



The virtual SciCon conference series | Transcript

Victor Pickard | Democracy Without Journalism? (7th October 2020)

Mod.: Prof. Christopher Buschow

[Christopher Buschow] OK. So welcome, everybody, to the second Virtual SciCon lecture series. Good morning to Philadelphia. And good evening to all our visitors and viewers from Germany. My name is Christopher Buschow and I'm your host today. I'm an assistant professor at Bauhaus Universität in Weimar, where I primarily work on questions of how to finance and organize digital journalism.

The Virtual SciCon Series is part of the conference "Science Journalism in the Digital Age", and that is organized by the Wissenschafts-Pressekonferenz, which is the Association of German Science Journalists, and acatech. And this virtual conference series is just one part of the whole conference, because at the end of November we will also have a non-virtual part that will take place in Freiburg. It's called the SciCon Working Conference. And there we want to discuss what we can do for science journalism in Germany, especially against the background of the expert lectures we are hearing now. And we will bring these experiences, this international experience, together.

And we'll use it as a basis to discuss what to do for science journalism in Germany. And the Working Conference, as well as our online lecture series, are made possible thanks to a grant from the German Federal Ministry of Education and Research.

All of these eleven lectures that we will have in the next couple of weeks will be recorded and transcribed to create a knowledge repository that will be the input for the Working Conference in November. So please note that everyone who has joined us today will be recorded. So we will record this Zoom session, we will record your voice and your video if you ask questions. Just to make sure that everybody knows that we are recording today. So now I think we should proceed as follows. I think I will briefly introduce our guest today. And then our guest will give a lecture for, like, 30 minutes. And we will have the possibility to take Q&A and a discussion after the talk. But if you like to ask questions in advance, please post them to our chat. We will collect them and ask them after the talk.

So now is my big pleasure to introduce our guest today. It's Professor Victor Pickard. Victor Pickard is Professor of Media Policy and Political Economy at the Annenberg School for Communication at the University of Pennsylvania in Philadelphia. And he is also the co-director of the Media Inequality and Change Center at the university. He's a worldwide recognized expert on the US media system and on current as well as historical policy debates and struggles over communication law. I could go on and

tell you about the influential books he wrote or the numerous papers he published in leading scholarly journals. I could also tell you about the prizes and awards he won in the course of his career. But instead please let me just briefly share a personal note, because I remember when I first met Victor at ICA 2013 in London, he took the time to talk to me, even though I was really a really early career PhD researcher. He took the time to discuss ideas, to exchange via email.

And already before we had our first conversation, I had read his PhD thesis on the post-war settlement for US communications, which at that time was actually not yet published. I managed to receive a copy via some shady ways.

Yeah, but reading this book was really an eye-opening moment for me because I remember very well how much I was impressed by this work. This is really highly valuable and insightful analysis of these historical debates around media regulation, journalism, policy in the 1940s. And Victor really made the point how useful an understanding of these historical debates is for understanding today's debates. And actually this is something that I in my work strive for. And Victor Pickard is really a role model here for me.

So since that time, Victor has really continued with impressive work. His newest book, he will talk about here today, "Democracy Without Journalism". And I'm very, very happy to be the host here today to have the possibility to hear your lecture here today, Victor. We are very delighted to have you here. And we are very much looking forward to your presentation. So the floor is yours.

[[Victor Pickard](#)] Thank you. Thank you so much, Christopher. That was such a delightful introduction. I remember our early conversations almost a decade ago very well. To this day, you remain probably one of five people who've actually read my dissertation, so I guess congratulations. But what's... For better, for worse many of those things that we were discussing a decade ago are still very much with us today. And I will actually touch on some of that historical work in my discussion today. I don't... I want to dive into things here because I have a lot to cover in half an hour.

But I want to thank you all for inviting me and joining me today. I think it goes without saying that these discussions about the future of journalism are vitally important to all democratic societies. So we all should be talking more about these important issues. I have a couple of caveats. But first, let me make sure I can share my PowerPoint slides.

I have some basic slides that will join, that will go along with my talk. As I'm speaking, I will flip through them. Can everyone see? Can I get a thumbs up, can you all? Maybe not yet. Can you see these? Excellent. OK. All right. So far, so good. A couple of caveats. As Christopher mentioned, I'm mostly talking about my new book today, and this book does primarily focus on the US situation. However, I'm very clear both in my book and whenever I'm speaking on these issues that by no means am I suggesting that the US media system is something that we should emulate. Quite the contrary. I argue that it serves as a cautionary tale for what democratic societies should not do. But more specifically, the journalism crisis that I'm outlining in this book increasingly is not just an American journalism crisis, it is a global journalism crisis.

