

I want to develop the idea that substantially increased federal funding for public service media that provide local news and information would be an effective public policy response to the crisis in journalism. I start from several propositions:

- The subscription and advertising base for print journalism can no longer sustain the production of local news and information;
- Private sector efforts to replace the economic base for print journalism will not be enough; and,
- The goal is not to preserve print journalism or its institutions, but to support the production and distribution of news and public affairs coverage that is essential in a democracy.

These are debatable propositions, but I think that others have argued persuasively for them. It is time to move from problem statement to solution.

The core idea is this: Congress should adopt legislation that would provide substantial additional resources to the Corporation for Public Broadcasting for the purpose of supporting local newsgathering by public service media. These resources would be directed toward public broadcasting stations and other nonprofit or low-profit local news organizations. Saving journalism will require substantial public support, which should go to public media institutions by way of multi-year news and public affairs grants to develop and distribute local, regional and national news..

The system of public service media already exists, with a mandate to provide public interest programming, including news and public affairs reporting. What the system needs is the funding to hire journalists to cover local and regional news: school boards, zoning meetings, city councils, and state legislatures.

Public service media clearly recognize both their obligation and their opportunity to fill the local newsgathering role that newspapers have traditionally carried out. For instance, Joyce Herring, PBS station services vice president, said recently that the work being done by stations with former newspaper journalists “is an innovative way in which public service media can meet local needs.” Vivian Schiller, head of NPR, recently noted her organization’s responsibility to “fill the gap left by dying newspapers, particularly in areas such as investigative and explanatory journalism.” Schiller said, “It is our special responsibility, as other media organizations die, that we hold public institutions and individuals to account.”

A step in the right direction was taken with the announcement in October 2009 that NPR will launch a new journalism project to develop in-depth, local coverage on topics critical to communities and the nation. The project is being funded with \$2 million from CPB and \$1 million from the John S. and James L. Knight Foundation. With substantial additional federal funding, this initiative could be expanded.

As Len Downie and Michael Schudson point out in their [just released report](#) for the Columbia School of Journalism, this effort to provide support through public media

might require reforming public media's mandate to provide some local news coverage as a condition of receiving federal aid.

New technology and citizen journalism cannot do this job alone. Interactive online applications like Facebook and Twitter are important ways for communities to form online and to engage in the free-wheeling debate, advocacy and organizing that are the genuine substance of democracy. And efforts by amateur, citizen journalists to create new investigative content are increasingly important to this ongoing community dialogue. But so far, they have not carried out substantial amounts of first-generation newsgathering. The reason for this is, as David Simon said to the Senate Commerce Committee recently, "...high-end journalism – that which acquires essential information about our government and society in the first place – is a profession; it requires daily full-time commitment from trained men and women who return to the same beats day in and day out... ."

Increased public funding for local news and public affairs programming could support professional journalists.. And a move to hire journalists would dovetail nicely with the exciting possibilities for new interactive, community-building public media. The purpose and promise of new public media are not to be just passive purveyors of one-way delivered news content, but to engage communities of online users through commentary, advocacy and organizing for action. A coordinated national initiative involving public service media would help foster interactivity and public engagement.

As Jessica Clark, co-author of the Center for Social Media's [2009 report on public media](#), says,

It is also possible to imagine the linked organizations that comprise the public broadcasting system—with their federal public service mandate, local stations, and national programming outlets—playing such a (coordinating) role. There are, after all, public broadcasting stations, which could be local hubs of a national network, in nearly every metropolitan area in the United States, and there is a national body to manage federal dollars, the Corporation for Public Broadcasting. Public broadcasting, including CPB as a private nonprofit, is properly distanced from government to allow for free speech among public media 2.0 participants.

Public broadcasting stations don't have the capacity to do this right now. Although they do some local newsgathering of their own and are beginning some collaboration with other news organizations, they largely get their local news from other sources, rather than produce it internally from their own resources.

However, public service media can buy the expertise they need to produce local news content. Print journalists who have been laid off can be employed by these stations to perform roughly the job they were previously doing for newspapers. They could focus on in-depth analyses, investigative reporting and government watchdog initiatives. Displaced newspaper veterans would like nothing more than to continue doing what they were doing – covering their beat and gathering local stories. All that public service media

need to take advantage of these reporters' newsgathering abilities is funding to pay their salaries.

How can public service media take on this challenge now? Newspapers are suffering, but so are public media. Public radio and television stations are closing. Philanthropic support is down and public media fundraising is not good. Even the wildly successful NPR is cutting back.

Public service media can only ramp up local newsgathering through additional federal funding. Funding for FY 2010 can be increased through the normal appropriations process in this congressional session. As the head of CPB recently remarked on the administration's \$502 million budget request for FY 2012, "... the window of opportunity has not closed, and Congress and the administration can still make a critical new investment in public broadcasting as the appropriations committees begin consideration of their bills in the weeks and months ahead." An appeal for supplemental funding for FY 2010 for local newsgathering should be part of that process. In addition, future funding for the system should include this support for newsgathering capacity.

