

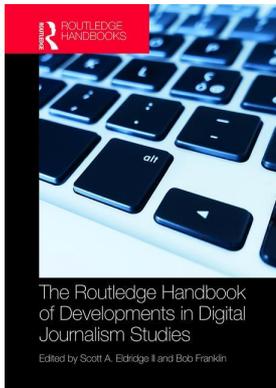
This article was downloaded by: 10.3.98.93

On: 17 Jan 2019

Access details: *subscription number*

Publisher: *Routledge*

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: 5 Howick Place, London SW1P 1WG, UK



The Routledge Handbook of Developments in Digital Journalism Studies

Scott A. Eldridge, Bob Franklin

Digital Journalism and Regulation

Publication details

<https://www.routledgehandbooks.com/doi/10.4324/9781315270449-17>

Victor Pickard

Published online on: 30 Aug 2018

How to cite :- Victor Pickard. 30 Aug 2018, *Digital Journalism and Regulation from: The Routledge Handbook of Developments in Digital Journalism Studies* Routledge

Accessed on: 17 Jan 2019

<https://www.routledgehandbooks.com/doi/10.4324/9781315270449-17>

PLEASE SCROLL DOWN FOR DOCUMENT

Full terms and conditions of use: <https://www.routledgehandbooks.com/legal-notices/terms>

This Document PDF may be used for research, teaching and private study purposes. Any substantial or systematic reproductions, re-distribution, re-selling, loan or sub-licensing, systematic supply or distribution in any form to anyone is expressly forbidden.

The publisher does not give any warranty express or implied or make any representation that the contents will be complete or accurate or up to date. The publisher shall not be liable for an loss, actions, claims, proceedings, demand or costs or damages whatsoever or howsoever caused arising directly or indirectly in connection with or arising out of the use of this material.

16

DIGITAL JOURNALISM AND REGULATION

Ownership and control

Victor Pickard

Critical questions about the ownership, control, and regulation of media institutions are often given insufficient attention in digital journalism scholarship. Many factors contribute to this neglect, including the marginalized position of political economic approaches to media within the broader field of communications, as well as the often-invisible nature of media policies and other structural factors that shape journalistic practices and institutions. This oversight is also symptomatic of a broader technocentric discourse that imagines the digital media landscape as a wild terrain of disruptive innovation with little governmental oversight. According to such narratives, this landscape tends to create a more equitable and open space for news producers and consumers, one that is left unfettered by the state. Despite such libertarian assumptions, this chapter brings into focus structural questions – particularly issues connected to media policy – that arise in the face of journalism’s digital future.

One might begin by asking why journalists and journalism scholars should care about media policy? This question seems provocative because it is often assumed that journalism and policy are two completely separate fields. There is no natural reason why “journalism policy” is an uncommon phrase and concept (Pickard, 2017b). This strangeness speaks to the odd bifurcation between the study of journalism’s content and practices and the study of the larger structures that shape its institutions. This partially reflects the popular mythology that government has never been involved in journalism. But history tells us otherwise. From early debates over the postal system to the founding of each new medium from the telegraph to the internet, government policy has always been central to journalism and media institutions. For issues as diverse as copyright, broadcast spectrum management, public interest regulations, and the enforcement (or lack thereof) of media ownership restrictions and antitrust laws, policy plays a key role in how media systems are designed, owned, and operated. To pretend otherwise is deeply misleading. It discourages public involvement in media policy debates and helps to reify media systems that disproportionately favor corporate interests (Pickard, 2015a). Indeed, media policy’s relationship to journalism is arguably of greater concern now than ever before. Establishing new laws and policies dealing with intellectual property, privacy, and internet governance will lay the foundation for journalism’s digital future.

Given this history and ongoing policy debates we can conclude: the government is *always* involved – often to the benefit of large media corporations. So the real question becomes *how* the government should be involved. The analysis in this chapter assumes that numerous government interventions directly or indirectly affect journalism – from shield laws to tax laws – but I draw

specific attention to several key areas. Ranging from questions of ownership to regulation of media content and infrastructure, these policy debates show how the future of journalism is inextricably bound up with questions of broadband provision, digital ‘red-lining’, copyright concerns, and a proliferation of fake news and false advertising, to name a few regulatory concerns. Although journalism’s digital transition has in many cases lowered barriers of entry and seemingly increased user choice (for those with internet access), it has also enabled price discrimination, clickbait, fake news, mass corporate and state surveillance, and many other potential hazards.

This chapter examines a number of often-overlooked structural questions that have profound implications for digital journalism’s future. Given the focus of my research, much of the following draws from an ongoing case study of American journalism, but this analysis also holds implications for the state of journalism and journalism studies internationally. With this in mind, analysis falls into six sections, focused respectively on the new American media landscape, the American journalism crisis, alternatives to the advertising revenue model, economic and regulatory discourse about journalism, new areas for regulatory concern, and why media ownership matters for journalism. Before I turn to a discussion of media regulation and policy, I provide an overview of issues related to ownership and control of the new American media landscape. The chapter concludes with a brief discussion of why media ownership matters and what policies could be deployed to help democratize the control of journalistic institutions.