Any country that relies on the commercial media system is dealing with many similar structural problems. And that's what I really want to draw attention to. There are structural reasons why the journalism crisis hit earlier and harder in the US, which I'll get into momentarily. But increasingly, we are seeing similar problems with the loss of journalists, the collapse of print media organizations in particular, around the world. So this is a global crisis. Now, that said, to contradict what I just mentioned, as much as I want to generalize what's happening in the US to other democratic countries around the world, the US system does belong in a special category of its own. It has a kind of exceptionalism, not exceptional in a good way, I would argue. But it is in many sectors dominated by – really, to call them oligopolies is probably overly generous. It's in most cases duopolies or even monopolies. These monopolies tend to be only lightly regulated and the entire media system is predominantly commercial, with only very weak public alternatives.

And just to put some visual aids to some of those claims, I feel like this picture captures so much of what's wrong in the US media system that is driven by these commercial values, that really focuses on what's profitable, what's sensational, what's dramatic, as opposed to what best serves democracy. As the former, now disgraced, CEO of CBS, Les Moonves, once notoriously said, "This constant coverage of Donald Trump might not be good for America, but it's damn good for CBS, damn good for CBS." That's a direct quote, was almost the title of my book that my editor talked me out of that one.

So beyond that, this growing problem of monopoly power and not just the platform monopolies of Facebook and Google, but also media monopolies over much of our radio, television, even many newspaper chains could be considered monopolies. And this cartoon here, which gives me nightmares at night, it's some kind of vampire squid. It actually comes from around the year 1900 when we had an earlier monopoly crisis in the United States and it illustrates this kind of monopolies or oligopolies, the control of various media industries. You're starting to see cartoons like this circulate again, that I think is indicative of a growing anti-monopoly movement in the US and indeed around the world. That's something we might return to later. But in my view, what is most striking about the US media system is how impoverished our public media is compared to other public media systems around the world. The US is almost literally off the chart for how little our federal government allocates towards our public media per person per year. It's on average about a dollar. It's now up to about \$1.40.

This data, which is based on Benson, Powers and Neff's work from about four years ago. So it's slightly dated, but it's still generally proportional. This \$1.40 that Americans spend is about the price of a cheap cup of coffee. You throw in local and regional subsidies, it gets you up to about \$3.40 or maybe a latte. Compare that to western and northern European countries, which spend anywhere from one hundred dollars to even over two hundred dollars per person per year. Now, sometimes Americans will ask, American audiences will ask, why does this matter? And I would argue that a public media system is in many cases a social safety net for when other forms of journalism fail. In particular, when print media fail, it's able to allocate resources. And in some countries, and I understand, of course, in Germany, your public media, your public service media are often prevented from covering local journalism, but I think, at least according to the textbook scenario, a public media

system should identify market failure, should identify when the market fails, to support the level of journalism that democracy requires, and is able to allocate resources towards those gaps.

And one public media system that has started to do that is the BBC, the BBC. I just spent a year living in London and whatever romanticism I had about the BBC has largely been beaten out of me by my British friends who always tell me how, you know, all the problems that it has. Although when I hear those problems, I kind of wish we had those problems in the US. But at the very least, the BBC has allocated resources to this local democracy reporting project where they send one hundred and fifty journalists to various publications around the country to focus just on local journalism. It's exactly that kind of journalism that is disappearing along with policy reporting.

Science journalism, yes, that's it. That's an important type of journalism that's often expensive to produce. And it's exactly that kind of journalism that's disappearing and the kinds of journalism that democracy truly requires. So without a strong public media system, a... journalism is basically subjected to unmitigated commercial pressures. And that's what you see here in the United States: an overreliance on advertising, few policies that can correct against commercial excesses and virtually no public safety net. These all combine to create a perfect storm for this structural journalism crisis.

