forms of support — although, as Sarah Wiley (https://towcenter.columbia.edu/content/sarah-wiley)'s forthcoming Tow report demonstrates, less of this networked funding reaches the frontlines than might be expected. These bodies can also educate policymakers about the value of the work their members produce and the challenges they face.

Researchers must continue to help identify new local outlets. Many community media organizations risk going untracked and unmapped, an area that the CCM and others (https://agorajournalism.center/newsecosystem22/)¹³⁶ have sought to address. "It's not that the small guys are not invited to the table," Graciela Mochkofsky said, but "because they're so small, nobody sees them."

Media policymakers and funders therefore must consider both *where* they allocate funding and *how* it can be accessed. It's important for smaller players, many of whom will be representing smaller communities, to be aware of the opportunities that are available to them, and to have the skills (and time) to be able to access and manage them.

This is not to say that efforts, including financial support, should exclude commercial entities and legacy operators, although some of our panelists would disagree. Broadening access to funding and looking beyond the biggest players in the media landscape are important ramifications for policy proposals to consider.

The key is to ensure that monies are spent on journalistic activity, and that this has the biggest impact possible. That impact may not be based on audience size, but rather on *who* the audience is. As Jessica J. González observed, "Even if it does give money to incumbents, we want some safeguards in place to ensure that money is going to investigative reporting and journalism, not to overhead or to shareholders, right? That's what we need to protect for."

MOVING FORWARD

"The crisis facing independent journalism is of historic proportions, and it requires those with the power and foresight to act to confront this crisis with an historic response." These words, featured in a 2021 global report proposing A New Deal for Journalism, (http://dx.doi.org/10.13140/RG.2.2.26242.81605) 137 could equally have been written about the state of local news in the United States.

Matthew Powers, talking about local newsrooms in Europe, painted a picture that applies equally to the United States. "The business model isn't working, the audiences are aging, the future is online, and it's uncertain in terms of what it's going to look like," he said. "You could sort of drop into any newsroom or any journalism association anywhere and find roughly that same set of conditions."

He added, "What's different is that the core debate in many European countries tends to be less about whether support should be provided, but instead it really revolves around who should get support and what form that support should take."

6.1 The need for intervention

As we have seen, in the United States, we have noted a shift in opinion in some quarters toward a similar position; namely that the sustainability of local news (https://www.theguardian.com/media/2023/feb/21/us-local-news-outlets-tax-breaks-rebuild-initiative)¹³⁸ will be impossible without some form of support at both federal and state levels. "We just really need resources to go into this area," Emily Bell said.

That philosophical stance may feel like a significant departure, but "the bottom line is that government is always involved in our media," Victor Pickard reminded us. "The real question is *how* the government should be involved — and that is a question for media policy."

For Nikki Usher, "that requires thinking big and bold" in service of the information communities need to function, not just as voters, "but as beings going [about their lives] day to day."

How we fund this remains a matter of conjecture. That said, ideas that were previously off the table — such as direct government funding and different forms of subsidies — are now being discussed.

The proposed Local Journalism Sustainability Act of 2021 included provisions for a \$250 subsidy for subscriptions and donations to local news, as well as up to \$5,000 for small businesses to buy ads in their local papers or publications, and a \$25,000 subsidy for payroll tax credits. Although this failed at a federal level, similar provisions have been proposed in numerous state legislatures.

"These are not trivial subsidies," Victor Pickard said. "And yet I think we need to see much more. ... It's insufficient given the scope of the problem."

For Emily Bell, securing money from the tech platforms must be part of this mix. "That is still, to me, the really big kind of win here," she said, "if we can have that transfer from people who profit off the circulation of information to people that actually create information."

Either way, she added, "I would like to see money in this space in really meaningful amounts, whether that comes from a hypothecated tax from targeted advertising, whether it comes from some other type of taxational funding, or whether it comes from philanthropy, [or] whether it comes from all of those."

6.2 Protecting journalism's independence

In doing this, it will be essential that there are safeguards to ensure journalists have the freedom to report without fear or favor. Our panelists often talked about the challenge and importance of independence. Fears that journalistic independence may be compromised lie at the heart of some of their objections to direct government support.