The new American media landscape

Commercial media around the world share many attributes, but taken as a whole the U.S. media system is in a category of its own. This is true for three general reasons. First, in many sectors the U.S. media system is dominated by a handful of corporations. Second, the American media system is only lightly regulated by public interest protections. Earlier protections such as the Fairness Doctrine – which mandated that broadcasters cover important and controversial issues and to do so in a balanced manner – have long been repealed (Pickard, 2015a). Third, the American media system is largely commercial, with only weak public alternatives such as public radio and television. Many countries face one or two of these challenges, but rarely all three at once. This American media exceptionalism makes for an interesting case study where scholars can observe the effects of largely unmitigated commercialism on journalistic practices.

To demonstrate the third point about the impoverished state of the American public media system (the following numbers derive from Benson and Powers, 2011): The U.S. government allocates about \$1.35 per person per year to public media. If you add further local and state subsidies, it comes out to less than \$4 per citizen per year toward funding its public media. Japan’s NHK receives approximately \$54 per citizen every year, while the BBC receives over \$90. Northern European countries like Denmark and Finland spend well over \$100/year per person. In comparison, the US is a global outlier among leading democracies for how little it spends on its public media. This may worsen with the Trump administration and many congressional Republicans threatening to cut public media’s funding even further (Pickard, 2017a). Without public media there is no safety net if the market fails to support journalism. To give one example of where there *is* a safety net, the BBC has recently assigned 150 “democracy reporters” to British news organizations across the country to focus on local journalism (Plunkett, 2016).

The structural crisis stemming from the lack of funding for public service journalism is often masked by what seems like an explosion of digital media outlets. In recent years, basic ownership patterns in the commercial media sector have shifted in visible ways, with a new crop of digital start-ups taking root within the media landscape (see Witschge and Harbers, this volume, Chapter 5). At the surface, this emergence seems to suggest a greater abundance of media choices than ever before. However, this gloss of diversity masks an underlying uniformity, especially in terms

of media ownership and control. A number of scholars and journalists have pointed out that media are concentrating and replicating older patterns and power relationships. One report for *Bloomberg* noted that many newcomers like Vox Media, Vice Media, and BuzzFeed are owned or supported by the very legacy media companies these start-ups are purportedly displacing (Molla and Ovide, 2016).

Increasingly, old media and telecommunication giants like AT&T, Verizon, Disney, Comcast, Time Warner and others are investing hundreds of thousands of dollars into these new media outlets, or buying them outright. Dean Starkman (2016) convincingly shows that, far from decentralizing media power, in actuality big media companies are simply getting much bigger in our digital age via continuous mergers and acquisitions. At this very moment, several mega-mergers, like those between AT&T & Time Warner, are in the final stages of regulatory scrutiny. Furthermore, scholarship has long shown that online traffic and audience attention is dominated by incumbent media players, which challenges the notion that the digital media landscape has opened up spaces for new voices and viewpoints (Hindman, 2008).

In a more general sense, the American newspaper industry has seen dramatic tumult in recent decades, and especially in the last few years. While the overall number of daily newspapers in the US remained relatively stable for decades, from 1,760 papers in 1955 to 1,676 in 1985 (Williams and Pickard, 2016), the number of independent papers fell by nearly 50% during these years as large chains went on a buying spree (Neiva, 1996). Since at least the late nineteenth century, most major U.S. magazines and newspapers have been owned or controlled by wealthy individuals or families. Between the 1970s and early 2000s, however, media companies increasingly became publicly traded stock corporations that often expanded into large chains. As family-owned newspapers became public companies with shareholders, their value increased, which in turn incentivized owners to sell off their controlling shares to newspaper chains for high profits. One of the largest chains, Gannett, owns *USA Today* and over 100 other daily newspapers (Benson and Pickard, 2017).

In general, publicly traded newspapers face more severe commercial pressures. While a private company can de-emphasize profits imperatives, a publicly traded company is legally obliged to maximize shareholder value. Privileging profitability may encourage compromises in professional standards, democratic concerns, and a commitment to local communities. Some newspapers have been able to lessen these commercial pressures through different ownership structures. For example, at the *New York Times* there has been a two-tiered stock ownership structure where the Ochs-Sulzberger family was able to maintain some degree of control, and at the *Washington Post* the Grahams continued to control voting stock after going public in 1971. By building in safeguards that buffer news organizations from direct commercial pressures, private ownership can potentially liberate news organizations from Wall Street pressures. Ideally, these mitigating structures might allow publishers to absorb short-term losses and stave off cost-cutting measures, possibly for long-term gains or out of a commitment to public service journalism (Benson and Pickard, 2017).

However, private ownership often succumbs to the same pressures as publicly traded companies. Exemplifying this trend is one of the fastest-growing forms of private media ownership today: the investment company. This ownership structure is often linked to aggressively profit-driven private equity firms such as hedge funds. The largest investment groups include New Media/Gatehouse, which owns 125 daily newspapers and is now larger than Gannett; Digital First Media, which owns 62 daily papers; and Tronc/Tribune, which owns the *Chicago Tribune*, *Los Angeles Times* and 17 other dailies (these numbers are drawn from Benson and Pickard, 2017).

