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All the News That's Fit to Finance

By Charles Lewis and Bruce Sievers

The most widely accepted rationale for the existence of nonprofit organizations is that they fill important public needs that the market and government are unable or unwilling to meet. If there were ever a case for a vital unmet public need in contemporary American democracy, it is the gaping hole left by the precipitous decline — both quantitatively and qualitatively — of the modern news media.

The financial condition of journalism in the United States has been deteriorating for decades but in modern times has never looked bleaker.

The market is failing at an increasing rate to provide the quality and depth of news coverage that modern democracy requires. And government is not a possible solution for obvious reasons.

Thus there is a serious need, and an enormous opportunity, for philanthropic action. Philanthropy is in a unique position to take the initiative because it can move quickly and deliver significant resources to key players in the news media, while taking a hands-off stance toward content.

Yet, with a few notable exceptions by some of the nation's biggest grant makers — Benton, Carnegie, Ford, Hewlett, Knight, MacArthur, Open Society Institute, and Pew — foundations have not become involved in this arena of public life.

Most foundations are ignoring the worsening public crisis we face. They seem stuck behind issues primarily related to narrower interests, such as developing "communications strategies" to advocate for specific policies, while seemingly ignoring the crisis facing the field of journalism as a whole. They fail to understand that they could do the most good by financing the difficult work of journalists themselves — as independent, reliable providers of information, Americans need to be free and self-governing.

A year and half ago, the commentator Pablo Eisenberg challenged the leading philanthropists of our time to "buy and stabilize" the most important, imperiled newspapers and endow them as nonprofit civic institutions, as a "significant contribution to the health of our democratic society." (["Newspaper Cuts Are a Threat to Charities' Accountability,"](#) Opinion, August 23, 2007)

And just a few weeks ago in *The New York Times*, Michael Schmidt and David Swensen declared that "we are dangerously close to having a government without newspapers," and they too proposed endowments for major news organizations, proposing a \$5-billion endowment for the *Times* alone. And Bruce Bartlett, a *Forbes.com* columnist and former Treasury Department official has suggested that major foundations, universities, think tanks and other nonprofit

organizations could run major American newspapers "without expectation of profit and a least keep alive the basic journalistic function."

Whether the precise answer necessarily involves endowing certain newspapers — there are certainly other, very plausible and exciting alternative possibilities — we wholeheartedly agree with Mr. Swensen and Mr. Schmidt that "enlightened philanthropists must act now or watch a vital component of democracy fade into irrelevance."

How soon we forget that earlier in our lifetimes, two major nonprofit media institutions, NPR and PBS, were created initially with national leadership and financial support from Carnegie and Ford. The crisis facing journalism and democracy today, however, is frankly far direr and more consequential and perilous today than it was 40 years ago.

Last year, Gannett and McClatchy alone cut 5,500 newspaper jobs and, according to U.S. Department of Labor statistics, throughout the nation, 21,000 newspaper-industry jobs ceased to exist. The Tribune Company, which owns the *Chicago Tribune* and the *Los Angeles Times*, filed for Chapter 11 bankruptcy protection, and Sun-Times Media Group, owner of the *Chicago Sun-Times*, suffered so precipitous a collapse in its publicly traded value that it was delisted by the New York Stock Exchange.

Against such a calamitous backdrop, investigative reporting teams have been dismantled, and numerous overseas and domestic bureau staffs continued to contract or disappear altogether.

Some news organizations, such as Copley and the Newhouse News Service, closed their Washington bureaus entirely, and now only a few newspapers still operate foreign bureaus. No American newspaper has avoided the incredible shrinking newsroom crisis today, for example, the *Philadelphia Inquirer*, like so many other newspapers, has half the number of reporters covering the metropolitan area as it did in 1980.

The most extensive, substantive public-service journalism in America the past century has been started, supported, and published by the nation's newspapers. And, of course, meticulous information-gathering and editorial quality-control, essential for serious, high-quality news, require time (often months' worth) and money — finite resources that many news organizations are increasingly unable or unwilling to spend, especially for more difficult, costly investigative and international reporting.

The loss of this resource affects not only the newspapers themselves but also the multitude of radio and television outlets that have depended on this information for the substance of their own broadcasts.

Meanwhile, the highly successful Web search engines, such as Google and Yahoo, merely aggregate, automate, and repackage other people's work. And though the world's blogs continue to proliferate and will develop further as a content form before our eyes, very few of them at present are solely devoted to responsible reporting and fact-based journalism. It may be possible that a major new stand-alone, advertising-supported, profitable, original news-gathering and storytelling venue will evolve in the digital age, but it certainly hasn't happened yet.

So the moment is more than ripe for innovation and leadership on a national and global scale by the major foundation leaders, in collaboration with the most respected journalists and others, for a bold, new, public vision for journalism, with the necessary resources to carry it out.

On the 200th anniversary of Abraham Lincoln's birth, we would do well to heed the timeless wisdom of Abraham Lincoln, who said: "I am a firm believer in the people. If given the truth, they can meet any national crisis. The great point is to give them the real facts."

And if good men and women stand by and do nothing, we face at our collective peril a brave new world with a few remaining, hunter-gatherer reporters working as endangered species in hollowed out habitats formerly known as newsrooms. And then, who exactly will give the people the real facts?

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