Now, it's worth just pausing here for a moment to talk about kind of the anatomy of this journalism crisis. Many of you are already aware of it. There's a lazy narrative that the Internet broke journalism, but it's far more complicated than that. One of the core arguments in my book is that journalism has always, commercial journalism, has always been prone to crisis. But it's especially this overreliance on advertising. In the US, this core business model has been around for about 150 years. Traditionally, our newspaper industry has relied on advertising for about 80 percent of the revenue. 20 percent came from reader, readers' support. This is a little bit different in many newspaper industries around the world. But as advertisers and readers migrated to the web, digital advertising paid pennies to the dollar of traditional print advertising. So this is really what's led this core business model to collapse. Now, of course, advertisers never really cared about supporting journalism. In many ways, advertising was a subsidy for journalism, journalism was almost a byproduct. Advertisers were trying to reach us. They're trying to reach, trying to capture our eyes and ears, trying to get to audiences, and the best way to do that was often the local newspaper, which had a monopoly over its given market.

Now, as that very convenient, you know, marriage of necessity collapsed, they no longer, there's no, it's no longer rational for advertisers to support news, newspapers in particular. And this essentially is what's led to this structural crisis with fewer revenues, fewer journalists, newspapers closing, declaring bankruptcy, going online only. Increasingly newspapers are doing that. My hometown of Pittsburgh, Pennsylvania, the Pittsburgh Post-Gazette, which has won many awards over the years, has now gone almost entirely digital only. And of course, we know that once a newspaper does that, it tends to cover fewer issues. It tends to support fewer journalists.

Now, despite this profound structural crisis, there has been virtually no public policy response to the crisis thus far. Even as far back as 2016, the Pew Research Center concluded, and I'm quoting here, this accelerating decline suggests the industry may be past its point of no return. That was almost five years ago. And for Pew, Pew is the most respected research center in the US. It puts out this annual report on the health

of our news industries. For Pew to say that we've almost reached this point of no return speaks volumes. And you would think that we would see this as a national crisis. But thus far there had been almost no policy responses.

Now I'm going to flash a few very depressing graphs here that are all kind of going like this [indicates downward slope with his hand]. This shows that there's been tens of billions of dollars lost in advertising revenue since the early 2000s. This also, this graph shows that essentially our newsrooms have been reduced by over 50 percent since the early 2000s.

And of course, these data are all pre-pandemic. So this crisis, as we all know, the pandemic hasn't caused this crisis, but it's certainly accelerated this decline. It's even much, much worse now.

So why, you know, getting beyond these numbers, what are some of the social harms and negative externalities that arise from this plummeting of newspapers and occasionally I'll hear from people, you know, why should we, why should we care? We should just let the old dinosaurs die, let them burn. And I get, I hear this from the left and the right. But one thing that's often, it's often taken for granted or rather it's often unknown, is that even in their beleaguered state, newspapers are still the primary driver, especially in the US, but in many, many systems around the world, newspapers are often the sole provider of local journalism and original reporting. So much of your media system, especially social media, is still very much reliant on this feeder system from local newspapers. So that's one reason why we should care.

But also by looking at these social harms that rise up, as you, as the advertising revenue model continues to collapse, you would hope that newspapers would find a different kind of model and different revenue streams. And indeed, some of them are trying to, and I'll get into that in a moment. But many of them have doubled down and in fact are practicing what's referred to as native advertising. This is where you see an erosion between advertising content and news content. Oftentimes there might be, you know, little small print that says, "this news story is sponsored by such and such corporation". But study after study shows that readers are overwhelmingly deceived by this. Very rarely do they realize that they're reading sponsored content, essentially propaganda being supported by some corporation. As ethically dubious as that is, what's even more problematic is behavioral tracking. And a study that Tim Liebert and I did a number of years ago found that news websites were among the worst culprits for subjecting readers to data brokers and third parties online without them knowing. So this kind of behavioral tracking is even more worrisome.

Fortunately, some news organizations are making public announcements that they're no longer going to do this. But this is still very worrying.

Beyond the loss of journalists, which you've already seen indicated by those earlier graphs, also the decline in quality of these jobs, this growing casualization and precarity of journalistic labor is another reason why we should be concerned. Fewer benefits, as well as reduced salaries and a growing reliance on freelance labor and even volunteer labor. Beyond that, we're seeing a loss of particular kinds of public service journalism. I already mentioned that's especially true for local journalism, international journalism, the kinds of reporting that tend to take a lot of money. Also the kinds of reporting in some cases, for example, covering what the local school board is doing or city hall or what's the health of your local infrastructure – not necessarily the sexiest stories. These aren't clickbait stories. They don't sell advertising. But it's exactly those, that kind of journalism that democracy requires. And it is quickly disappearing. And we're starting to hear about these metaphors of

news deserts and ghost newspapers where increasingly across the US and again ...