As the newspaper industry became a profitable industry by the 1980s, it also became increasingly concentrated as newspaper chains purchased one another in pursuit of higher profits (Soloski, 2013; Williams and Pickard, 2016). By the 1980s and 1990s, most large newspaper

companies had profit margins exceeding 20% (Picard, 2008), and advertising revenue continued to climb steadily into the 2000s (Picard, 2002). Until about 2005, newspaper companies were among the most profitable businesses, maintaining 20–30% profit margins (Pickard, 2017c). Also noteworthy was that, unlike any other newspaper industry in the world, American newspapers relied on advertising revenue for 80% of their aggregate revenues (Benson, 2013). This left them particularly vulnerable to specific kinds of market failure (Pickard, 2014b).

The American journalism crisis

Over the past decade this period of high profits came to a dramatic end as newspapers' advertising revenue rapidly declined and their fundamental business model collapsed. More specifically, as readers and advertisers continue to migrate to the web where digital ads pay a tiny fraction of what traditional paper-based print ads yield, such high profits are unlikely to return. What digital advertising revenue is being generated is going primarily to monopolistic internet firms like Google and Facebook, which are taking around 85% of every dollar spent on advertising. The newspaper industry has lost tens of billions of dollars in annual advertising revenue since 2000. The digital advertising revenue that is being generated is largely siphoned off to platforms and search engines that host links to the news content and are increasingly becoming consumers' first point of call in accessing news media content.

Despite the growth in digital ad revenue in recent years, it has not been nearly enough to offset enormous losses from traditional advertising. Recent annual reports by the Pew Research Center cast these trends into stark relief. A 2012 Pew study found that since 2003, declines of up to 50% in print advertising revenue far exceeded any gains in online digital revenue by more than 10 to 1 (Rosentiel and Mitchell, 2012). The newspaper industry's decline is also exemplified by an increase in newspaper closures, especially in the few remaining two-paper cities. For example, the 150-year-old *Rocky Mountain News* shut down, and the *Seattle Post-Intelligencer* went online only in 2009, cutting all but a handful of employees.

While high-profile closures have received the most attention, the journalism crisis has hurt all papers, especially large metro papers that have difficulty providing unique news coverage and are losing paid circulation faster than leading national papers, smaller circulation mid-sized cities, and community papers (Edmonds et al., 2013). These declines are leading to a rise in newspaper bankruptcies. Among the nation's top 100 newspapers, 22 newspapers filed for bankruptcy between 2005 and 2015 (Williams and Pickard, 2016). In addition to restructuring through bankruptcy, many newspapers have aggressively cut costs via mass layoffs. The American Society of News Editors estimated that from 2005 to 2015 there had been roughly a 39% decline in news industry workers. Other signs of the ongoing and worsening lack of investment in news production include the reduction of home deliveries by leading metro dailies like the *Cleveland Plain Dealer* and *New Orleans Times-Picayune* (Pickard, 2015a). In the coming years, revenue, jobs, and circulation will likely continue to decline. Despite a post-election 'Trump Bump' in subscriptions for many publishers, the overall financial health of the American newspaper industry will likely worsen.

These structural factors – an over-reliance on advertising, few policies that can correct against commercial excesses, and virtually no public safety net – all combine to create a news media system in the US that is subject to unmitigated commercial pressures. This leads to specific vulnerabilities and biases that created the perfect storm for a structural journalism crisis. The 150-year-old revenue model for commercial newspapers appears to be beyond repair. But because this economic relationship has been around for so long, it is often assumed to be the natural order of things, and alternative models are beyond imagination.

As news organizations cut costs and chase ever-diminishing revenues, news organizations are also pressured to do more with less. The stresses associated with such austerity measures translate

to fewer and lower-paid jobs with fewer benefits. In addition to this growing casualization and overall growing precarity in news labor, a concern that rises to the fore is the loss of particular kinds of public service journalism. These are sometimes referred to as “news deserts” (Stites, 2011), especially at the state and local levels, where entire geographic areas and particular beats go uncovered. In ongoing research, Alex Williams is finding that these deserts disproportionately affect communities of color and lower socioeconomic neighborhoods, what he refers to as “news redlining”, in which news gaps map onto economic and racial inequities.

However, print journalism, especially the newspaper industry, even in its beleaguered state, remains the major source of original reporting in the US. The ongoing search for new profitable business models has eluded even the most entrepreneurial start-ups. Yet even if it is no longer profitable, democratic imperatives dictate that journalism must be supported, which necessarily opens up a discussion for nonmarket alternatives.

