

November 6, 2009

To the members of the Federal Trade Commission:

As an academic and a journalist who have for 15 years written extensively on the decline of American journalism, we welcome your decision to host the December 1-2 conference on the future viability of America's media, "From Town Criers to Bloggers: How Will Journalism Survive the Internet Age?"

This is a discussion that is long overdue, and we are delighted to add our insights to it.

Under separate cover, we have sent a hard copy of our new book, *The Life and Death of American Journalism: The Media Revolution That Will Begin America Again*. The book was completed in late October. It will be released by Nation Books/Perseus Group in January 2010. We ask that the book be regarded as confidential, as our publisher prefers that copies not be widely distributed or made available on the web.

At the same time, as you will see, this is a book that has been written with an eye toward offering a precise explanation of the crisis in journalism that the FTC is preparing to examine.

The book is based on many years of hard research and much original data. Its strength, we believe, is in the insights regarding the real causes of the crisis and the use of those insights to proposed real solutions.

In a nutshell, we argue that the crisis of journalism is genuine and that it will steer the republic toward the most dire consequences imaginable unless it is arrested. The crisis has, to be sure, been aggravated by the Internet and the current economic downturn. But the problem began long before the World Wide Web. The core challenge is the reliance on a commercial system that, as we detail in the book, is operated by interests that no longer regard the production of journalism as a profitable undertaking. Hence the institutions that once produced the vast majority of our journalism are abandoning the endeavor. The Internet only accelerates the process and makes it irreversible.

An understanding of that dynamic is essential if we are truly to rejuvenate journalism. To achieve that rejuvenation, it is necessary to regard journalism as, first and foremost, a public good, like national defense, education and pandemic prevention. Quality journalism is something that the American people want and need. Yet, the market will never again produce it in a sufficient amount to meet the requirements of citizens for reliable information and analysis.

With this democratic disconnect in mind, we argue in our book that the solution to our problem can be found in American history. The free press tradition in the United States has two main components: First, that the government shall not censor journalism or news media. Second, that it is among the first tier of duties—perhaps the first duty—of the democratic state to see that a viable news media exists. To that end, news media were

very heavily subsidized through printing and postal subsidies during the first several generations of American history. There was no sense during the founding period of the American experiment that the essential work of gathering and distributing the information necessary to make citizens their own governors could be left to the market. Our research reveals that, if the same level of subsidies for journalism as a percentage of GDP existed today as existed in the 1840s, the United States would have spent some \$30 billion to support journalism in 2008. Needless to say, that level of commitment, were it directed to the purpose of fostering new and innovative journalism, would provide the bridge to the 21st century that commercial interests refuse to construct.

Coincidentally, this is approximately the amount spent to subsidize journalism on a per capita basis in nations like Norway, Denmark and Sweden. These nations rank as the freest and wealthiest nations in the world by almost every measure.

This second aspect of the free press tradition, the commitment of an engaged government to fostering the free flow of information that is necessary to civic and democratic life, has been largely forgotten because it was assumed that commercial interests would always be more than capable of providing Americans with the journalism they need. That was true for a long time—from at least the middle 19th century to the latter years of the 20th century—but it is no longer the case.

The end of any real commitment on the part of commercial interests to produce and deliver quality journalism at a rate that is sufficient to sustain a great democracy requires Americans to engage in a fundamental rethink about how to respond to the current crisis. If we try to squeeze juice from the commercial news media rock, all evidence suggests we will be sorely disappointed. This is not to say that commercial media will not survive and play a role that in some cases may be vital; it is to say merely that the era of market-driven journalism as the *sine qua non* of the system is now over.

There are no perfect policies or subsidies, although we do believe it is important that investments be made in public and non-for-profit media rather than in existing commercial institutions. To our view, there are some excellent approaches that might be adopted to support a viable independent press and prevent government control over news content. We can learn from our past and from other nations. In our book we offer several proposals with the purpose of opening that discussion.

We are eager to cooperate with your work in any way that we can. We hope very much that you will find our book helpful to your inquiry. The work you are doing is of the utmost importance. Please go forward with courage.

Sincerely,

Robert W. McChesney
John Nichols

P.S. A recent piece we wrote for the *Washington Post* that offers an overview of our argument can be reviewed online at this site: <http://www.washingtonpost.com/wp-dyn/content/article/2009/10/22/AR2009102203960.html>