Arguably, these principles of freedom are already under threat, and there's a real concern this threat will only increase. Nikki Usher cited how shield laws (https://www.law.cornell.edu/wex/shield_laws), which allow reporters to conceal and protect sources' identity, don't always work (https://www.niemanlab.org/2021/10/higher-ed-and-public-radio-are-enmeshed-so-what-happens-when-the-culture-wars-come/). ¹³⁹ Some worry that these intrusions and other forms of political pressure may become more prevalent if journalism becomes less market-driven and more dependent on income derived from fresh policy initiatives and political patronage.

Moreover, as Sameer Padania pointed out, global trends show that these fears are not without foundation. Media capture (defined (https://www.mdif.org/media-capture-i-the-first-steps-capturing-the-regulator-and-public-service-broadcaster/) by the Media Development Investment Fund (https://www.mdif.org/) as "a situation where the media are controlled directly by governments, vested interests or, most often, a combination of both" 140) and the presence of overtly political appointees to roles running — or overseeing (https://news.sky.com/story/conservative-peer-and-ex-broadcaster-michael-grade-named-as-governments-preferred-candidate-for-chair-of-ofcom-12574272) 141 — public media have become more prevalent.

That said, mechanisms

(https://www.researchgate.net/publication/281194313_Rodney_Benson_and_Matthew_Powers_Public_Media_and_Political_Ind exist to help offset this risk, which can be learned from public media models around the world. ¹⁴² This includes clear contracts (e.g. charters) designed to uphold independence.

Matthew Powers described other characteristics within European public media structures that could be applied to interventions in the United States. Those include oversight agencies at arm's-length independence from the government and power, as well as audience councils and research surveys designed to help ensure that public media is serving diverse publics and constituencies.

A further means to reduce the risk of interference stressed by Padania and Powers stems from the need for financial certainty and long-term funding. Such certainty is seldom provided to most media players, making it harder to plan for the future and to address key considerations such as digital transformation, new business models, and the need to tackle DEI

issues. "In Europe ... typically public-service broadcasters are able to secure their funding over multiyear periods," Powers noted. "That's very important."

6.3 Policy as more than just a Band-Aid

Funding for journalism and proposed media policy interventions have too often been designed to paper over the cracks, rather than resolve long-term structural issues with the news and information landscape.

Our panelists had different views on how this could — and should — be fixed. Nonetheless, they agreed on the need for long-term planning and a desire to redraw the media landscape, rather than simply preserving the status quo. To help secure this objective, policymakers should consider not just who gets support, but what they get support for, and where efforts are focused.

In doing this, Sue Cross reminded us, more work needs to be done in ensuring that proposed solutions and interventions meet real local needs.

"Journalists and philanthropic funders and civic leaders all tend to have this mental image," she said. "They think they know what the community needs. In many cases they do, but you need to go out to the community and say, 'What is that big information gap? What is it you don't know about the local schools?' And then focus on that, because news used to be very broad. It's hard to support that. You need to start and meet the most crucial needs and expand from that."

As part of these efforts, some panelists identified an opportunity for media policy to redraw the media landscape and traditional lines of power. "We need to invest money in creating new things," Simon Galperin suggested, "and less into ... sustaining the current thing." He argued that the existing media system "is going to end at some point, and we're just stringing it along," likening the debate to "giving tax subsidies to fossil fuel companies while we wait for them to transition to a green economy. ... Ultimately, we can just create alternative systems and put those same workers and that same talent to work in a different space."

Others encouraged a more hybrid model. "We need to build new things," agreed Graciela Mochkofsky, "but I do think that a lot of the things that have been there are really worth supporting and keeping," including mainstream and community media outlets: "I don't think everything should be just nuked and start from zero."

6.4 Creating a more level playing field

For some of our panelists, using media policy to more effectively meet information needs specifically means increasing investment in public and community media. Aside from the fact that these outlets typically target information-poor communities, several panelists also felt that in an era of finite resources, many incumbents were less deserving of support.