Alternatives to the advertising revenue model

Most alternatives to the advertising-dependent model for journalism fall into four categories. As advertising revenues plummet, the first and most common commercial model is digital paywalls or online subscriptions (Pickard and Williams, 2014). A variation of this approach is the ‘membership model’, which relies on paying members to generate revenue. Thus far, this model has seen a mixed record (Williams and Pickard, 2016). At the very least, revenue from paywalls has not replaced the tremendous losses of advertising revenue. And one recent analysis has found that most leading newspapers in the US continue to rely on other revenue streams outside of paywalls (Stulberg, 2017).

A second model might be called the citizen journalism/crowd-sourcing/crowd-funding model. The best articulation of this model so far is by Cage (2016), who argues that an institutionalized form of crowdsourcing is a necessary means of support. However, there are few successful models to note thus far. Some proponents of this model assume that professional institutions are no longer necessary, but this view has faded along with some of the earlier utopian discourse around the democratic promises of the internet. A more common model that has begun to gain momentum in recent years is the benevolent billionaire/nonprofit/foundation-supported model. Coming out of this approach are a number of exciting nonprofit ventures emerging as the commercial model collapses. For example, *ProPublica* is often seen as the best exemplar of this model, but another promising experiment in hard-hitting investigative reporting is *The Intercept*, launched by Glenn Greenwald, Laura Poitras, and Jeremy Scahill. *The Intercept* is the first project of First Look Media, a 501(c)3 nonprofit funded by eBay founder Pierre Omidyar, who has promised hundreds of millions of dollars to ensure editorial independence and autonomy instead of relying on the whims of advertisers and investors.

Another exciting venture was launched in early 2016 when the owner of the Philadelphia Media Network (PMN), which consists of Philadelphia’s two newspapers and a news website, donated PMN to the newly created Institute for Journalism in New Media, a nonprofit organization with a \$20 million endowment. This unique structure, what is technically a ‘public benefit corporation’, preserves editorial influence for PMN by allowing it to retain its own independent board of directors while also allowing the institute to solicit grants to raise funds. As a hybrid model (its ownership structure is nonprofit but its newsrooms will still be run as for-profits), it may be shielded from some commercial pressures.

These experiments signal that journalism is something that might not be economically sustainable if it relies solely on market forces. Nonetheless, democratic societies still require public service journalism regardless of profitability. Unfortunately, although nonprofit ventures present potential alternatives, they arguably are not systemic solutions to a structural crisis. Research

thus far shows increases in revenue streams such as philanthropy and capital investment still only account for 1% of the financial support for news (Pew Research Center, 2014). Truly sustaining public service media for the long term will require more sweeping measures that seek to rescue journalism's civic duty from commercial capture.

The least discussed model is the public media option, which relies on some form of public subsidy. The argument for subsidizing public service journalism enjoyed a brief discursive opportunity from 2009 to 2011 when a number of journalism-related reports came out in support of preserving public service journalism (Pickard et al., 2009; Downie and Schudson, 2009; Knight Foundation, 2009; Federal Trade Commission, 2010). However, calls for state intervention soon fell out of favor with the return of the "nervous liberals" (Pickard, 2015b), whose evasion of addressing market failure (Pickard, 2014a) is exemplified by the Federal Communication Commission's major report "Information Needs of Communities" (Waldman, 2011). This report accurately diagnosed the structural problems underlying the journalism crisis but dismissed out of hand any meaningful role for government in finding structural solutions. Nonetheless, arguments for subsidies are no less relevant now than they were then, and the debate around their deployment was unfortunately closed down prematurely. There are many international and historical examples of successful subsidy models.

Beginning with the U.S. postal system, the U.S. government has long subsidized news media. In addition to postal and printing subsidies, news media were subsidized by broadcasting spectrum giveaways as well as a number of indirect subsidies. Even the birth of the internet was made possible by a massive allocation of public subsidies. However, the most prominent subsidy, albeit indirect and not with a public service goal, has always been advertising. And that subsidy is only a fraction of what it once was. Outside of the American context, successful media subsidies are far more common (Pickard, 2011; Kammer, 2016; Murschetz, 2014).

Although such interventions are not certain fixes for all that ails journalism, policy reforms aimed specifically at reducing market pressures on media institutions could allow them to become more focused on adversarial reporting and more accountable to diverse communities. Reinventing journalism might involve subsidies for an expanded public media system, tax incentives to encourage struggling media institutions transition into low- and nonprofit status, and government-sponsored research and development efforts for new digital models, including public/private hybrids (see: Pickard, 2015a: 212–231). While not a silver bullet, subsidies can reduce market pressures to allow media institutions to become more adversarial and accountable to diverse communities by reducing distortionary market pressures and help restore journalism's public service mission. In addition to subsidizing public journalistic alternatives, policy interventions focusing on the infrastructure side of news media dissemination could seek to rein in monopolistic internet service providers. This would require enforcing public interest protections like net neutrality and encouraging competition by allowing communities to offer their own broadband services.