As with the economic stimulus funding, funding for local newsgathering is meant to be targeted and timely. But unlike the stimulus, it is not intended to be temporary. The increased funding should be permanent. The journalism crisis is not a period of transition, but a matter of finding a long-term funding mechanism to replace the advertising basis for journalism.

It is true that Congress could change its mind down the line and defund these efforts. Public broadcasting has been through ups and downs of federal funding throughout its existence, and there is no reason to think that this new initiative will escape these vicissitudes. Ultimately, all public media should be funded through a trust. In the meantime, the annual appropriations process is the best we have, which means an ongoing need for political mobilization to advocate for news and public affairs grants.

This is not a bailout of the newspaper industry. The funding will go to public broadcasting entities and to other nonprofit or low-profit entities engaged in local newsgathering. Newspapers might be involved in this to the extent that they transform themselves into nonprofit or low-profit institutions, perhaps taking advantage of proposals like Sen. Ben Cardin's to enable newspapers to become nonprofit entities. News and public affairs grants could open the door to a new wave of collaboration between public service media and these nonprofit local newspapers.

Some people argue that the government shouldn't support content and that its role should only be to support infrastructure deployment, such as the funding for broadband that is contained in the stimulus package. At the most, these people argue, government should promote a nondiscrimination requirement to make sure that content Web sites and application providers are not subject to strategic manipulation by monopoly carriers. A related concern is that the government shouldn't compete with the private sector in this area.

This, however, is too narrow a conception of the public sector's role in media policy. It is probably true that the Federal Communications Commission should not fund news as a regulatory matter. But the CPB is a private entity that already receives and dispenses federal funds – in part for news and public affairs programs like the NewsHour and Frontline.

Private sector support for journalism is eroding. Advertising will no longer support it. So public funding isn't displacing private sector funding, but providing a public good that the private sector is no longer able to provide.

This truth about news production is worth emphasizing. News production and distribution are public goods, subject to extensive externality and free rider problems. In the absence of some funding mechanism other than individual payment, there will be too little of these goods produced and our democracy will be the poorer for it. Advertising was an accidental way to provide for these public goods without the need for a direct government subsidy. As long as the advertising-supported system worked, there was no need for an extensive government support mechanism. Public funding could be confined to underwriting programming that the private sector wouldn't fund through advertising. Public broadcasting had a supplementary role. But with the decline of advertising support, public funding becomes essential.

Such a content-supporting role is not unusual in government programs. The programming provided by the public broadcasting system is itself an example. And it is not hard to list others, including the museums, libraries and performance venues supported by state and local governments across the country, the National Endowment for the Arts, the National Endowment for the Humanities, research supported by the National Science Foundation and the National Institutes of Health.

But wouldn't the government control the news agenda and point of view of publicly funded news? How can a vigorous press be independent and perform its watchdog role over the government when it receives government money? Other countries have a tradition of publicly funding news organizations that are vigorous critics of government policies and mistakes and corruption. We have this tradition here in the United States as well, through the "heat shield" provisions of current public broadcasting law. These firewall provisions need to be upgraded and congressional oversight of CPB should be increased to prevent any government review of news agendas or point of view in connection with news and public affairs grants.

While public broadcasting entities are prime candidates to receive these grants, other local newsgathering organizations, including nonprofit newspapers and content Web sites, should be eligible for the CPB news and public affairs grants. As Ellen P. Goodman recently wrote, "Grantees of federal funds should not have to tie their works to television projects or otherwise produce in partnership with, or for distribution on, broadcast television." Public service media should produce their content for multiple platforms and outlets, and are beginning to do so. There is no reason not to fund organizations that have their natural home on the Internet, as Internet-based news content might also find its way

onto the traditional outlets of radio and television. As Paul Starr testified recently before Congress, federal funds for the newsgathering function should be “platform-neutral.”

There might be some difficulties in determining what qualifies as news and public affairs programming. Is Jon Stewart news or entertainment? But these are not insuperable obstacles. To get a grant, a news organization would have to describe the kind of program, beats or coverage it intended to provide. There is nothing wrong with a news program that also entertains. But by lifting profit pressures, the worst aspects of infotainment can be avoided.

Grants should not be one-time-only subsidies. Other sources of funding will never be sufficient, and there should be no expectation that the news and public affairs grantees will transition out of government support. Philanthropy can help, but as Massing pointed out in a recent [New York Review of Books article](#) on the news crisis, it is not likely to be enough and foundations want to provide seed money, not permanent support. To create and maintain institutional newsgathering capacity, the grants should be multi-year, but not permanent. Review at grant renewal time would also provide an opportunity to increase or decrease the award depending on the success of the funded program. There should, however, be a presumption that the grant will be renewed if the grantee has fulfilled the terms of the original grant.

Finally, should public support be conditioned on the grantee maintaining nonprofit or noncommercial status? This is a point of debate. Some might allow grantees to be low-profit, and there is a legal status called L3C that might permit this. In my judgment, the key point is that their purpose be public. Newsgathering grants would not preclude other support mechanisms, including philanthropy, donations from the public, and even, in my view, some advertising. If their revenues exceed their costs, however, they would need to use all or most of their net revenues for their public purpose.