"I would like to see tens of billions of dollars come straight out of the Treasury, but our plan B should be coming from the platforms and other sources," Victor Pickard told us. "Except I'd like to

see that money go into a public media fund, not just back to the commercial publishers who themselves are complicit in the journalism crisis."

However, provisions for legacy outlets have often been front and center in many policy discussions, often at the expense of opportunities to support and grow noncommercial community outlets.

"Recent efforts like Rebuild Local News Coalition, which is the main advocacy group for the Local Journalism Sustainability Act, show that journalists are hungry to take action," explained Jessica J. González. She added, "We are so psyched for this, but the hard truth, though, is that big commercial media outlets have outsize influence in Washington and in many state capitols, and they are well positioned to advocate for the status quo."

That situation is not unique to the United States. But U.S. policymakers can learn from more advanced efforts in other markets, and avoid some of the missteps seen elsewhere.

Kristy Hess pointed out how in Australia, many of the media outlets eligible to receive public funding failed to benefit from it, with money instead going to the biggest commercial groups. "There was an expectation with those grants that local newspapers actually knew how to write a government grant application," she explained, "and so many actually missed out on that opportunity because it was just too hard."

6.5 Grounding interventions through a DEI lens

Who can — and should — benefit from media policy were key themes throughout our webinar series. Tackling deep-seated issues of equity and inclusion were key drivers for this, as well as the perceived failings of legacy media. Shortcomings included adapting business models to the realities of the digital age, as well as the inability to meet the information needs of a wide, diverse audience.

As Jessica J. González put it, "Greedy media corporations and hedge funds, the very same ones that have contributed so much to the mess we're in, hold most of the political power."

Broadening access to high-quality news and information, as well as resolving to widen the talent pool of those who create it, lay at the heart of many of our conversations. We encourage media policymakers to make them integral to their work too.

Policy elements that can support these goals include questions related to ownership models, access to funding, and policy discussions, as well as efforts to expand the production base and a larger classification of what quality news and information look like.

"The whole idea is to be absolutely community first, and to serve neighborhoods that have been underserved or ignored or stereotyped by other news outlets," Joy Jenkins said. One potential implication for this involves supporting local news that is delivered and formatted in fresh ways.

Jenkins highlighted the Milwaukee Neighborhood News Service (https://milwaukeenns.org/) (NNS) in Wisconsin as an example of this principle in practice. "When you look at the stories they're producing and the initiatives they're engaging with, they may not look like the local news some may be used to ... but it is absolutely created to serve those communities," she said.

Media policy efforts cannot be separated from other policy initiatives, Christopher Ali suggested.

Affordable high-speed broadband will benefit local journalism organizations, he pointed out, as part of the wider net benefits that this rollout will have. "Low-income individuals ... rural areas ... tribal areas, everyone should be able to have access to these networks to do what it is they want to do. And I think that's going to be so essential for the future of local journalism."

Nikki Usher also made the case for incentivizing engagement with student media, a pivotal training ground for many journalists, pointing to opportunities to recalibrate the Federal Work-Study

(https://www2.ed.gov/programs/fws/index.html) program "to support students working on campus media and potentially even non-campus media."

Usher also advocated that journalism is factored into thinking on student loan forgiveness. In a webinar that preceded the August 2022 announcement (https://www.whitehouse.gov/briefing-room/statements-releases/2022/08/24/fact-sheet-president-biden-announces-student-loan-relief-for-borrowers-who-need-it-most/)¹⁴³ by the Biden administration, they called for "journalism loans for journalism school [to] be part of that student loan forgiveness program."

Given the low salaries of many local journalists, it can be difficult for graduates to make a dent in their debt. This salary-debt combination can also lead journalists to quit (https://www.ijpr.org/media-society/2022-03-02/klamath-falls-herald-and-news-to-lose-entire-reporting-staff) ¹⁴⁴ local newsrooms or journalism altogether. Addressing this may help to remove some of the financial barriers that prevent people from moving into journalism — or staying in it.