Economic and regulatory discourse about journalism

Looking at the discourses that define our understanding of journalism can reveal a great deal. Recent years have seen the prevalence of 'crisis narratives'. The Pew Research Center's 2016 "State of the News Media" report was strikingly dire. It stated that 2015 was the worst year for newspapers since the Great Recession. After showing that daily circulation, advertising revenue, and newsroom staffing had all significantly declined, the report concluded: "this accelerating decline suggests the industry may be past its point of no return" (Barthel, 2016). Coming from the venerable Pew Research Center, such a conclusion speaks volumes. If this imminent collapse is true, it is a serious social problem worthy of a national conversation. But thus far, no such discussion has occurred, and there has been virtually no public policy response.

Part of this inaction can be traced back to policy battles in the 1940s (Pickard, 2015a), which resulted in a social contract between the state, the public, and media institutions that I call the 'Postwar Settlement for American Media'. This arrangement was defined by three features: self-regulation, industry-defined social responsibility, and a negative understanding of the First Amendment – negative in the Isaiah Berlin “negative freedom” sense, which emphasizes a libertarian individualist ‘freedom from’, as in media owners’ freedom *from* government regulation as opposed to the public’s positive ‘freedom *for*’ or ‘freedom *to*’ a diverse media system (Berlin, 1969). This kept in place a commercial media system with little public or governmental oversight and few challenges from noncommercial media. This framework largely remains the dominant paradigm for American media policy today – an ideological arrangement I refer to as “corporate libertarianism” (Pickard, 2015a). This assumes that government has little legitimate role in intervening in media markets, which, as noted at the beginning of this chapter, is a libertarian fantasy, since the government is always present – just usually in ways that benefit media owners.

In our current context, a lack of a policy response to the journalism crisis thus far can be attributed to several discursive impediments. First and foremost is the market fundamentalism that has seeped into the master categories of how we think and talk about journalism. This framework has led to certain assumptions that continue to depoliticize the design of journalistic institutions, practices, and policies. First, the state of journalism understood as supply and demand treats news as a simple commodity bought and sold on the market, not as a vital public service. The implication is that if journalism is unprofitable for publishers and media owners, then we should let it wither. Of course supply and demand in the unfettered free market does not always reflect accurate assessments of social value. And in many cases, a demand for news still exists, but the market will not support it.

A second assumption is that the institutional collapse of journalism is beyond our control, something that happens to us, like a natural disaster or an act of God. Analysts like Clay Shirky take a Schumpeterian view that we are living in a revolutionary moment of creative destruction where new alternatives will soon organically emerge (2011). We simply have to wait for something new to organically emerge. While this argument is seductive – seemingly radical in its encouragement for replacing obsolete institutions with innovative models – it assumes that the market should be the final arbiter of what kind of journalism we should receive. Moreover, it ignores the deeply institutional and social nature of journalism that should not be left to rise or fall according to market forces.

A third assumption is that market forces and new technologies will combine to guide us out of this predicament: paradoxically, even though the internet is often seen as the sole cause of the journalism crisis (instead of the overreliance on the advertising revenue model), digital technologies are also often assumed to be journalism’s sole saviors. To be sure, new technologies and their affordances can help, but these efforts need to be guided by sound public policy and public input. Furthermore, professional norms and other cultural factors can go a long way toward ensuring that good journalism persists. But putting our faith entirely in the market to provide the news media that our democracy requires has always been, and is especially now, a risky proposal.

As a kind of antidote for this market fundamentalism, a number of political economic rationales exist for nonmarket support for journalism. For example, news and information can be treated as public goods. Because public goods are nonrivalrous (one person’s consumption doesn’t detract from another’s) and nonexcludable (difficult to prevent ‘free riders’), they differ from other commodities within a capitalistic economy. Many public goods such as clean air, parks, and even knowledge also produce tremendous positive externalities (benefits that accrue to parties outside of the direct economic transaction). Society requires these goods, but individuals typically undervalue (are unable or unwilling to pay for) these goods, leading to their underproduction and “systemic market failure” (Pickard, 2014a).

This category of market failure deserves closer attention. Many scholars conclude their analysis with the invocation of public goods, but we should extend the argument to highlight structural flaws that justify – indeed, necessitate – policy intervention into media markets. ‘Market failure’ generally refers to the market’s inability to efficiently allocate important goods and services. The traditional commercial model overlooked the fact that news was a kind of by-product of the transaction between advertisers and media owners (Pickard, 2015a: 214). Advertisers have never really cared about whether their revenues supported foreign bureaus or good local news; they were after markets. Advertising itself was a kind of subsidy. Jay Hamilton’s (2016) recent book *Democracy’s Detectives* shows how investigative reporting has always been very expensive for news organizations, but it affords many benefits for society as a whole.

New areas for regulatory concern

Gaps in scholarly research often track with growing regulatory quandaries. A number of rising problematic trends facing digital journalism are worthy of regulatory oversight, ranging from broadband deployment to the rise of run-amok advertising. One example of the latter is the proliferation of sponsored content or native advertising (see Ferrer-Conill and Karlsson, this volume, Chapter 35). Often presented as news, this form of advertising ranges from the fairly innocuous “infomercial” to a more problematic variety of corporate propaganda. Ethical concerns about misinformation, public trust, and social responsibility are valid, especially as this form of advertising becomes more ubiquitous online. Greater transparency is always a good measure, but some degree of deception is often inherent in this practice. Branded or native advertising blurs the distinction between news and advertising, usually designated by small print that says sponsored by a particular company. Studies consistently show that readers do not catch the distinction and are essentially deceived (Sass, 2015). Determining what standards would be truly appropriate for a democratic society should be open to public debate.