[his connection freezes for several seconds]

... nomic group, so it maps onto already existing structural inequities. And then finally, again, getting to this question of why does this matter? Why should we care? Some of this is intuitive. We all learn in school that democracy requires a free and functioning press. And we would expect it to hurt democracy if we were to lose this press. But now there's this natural experiment where we're able to see what happens to communities when the local newspaper closes down. And we're finding that those communities are less informed about politics, less civically engaged, less likely to vote. Without journalists there's also less accountability, a rise of corruption and mismanagement in local governments.

Communities also become more polarized in the US when the local newspaper goes away. Those communities are forced to rely more on national news outlets, especially cable outlets, where it's often two shouting heads, partisan-driven. And it's, we're seeing that lead to growing polarization in the country, in the United States. So this begs the question, are there alternatives? And here I'm going to flash through a couple of previous books. Way back in 2011, Robert McChesney and I coedited this cheerfully titled book "Will the last reporter please turn out the lights". When we went out – this is in the early stages of what might be thought of as the modern journalism crisis that was pegged to the financial downturn, 2008, 2009 – and we went out and canvassed leading scholars and journalists and activists. What is the nature of this crisis and what's to be done about it? And we basically found that the possible solutions fell into these four buckets. And the fact that these are very much the same buckets that you hear discussed today, I think doesn't speak to us being particularly prescient or insightful. It just suggests that this is a structural journalism crisis. There are only so many solutions or alternatives. And also, you could argue there's just been a failure of political will and imagination to think of other possibilities.

But the one that always comes up is that if advertisers aren't paying for journalism, then readers should. And this, again, sounds fairly intuitive. This is where you get the paywall model, sometimes micropayment, which is a terrible idea that keeps coming back like some undead zombie every year or so. Something that makes more sense would be what's thought of as a membership model. And I think there are exemplars that we can point to that are viable. But mostly this is a mixed bag. We're not seeing this serve as any kind of systemic fix in the US. It's really only the three big papers, The New York Times, Washington Post, The Wall Street Journal, that are really able to sustain themselves on this model. Plus, you might find niche outlets, small outlets that can do this, but otherwise it's not going to help most newspapers.

Another alternative was this idea that we no longer needed institutions or professional journalists because we all can be journalists, we all have these kinds of devices, we can be the media. That fortunately has faded somewhat, I think with earlier utopian ideals about the democratic potential of the Internet. But this still comes back every once in a while. One that gets a lot of attention and support from foundations or benevolent billionaires, which of course, begs the observation that not all billionaires are benevolent – some of them come with political agendas, some of them only care about particular issues. At the very least, even though we can point to some very exciting exemplars in the US, it really, it's certainly not a systemic fix, it's not going to address the news desert problem.

So this brings us to the last and most politically fraught alternative, which is this idea of public media subsidies. And when Americans hear the phrase “media subsidy”, they fall into fetal positions. Many people assume that's kind of antithetical to core American freedoms. But if you know our history, you know that media subsidies are as American as apple pie, going back to supporting the postal system, which is primarily a newspaper delivery infrastructure. As much as ninety five percent of the weight going through the post was delivering print news material. So it's kind of like the Internet of the 1800s. Even the Internet itself was created due to massive public subsidies. So this is something that even in the libertarian US, it's been done before, and I argue we should do it again.

And of course, countries, democratic societies around the world, subsidize strong public media systems as well as in some cases, their print media. And they are, these are often correlated to the strongest democracies on the planet. So they certainly aren't sliding towards totalitarianism.

Now, Christopher mentioned this book that I'm only gonna touch on right now, but I do try to make sense of this American libertarianism. I argue that it's not simply in the air that we breathe, the water that we drink. Americans are not naturally inherently libertarian. This is a historical construct. And I try to trace historically how this libertarianism really took hold. And I trace it back to a cluster of policy battles, especially in the 1940s, when you saw a more social democratic formation rise up, the media reform movement really gain some traction in the US, only to be wiped out by mostly, I would argue, it was red-baiting, was the anti-communist hysteria in the 1940s that really left a lasting imprint not just on our media system, but on all of our core systems as one of the key reasons why we lack national healthcare in the US, why the US is such a global outlier with so many of our systems. I think it all traces back to the 1940s when we really took this rightward turn and our Social Democrats were purged from the halls of power.