Journalism's diversity problem is well known (https://www.poynter.org/tech-tools/2018/lessons-learned-seven-ways-news-outlets-can-rebuild-trust-and-sustainability/). ¹⁴⁵ Through these types of measures, policy can help make journalism a viable career option for more people, especially women, younger and early-career reporters, and journalists of color.

"How do we get people in local communities to want to be journalists, and how do we make sure that we can create careers for them?" Emily Bell asked. "Innovation is absolutely the path to that. That cannot really be done just in the existing structures that we currently have."

6.6 Maintaining the push for policy solutions

Perhaps the biggest barrier to implementing new systems for journalism is the political strength of many of the larger legacy outlets and a lack of willingness by policymakers to recognize and embrace the potential for change.

Whatever the makeup of the future media landscape, our panelists were united on one thing: We cannot simply leave things as they are. "If we don't do anything, if we don't find non-market means of support, we know what's going to happen," Victor Pickard warned.

"There's momentum to reimagine local news," Jessica J. González reminded us, pointing to the Media 2070 project, the New Jersey Civic Info Consortium, and the establishment of journalism commissions in Massachusetts and Illinois, as well as the introduction of several bills in Congress focused on local news.

In hosting these discussions, we chartered a shift in the willingness to look at solutions and agree on the need for action. As Victor Pickard explained:

I remember 10, 15 years ago, even five years ago, trying to make the case that what we're seeing is systemic market failure. People just weren't agreeing that; they might agree that journalism is a public good, but they wanted to stop the conversation right there and not tease it out to consider that the market's not going to support the level of journalism that we need, so we need to make these policy interventions.

"For new models like this to thrive, we need to organize," González said. "We have to have multi-stakeholder, peoplepowered coalitions at local state and national levels to win public policies that will create and sustain informed and equitable communities."

She continued,

It's really hard to imagine, at this point, a future for vibrant local news without innovative public policy and a huge infusion of public dollars to meet community information needs. The losses that we've seen at commercial media outlets: they will never be recouped. There is no amount of reader revenue to give newsrooms the resources they need for the journalism that we so desperately need, and philanthropists alone can't fill the gap.

To help do this, there's an increasing recognition of the power of networks such as the Institute for Nonprofit News, News Alliance, and the Rebuild Local News Coalition in advocating for change.

At the same time, journalists and researchers are willing to more openly stress why support is needed, emphasizing local journalism's role as a public good (https://www.cjr.org/special_report/journalism-power-public-good-community-infrastructure.php), ¹⁴⁶ the role it plays in combating disinformation (https://www.poynter.org/commentary/2022/truth-can-win-if-we-change-course-and-focus-on-local-news/) ¹⁴⁷ and building community (https://knightfoundation.org/considering-supporting-local-news-as-a-public-good-heres-the-whole-story/), ¹⁴⁸ while at

the same time discussing (https://rasmuskleisnielsen.net/2021/03/19/7-media-policy-options-for-enabling-independent-professional-journalism/)¹⁴⁹ some of the potential policy avenues (https://www.poynter.org/business-work/2022/national-tax-support-journalism/)¹⁵⁰ that can be harnessed to support it.

Although much of the focus for these efforts have shifted away from the Hill to state capitols, media policy discussions have not gone away. And nor have the groups campaigning for change.

"Stakeholders who are mobilized to have those sustainable conversations are definitely still having them," advised Elizabeth Hansen Shapiro. "My sense is that the coalitions that were built are still intact."

It's incumbent on all of us to ensure that this momentum continues and gets transformed into the policy initiatives that communities across America need and deserve.

APPENDIX

Webinar Participants

List of Expert Panelists

Primary positions held at the time of the webinars (October 2021–January 2022)