As struggling news organizations are increasingly reliant on deceptive and invasive forms of advertising, another area of concern is online behavioral advertising, which relies on an ethically dubious form of behavioral tracking. One study shows that news organizations are among the worst culprits in exposing readers to third-party advertisers and data brokers online, with an average of 19 third parties compared to an overall average on non-news websites of 8 third parties. On a good day the *New York Times* might subject readers to a whopping 44 third parties without readers knowing it (Libert and Pickard, 2015). Many of these sites might be innocuous, but some are often not, and there is very little oversight. The growing prevalence of ad blockers is changing this calculus somewhat, but it remains a persistent problem in need of public discussion and possibly regulatory oversight.

Another area of concern worth noting is the growing power of internet monopolies. Media ownership policy, which may sound quaint in today’s digital age, is still a major concern for journalists. Whether considering new digital media monopolies like Comcast and Verizon or legacy newspapers, the structural policies that allow media companies to merge and acquire new properties can have dramatic consequences for journalism. For example, when media outlets combine and conglomerate, journalism jobs are often lost. Major media mergers are currently pending in the US, such as the mergers of AT&T and Time Warner and of Sinclair and Tribune, whose passage would have a potentially profound effect on American journalism. And platform monopolies such as Facebook and Google also have profound power over the future of journalism.

A final area of concern involves key internet policies. While questions pertaining to media conduits and content are often dealt with separately, internet policy questions, such as the lack of quality internet access, are central to journalism’s growth. Poor internet access, for example, is an infrastructure problem with serious implications for the future of news media, but it is rarely

addressed within journalism studies. The ‘digital divide’ in the US means nearly a fifth of all US households still lack broadband internet (Federal Communications Commission, 2015). Even for those with access, services are often subpar and costly compared to other democracies. This problem could be somewhat alleviated by allowing communities to offer their own broadband services, and providing internet subsidies to low-income Americans would expand access and facilitate the flow of online news media.

Problems related to accessing digital news media also come to the fore in the recent net neutrality debate, which reveals the artifice of divisions between journalism and policy. Furthermore, since we know that the future of journalism is largely digital, we should be talking more about internet policies that dictate the ownership and control of digital infrastructures. For example, lacking net neutrality protections – a distinct possibility given recent changes by Donald Trump’s FCC under Ajit Pai to weaken net neutrality – a “cable-ized” internet might transform into a hostile environment for all media makers, ranging from professional print journalists to amateur bloggers who cannot afford to pay exorbitant fees to internet service providers and who are consequently relegated to digital ‘slow lanes’ and essentially ghettoized online. These inequities are neither accidental nor inevitable; they result from explicit policies that accommodate oligopolistic markets and corporate interests more generally (McChesney, 2013). Because they directly impact on the flow of online news media, these policy issues should be a central concern for journalism studies.

Why media policy matters for journalism

Looking ahead, we need a clear-eyed view of the structural problems facing journalism. Not only does this entail understanding that questions of media ownership and control are central to journalism’s future, but it also necessitates an understanding that government will have to take a more active role. This is especially challenging in the US, where for many years a “corporate libertarian” paradigm has dominated policy debates and First Amendment absolutism impeded government intervention on behalf of news institutions. Nonetheless, scholars can play an important role in clarifying what is at stake and what policy interventions are necessary to guarantee a viable system for public service journalism.

Returning to the idea of media subsidies, while it is not likely to happen at the federal level anytime soon, the local level may hold promise. For example, recent campaigns have sought to allocate money raised by public television stations from the recent spectrum auction toward a fund for local journalism. The US could also leverage already-existing public infrastructure. One possibility is to transform post offices into local community media centers. In addition to providing public internet access, these spaces could help facilitate local reporting through various media – including print, digital platforms, and low-power radio stations. The Urbana–Champaign Independent Media Center launched a similar model over a decade ago when it raised money to buy the downtown post office for community media-making and other progressive projects (Pickard, 2015a).

We can also look at historical models. One model worth more attention was an experiment with subsidized municipal newspapers in the early 1900s (Pickard, 2011). Another idea is to tweak tax laws to facilitate struggling commercial newspapers into low- and nonprofit status to make it easier for them to receive charitable contributions from philanthropists and foundations. Many observers have long argued that ultimately we need a large centralized public media trust that can allocate resources with no strings attached to support the kinds of public service journalism that the market will never sustain (Pickard, 2015a). British reformers are pushing for a bill right now that would force Google and Facebook to devote 1% of their revenues toward such a fund (Greenslade, 2016). Creative methods exist for generating this money; what is lacking is the imagination and political will to implement them.