Associate Professor, University of Virginia; Knight News Innovation Fellow, Tow Center for Digital Journalism, Columbia University. United States Now: Pioneers Chair, Professor of Telecommunications, Dr. Christopher Pennsylvania State University. United States Ali Founding Director of the Tow Center for Digital Journalism at Columbia Journalism School, and the Professor Emily Leonard Tow Professor of Journalism. United States Bell Executive Director and CEO at the Institute for Nonprofit News. United States **Sue Cross** Founding Director of the Bloomfield Information Project and the Community Info Coop; 2022 JSK Community Impact Fellow at Stanford University. United States Simon Galperin Co-CEO, Free Press. United States Jessica J. González Senior Research Fellow at the Tow Center for Digital Journalism; CEO and Co-Founder at the National Dr. Elizabeth A. Trust for Local News. United States **Hansen Shapiro** Associate Professor of Communication at Deakin University, Victoria; Associate Editor, Digital Journalism. Australia Now: Professor of Communication at Deakin University. Australia Dr. Kristy Hess Assistant Professor at the School of Journalism and Electronic Media, the University of Tennessee. United States Dr. Joy Jenkins Director of the Bilingual Journalism Program; Executive Director, Center for Community Media at Craig Newmark Graduate School of Journalism. United States Now: Dean of the Craig Newmark Graduate School Graciela of Journalism at CUNY. United States Mochkofsky James R. Shepley Professor of Public Policy; Director of the DeWitt Wallace Center for Media & Dr. Philip M. Democracy, Duke University. United States Napoli Founder and Advisor at Macroscope, Lead Rapporteur for the Working Group on the sustainability of journalism, produced by the Forum on Information and Democracy. United Kingdom Now: Founder and Advisor at Macroscope, Local News Plans Project Lead at the Public Internet News Foundation. United Sameer Padania Kingdom C. Edwin Baker Professor of Media Policy and Political Economy and co-director of the Media, Inequality & Change (MIC) Center at the University of Pennsylvania's Annenberg School for Communication. United Dr. Victor States **Pickard**

Founder at The Pivot Fund; Chair at LION Publishers; Fall 2021 Shorenstein Center Research Fellow at Harvard Kennedy School, University of Harvard. United States

Tracie Powell

 $Associate\ Professor, Department\ of\ Communication, and\ Co-Director\ of\ Center\ for\ Journalism, Media\ And\ Co-Director\ of\ Center\ for\ Negative\ And\ Center\ for\ Negati$

Dr. Matthew Powers Democracy at the University of Washington. United States

Associate Professor at the University of San Diego, Senior Fellow at the Open Markets Institute's Center for Journalism and Liberty.

Dr. Nikki Usher

Links to recordings and transcripts

Webinar 1: An Introduction to Media Policy and Local Journalism

Panel: Emily Bell, Victor Pickard, Nikki Usher

Date held: October 21, 2021

 $\label{links: watch on YouTube (https://www.youtube.com/watch?v=aDOpQMAaDIs), listen on SoundCloud (https://soundcloud.com/towcenter/an-introduction-to-media-policy-and-local-journalism), read the transcript (https://soundcloud.com/towcenter/an-introduction-to-media-policy-and-local-journalism).$

on Scribd (https://www.scribd.com/document/536731561/Transcript-An-Introduction-to-Media-Policy-and-Local-Journalism), write-up on Medium (https://medium.com/tow-center/emily-bell-victor-pickard-and-nikki-usher-kick-off-new-tow-webinar-series-on-local-journalism-and-f8dobf13c58f) and in the Tow weekly newsletter (https://us7.campaign-archive.com/?u=f92dc374de944af763a8fdf13&id=2178a1abbe).

Webinar 2: Local Journalism and Media Policy: Lessons from Overseas

Panel: Kristy Hess, Sameer Padania, Matthew Powers

Date held: November 18, 2021

Links: Watch on YouTube (https://youtu.be/H7eDaYZhXf8), (https://youtu.be/BW8XcnfF6hM) listen on SoundCloud (https://soundcloud.com/towcenter/local-journalism-and-media-policy-lessons-from-overseas), read the transcript on Scribd (https://www.scribd.com/document/541224923/Transcript-Media-Policy-and-Local-Journalism-Lessons-From-Overseas), write-up on Medium (https://medium.com/damian-radcliffe/local-journalism-and-media-policy-kristy-hess-sameer-padania-and-matthew-powers-explore-811d3960a7a7) and in the Tow weekly newsletter (https://mailchi.mp/d2b2c1c218d5/weekly-updates-on-covid-19s-impact-on-journalism-2083397?e=7e286a7aaf).