Structural reforms are extremely difficult until we reframe the debate about journalism and wrench it from its market fundamentalist framework. This debate should involve everyone, including journalists, but also technologists and public advocates. It should address the future of journalism as a problem for all of society. We need to return to normative foundations of what journalism is supposed to do in a democracy, with an emphasis on local journalism and openness toward non-market-based means of support. This discussion should include a debate about the social responsibilities of media platform monopolies like Facebook as it increasingly becomes a leading news source. Mark Zuckerberg has refused to even acknowledge that Facebook is anything more than a technology company (Ingram, 2016).

With so much hope being placed on civil society – especially the press – to serve as a kind of countervailing force against governmental overreach, now could be a real opportunity for strengthening public service journalism. Journalism scholars have an important role to play in redefining journalism ethics and news media's social responsibilities for the digital age. With this in mind, media policy's relationship to journalism should be of greater concern now than ever before. Laws and policies dealing with intellectual property, privacy, and net neutrality will lay the foundation for journalism's digital future. Policy is a social contract for all of us – for the press, for the government, and for the public. If journalists do not turn on to media policy, media policy might turn on them.

Further reading

Researchers who are interested in reading more about the intersections of journalism studies and media policy may wish to consult the following books: *America's Battle for Media Democracy* by Victor Pickard; *The Death and Life of American Journalism* by Robert McChesney and John Nichols; *The Politics of Media Policy* by Des Freedman; and *Saving the Media* by Julia Cage.

References

- Barthel, M. (2016, June 15) "5 key takeaways about the state of the news media in 2016." *Pew Research Center*. Retrieved from www.pewresearch.org/fact-tank/2016/06/15/state-of-the-news-media-2016-key-takeaways/
- Benson, R. (2013) *Shaping Immigration News: A French-American Comparison*. New York, NY: Cambridge University Press.
- Benson, R. and Pickard, V. (2017, August 11) "The slippery slope of the oligarchy media model." *The Conversation*. Retrieved from <https://theconversation.com/the-slippery-slope-of-the-oligarchy-media-model-81931>
- Benson, R. and Powers, M. (2011) *Public Media and Political Independence: Lessons for the Future of Journalism From Around the World*. Washington, DC: Free Press.
- Berlin, I. (1969) "Two concepts of liberty." In *Four Essays on Liberty*. Oxford: Oxford University Press.
- Cage, J. (2016) *Saving the Media*. Cambridge, MA: Harvard University Press.
- Downie, L. and Schudson, M. (2009) "The reconstruction of American journalism." *Columbia Journalism Review*. Available at: https://archives.cjr.org/reconstruction/the_reconstruction_of_american.php
- Edmonds, R., Guskin, E., Mitchell, A. and Jurkowitz, M. (2013) "Newspapers: Stabilizing but still threatened." *The State of the News Media 2013*, Pew Research Center's Project for Excellence in Journalism. Available at: <http://stateofthemediamedia.org/2013/newspapers-stabilizing-but-still-threatened/>
- Federal Communications Commission. (2015) "2015 Broadband Report." Available at: <https://www.fcc.gov/reports-research/reports/broadband-progress-reports/2015-broadband-progress-report>
- Federal Trade Commission. (2010) *The FTC in 2010: Federal Trade Commission Annual Report*. Available at: https://www.ftc.gov/sites/default/files/documents/reports_annual/annual-report-2010/2010chairmansreport_0.pdf
- Greenslade, R. (2016, November 8) "Make Google and Facebook pay for public service reporting." *The Guardian*. Retrieved from www.theguardian.com/media/greenslade/2016/nov/08/make-google-and-facebook-pay-for-public-service-reporting