Webinar 3: Giving a Voice to Grassroots Media

Panel: Simon Galperin, Graciela Mochkofsky, Tracie Powell

Date held: December 16, 2021

Links: Watch the full conversation on YouTube (https://youtu.be/cflSJrk9_30), listen on SoundCloud (https://soundcloud.com/towcenter/giving-a-voice-to-grassroots-media), read the

 $transcript\ on\ Scribd\ (https://www.scribd.com/document/548657139/Giving-a-Voice-to-Grassroots-Media),\ write-up\ in\ the\ Tow\ newsletter\ (https://us7.campaign-archive.com/?u=f92dc374de944af763a8fdf13&id=4625111cc7)\ and\ on\ Medium\ (https://medium.com/damian-radcliffe/local-journalism-and-media-policy-giving-a-voice-to-grassroots-media-bc0302e59452).$

Webinar 4: Emerging Issues and Fresh Ideas

Panel: Christopher Ali, Sue Cross, Jessica González

Date held: January 20, 2022

Links: Watch the full conversation on YouTube (https://www.youtube.com/watch?v=GSNg4INGBkA), listen on SoundCloud (https://soundcloud.com/towcenter/emerging-issues-and-fresh-ideas), read the transcript on Scribd (https://www.scribd.com/document/554978599/Transcript-Media-Policy-and-Local-Journalism-Fresh-Ideas-and-Emerging-Issues) and write-up in the Tow newsletter (https://mailchi.mp/7c818d49fb49/weekly-updates-on-covid-19s-impact-on-journalism-2083424?e=b9ab6352a2) and on Medium (https://medium.com/damian-radcliffe/local-journalism-and-media-policy-christopher-ali-sue-cross-and-jessica-gonzalez-discuss-emerging-46fb4c7262ef? sk=c3df136978e68odcd1224b686c87dd95).

Webinar 5: Lessons Learned and a Look at What Happens Next

Panel: Elizabeth Hansen Shapiro, Joy Jenkins, Philip Napoli

Date held: January 27, 2022

About the Authors

Damian Radcliffe (http://www.damianradcliffe.com/) is a journalist, researcher, and professor based at the University of Oregon (https://journalism.uoregon.edu/directory/faculty-and-staff/all/damianr), where he is the Carolyn S. Chambers Professor in Journalism, a Professor of Practice, an affiliate faculty member of the Department for Middle East and North Africa Studies (MENA) and the Agora Journalism Center, and a Research Associate of the Center for Science Communication Research.

Damian is also a three-time Knight News Innovation Fellow (https://towcenter.columbia.edu/content/damian-radcliffe) at the Tow Center for Digital Journalism at Columbia University; an Honorary Research Fellow (https://www.cardiff.ac.uk/people/view/201298-radcliffe-damian) at Cardiff University's School of Journalism, Media and Culture Studies (JOMEC); and a Life Fellow of the Royal Society for the Encouragement of Arts, Manufactures and Commerce (https://www.thersa.org/) (RSA). In Spring 2023, he will be a Visiting Fellow at the Reuters Institute for the Study of Journalism (https://reutersinstitute.politics.ox.ac.uk/) at Oxford University, his alma mater.

With more than 25 years of experience in the media industry, Damian has worked in editorial, strategic, research, policy, and teaching positions in the United States, the Middle East, and the United Kingdom. This includes roles in all media sectors (commercial, public, government, regulatory, academic, and nonprofit/civil society) and all platforms (print, digital, TV, and radio).

He continues to be an active journalist (http://www.damianradcliffe.com/recent), writing regular features for Digital Content Next (https://digitalcontentnext.org/blog/author/damianradcliffe/), the International Journalists' Network (https://ijnet.org/en/author/damian-radcliffe) (IJNet), What's New in Publishing (https://whatsnewinpublishing.com/author/damianradcliffe/), Journalism.co.uk

(https://www.journalism.co.uk/search/s396/?

boolMode=true&searchConfigID=default&qAll=&qPhrase=Damian%2oRadcliffe&qAny=&qNone=&qDateStart=&qDateEnd=&qSor and other outlets (https://damianradcliffe.wordpress.com/about/sightings/). His research and journalistic work focuses on local media, technology, social networks, media business models, content innovation, and the practice of journalism.

As an analyst, researcher, and trainer, he has worked with a wide range of additional industry and academic organizations including the BBC World Service, Facebook, FIPP, INMA, the Thomson Reuters Foundation, the World Association of News Publishers (WAN-IFRA), and the United Nations. He has been quoted on issues relating to digital media and journalism by major outlets such as AFP, BBC News, Business Insider, NPR, *The New York Times*, Snapchat, Wired, and Voice of America.

As a freelance journalist, his work has been published by leading publications and trade outlets such as the BBC, *Columbia Journalism Review* (CJR), the Global Investigative Journalism Network (GIJN), Harvard's Nieman Lab, HuffPost, PBS MediaShift, Poynter, TheMediaBriefing, and ZDNet.

He tweets @damianradcliffe (https://twitter.com/damianradcliffe).

Dr. Nick Mathews (https://nick-mathews.com/) is an Assistant Professor at the University of Missouri-Kansas City. He earned his PhD from the University of Minnesota's Hubbard School of Journalism & Mass Communication in summer 2022. He has an MA and a BJ in Journalism from the University of Missouri.

His research interests focus on journalism studies, rural media environments, news audiences, news deserts, social media and its role in journalism and society, and the value of news in everyday life. His award-winning work has been published in several leading peer-reviewed journals, including *Journalism*

(https://journals.sagepub.com/doi/full/10.1177/1464884920957885) (2)

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(https://www.tandfonline.com/doi/full/10.1080/1461670X.2021.1897477?src=), Digital Journalism

(https://www.tandfonline.com/doi/full/10.1080/21670811.2021.1977668?src=), Mass Communication and Society

(https://www.tandfonline.com/doi/abs/10.1080/15205436.2022.2093749?fbclid=IwAR30OmUXCh9baS-

hehSQHJpo1gMOfXhJPZn8oXwbIwP6n_womhYZYdQFm6U&src=&journalCode=hmcs20), and the *Journal of Communication Inquiry*. (https://journals.sagepub.com/doi/10.1177/01968599211052899)

Nick previously worked in the journalism industry for more than 20 years, including time as a senior editor at the *Houston Chronicle* and as a regional editor-in-chief in Central Virginia.

He tweets @Nick_Mathews (https://twitter.com/Nick_Mathews).

ACKNOWLEDGEMENTS

This report is based on a series of five public-facing webinars hosted by the Tow Center in late 2021 and early 2022. These events featured in-depth discussions on issues related to media policy with 15 leading local media practitioners, researchers, and advocates from around the world.

That series, and this subsequent report, would not have been possible without the thoughtful and insightful contributions provided by Emily Bell, Victor Pickard, and Nikki Usher (Panel 1: An Introduction to Media Policy); Kristy Hess, Sameer Padania, and Matthew Powers (Panel 2: Lessons from Overseas); Simon Galperin, Graciela Mochkofsky, and Tracie Powell (Panel 3: Giving a Voice to Grassroots Media); Christopher Ali, Sue Cross, and Jessica González (Panel 4: Emerging Issues and Fresh Ideas); and Elizabeth Hansen Shapiro, Joy Jenkins, and Philip Napoli (Panel 5: Lessons Learned and a Look at What Happens Next).

We remain heavily indebted, and grateful to these panelists for their willingness to share their ideas and thoughts on this topic, the depth of responses they provided, and their willingness to do so in a live webinar format.

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text are mine, and mine alone.

Dr. Elizabeth Hansen Shapiro at Tow acted as a valuable sounding board as this series was being developed, as well as being a terrific contributor to the final panel.

Meanwhile, Dr. Nick Mathews provided invaluable support in the form of pre-event briefings and post-event write-ups. He was a wonderful and suitably patient collaborator throughout the life of this project.

Damian Radcliffe

Oregon, April 2023

Damian Radcliffe with Nick Mathews

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