- Hamilton, J. (2016) *Democracy's Detective: The Economics of Investigative Journalism*. Cambridge, MA: Harvard University Press.
- Hindman, M. (2008) *The Myth of Digital Democracy*. Princeton, NJ: Princeton University Press.
- Ingram, M. (2016, August 30) "Sorry Mark Zuckerberg, but Facebook is definitely a media company." *Fortune*. Retrieved from <http://fortune.com/2016/08/30/facebook-media-company/>
- Kammer, A. (2016) "A welfare perspective on Nordic media subsidies." *Journal of Media Business Studies*, 13(3), 140–152.
- Knight Foundation. (2009) *Knight Foundation Initiative seeks new models for investigative reporting*. Available at: www.knightfoundation.org/news/press_room/knight_press_releases/detail.dot?id=348319
- Libert, T. and Pickard, V. (2015) "Think You're Reading the News for Free? New Research Shows You're Likely Paying with Your Privacy", *The Wire*. Available at: <https://thewire.in/media/think-youre-reading-the-news-for-free-new-research-shows-youre-likely-paying-with-your-privacy>
- McChesney, R. (2013) *Digital Disconnect*. New York: The New Press.
- McChesney, R. and Nichols, J. (2010) *The Death and Life of American Journalism: The Media Revolution that Will Begin the World Again*. New York, NY: Nation Books.
- Molla, R. and Ovide, S. (2016, May 23) "New media shares old media's roof." *Bloomberg*.
- Murschetz, P. (2014) *State Aid for Newspapers – Theories, Cases, Actions*, Berlin: Springer-Verlag.
- Neiva, E. M. (1996) "Chain building: The consolidation of the American newspaper industry, 1953–1980." *Business History Review*, 70(1), 1–42.
- Pew Research Center's Project for Excellence in Journalism. (2010, January 11) *The Study of the News Ecosystem of One American City*. Retrieved from www.journalism.org/analysis_report/how_news_happens (accessed 2 February 2013).
- Pew Research Center. (2014) *State of the News Media*. Retrieved from: <http://assets.pewresearch.org/wp-content/uploads/sites/13/2017/05/30142556/state-of-the-news-media-report-2014-final.pdf>
- Picard, R. (2002) "US newspapers ad revenue shows consistent growth." *Newspaper Research Journal*, 23(4), 21–33.
- Picard, R. (2008) "Shifts in newspaper advertising expenditures and their implications for the future of newspapers." *Journalism Studies*, 9(5), 704–716.
- Pickard, V. (2011) "Can government support the press? Historicizing and internationalizing a policy approach to the journalism crisis." *The Communication Review*, 14(2), 73–95.
- Pickard, V. (2014a) "The great evasion: Confronting market failure in American media policy." *Critical Studies in Media Communication*, 31(2), 153–159.
- Pickard, V. (2014b) "Wither(ing) journalism." *Public Culture*. Retrieved from www.publicbooks.org/nonfiction/withering-journalism
- Pickard, V. (2015a) *America's Battle for Media Democracy: The Triumph of Corporate Libertarianism and the Future of Media Reform*. New York, NY: Cambridge University Press.
- Pickard, V. (2015b) "The return of the nervous liberals: Market fundamentalism, policy failure, and recurring journalism crises." *The Communication Review*, 18(2), 82–97.
- Pickard, V. (2017a) "A social democratic vision of media: Toward a radical pre-history of public broadcasting." *Journal of Radio and Audio Media*, 24(2), 200–212.
- Pickard, V. (2017b) "Rediscovering the news: Journalism studies' three blind spots." In P. Boczkowski and C. W. Anderson (eds.), *Remaking Digital News*. Cambridge, MA: The MIT Press.
- Pickard, V. (2017c) "Structural collapse: The American journalism crisis and the search for a sustainable future." In P. Berglez, U. Olausson and M. Ots (eds.), *What Is Sustainable Journalism? Integrating the Environmental, Social, and Economic Challenges of Journalism*. New York, NY: Peter Lang (pp. 351–366).
- Pickard, V. Stearns, J. and Aaron, C. (2009) *Saving the News: Toward a National Journalism Strategy*. Washington, DC: Free Press.
- Pickard, V. and Williams, A. (2014) "Salvation or folly? The perils and promises of digital paywalls." *Digital Journalism*, 2(2), 195–213.
- Plunkett, J. (2016, May 11) "BBC to fund 150 local news journalists." *The Guardian*. Retrieved from www.theguardian.com/media/2016/may/11/bbc-to-fund-150-local-news-journalists
- Rosentiel, T. and Mitchell, A. (2012) "State of the News Media," Pew Research. Available at: <http://assets.pewresearch.org/wp-content/uploads/sites/13/2017/05/24141622/State-of-the-News-Media-Report-2012-FINAL.pdf>
- Sass, E. (2015, December 31) "Consumers can't tell native ads from editorial content." *MediaPost*. Retrieved from www.mediapost.com/publications/article/265789/consumers-cant-tell-native-ads-from-editorial-con.html

- Shirky, C. (2011) "Newspapers and thinking the unthinkable." In *Will the Last Reporter Please Turn Out the Lights: The Collapse of Journalism and What Can Be Done to Fix It*. New York, NY: The New Press (pp. 38–44).
- Soloski, J. (2013) "Collapse of the US newspaper industry: Goodwill, leverage and bankruptcy." *Journalism*, 14(3), 309–329.
- Starkman, D. (2016, September 28) "The ever-expanding media giants." *Traffic Magazine*.
- Stites, T. (2011) "Layoffs and cutbacks lead to a new world of news deserts." *NiemanLab*. Retrieved from www.niemanlab.org/2011/12/tom-stites-layoffs-and-cutbacks-lead-to-a-new-world-of-news-deserts/
- Stulberg, A. (2017, September 22) "In paywall age, free content remains king for newspaper sites." *Columbia Journalism Review*. Retrieved from www.cjr.org/business_of_news/newspaper-paywalls.php
- Waldman, S. (2011) *The Information Needs of Communities: The Changing Media Landscape in a Broadband Age*. Washington, DC: Federal Communications Commission. Retrieved from www.fcc.gov/infoneedsreport
- Williams, A. and Pickard, V. (2016) "The costs of risky business: What happens when newspapers become the playthings of billionaires?" Poster session presented at *Association for Education in Journalism and Mass Communication*, 4–17 August, Minneapolis, MN.