I could talk to that much more, but I will move on and simply reduce that entire book to this one slide where I talk about this public, this postwar settlement for American media that basically determined or largely determined that media would remain only lightly regulated, practice industry-defined social responsibility and be protected by this negative, negative in the Isaiah Berlin-sense of negative liberties, that we would privilege these protections that kept government off our backs, that protected us from government interference. It was less focused on positive liberties that were more about what should we have access to in our news media system? What should we be guaranteed in terms of having access to a rich and informative news media system? And above all, this ideological formation that came out of the 40s and has really only gained strength since then, although I think it's come apart today as we speak, is this assumption that government should remain out, remain uninvolved in our media systems, which, of course, is the libertarian fantasy. Government is always involved in our media systems and the question is how government should be involved. And that's what much of my work is focused on.

So this corporate libertarian paradigm that came out of the 40s, still largely intact today, gave rise to what I refer to as a market ontology of journalism, thinking of journalism in terms of it being a commodity, not a public service. And there are several tropes, and I get into this, these discourses in my recent book, but basically this idea that journalism is understood in terms of supply and demand, if it's no longer profitable, to be more specific, profitable to a small group of rich white men, then we should just let it wither. Basically, assuming that whatever the market decides, the market is the best arbiter of democratic choice and it really naturalizes

what really should be seen instead as a set of political decisions, choices, policy actions and inactions that have led us to this current predicament. And again, it lends credence to this idea that the collapse of journalism is beyond our control.

Sometimes I play this little mind, mental exercise with my students. If we were to imagine that some invasive force came in and started shutting down our newsrooms and force-marching journalists out on the street, Americans, as you may have heard, are unfortunately very well armed – I think you would see open armed rebellion against what would be seen as an attack on some of our core institutions. But when the market does essentially the same thing, wiping out newsrooms, gutting newspapers, we just kind of shrug our shoulders. This is just something beyond our control. It might be unfortunate, but there's just nothing that we can do about it. And then finally, there's this trope that paradoxically, even though these new technologies and market forces have driven journalism into the ground, that somehow through this creative destruction, they're going to combine and lead us out of this predicament. Now, fortunately, even though these tropes still have a lot of staying power, there are some political economic rationale, some antidotes, to the market fundamentalism that remains so prevalent in the US. And these come out of neoclassical economics. This isn't, I think they're quite consistent with more radical theories of power in particular. But basically, this is mainstream economics that argues that news and information are public goods. And of course, technically, that means they're not excludable, non-rivalrous. But beyond that, they are, also they have this connotation of being good for the public. They have tremendous positive externalities that go beyond the basic economic exchange of paying for this. This journalism, even if you aren't reading the newspaper, you'd benefit if your neighbor is reading the newspaper. So these positive extras nowadays are not supported by market functions.

And this brings us to what I refer to as a systemic market failure. There's an idea that market failure is this rare event that happens. And you just have to sort of tweak market relationships and then it will return to this kind of self-correcting stasis. But in fact, I argue that this systemic market failure is baked into the commercial DNA of journalism going back to the dawn of commercialization. It's, again, always been prone to crisis, and it requires, at the very least, constant policy intervention to try to maintain the levels of journalism that a democracy requires. But even beyond that, it requires public options, which again is why many democracies have such strong public media systems.

And then finally, as I already noted, the fact that there is this market failure, that legitimates government intervention, it legitimates policy intervention. So it's something that all democratic societies should be engaged in. It runs contrary to this prevailing libertarianism in the US. But it's something that we're going to have to do. And this brings me, I'm running out of time and I have to run out of time right at the part where I answer what's to be done about this? But I'll try to go through this and maybe we can get more into this during the discussion. But very least we need to establish public options that are not entirely reliant on the market, as much as possible to take journalism out of the market or shield it from commercial pressures. That also includes breaking up or preventing monopolies in the first place. And in some cases, in this, you know, I'm squeamish about this, we have to be careful about this. But in some cases, it does require regulating newsrooms, making sure that they adhere to public interest obligations. They are... Basically they are providing for society's information needs.

Now, those three are more top-down, but the two bottom-up is that we need to enable worker control. The journalists themselves should own and control newsrooms and that communities should own and control newsrooms. And I argue throughout my work, this never should be about shoring up the collapsing commercial outlets. This is not about protecting the status quo. We should be trying to create something entirely new from the ashes.

And despite all the doom and gloom in my talk today and in my book, I'm actually optimistic that we can reimagine what journalism could and should be. And there are any number of things that we could be doing. We could be leveraging already-existing public infrastructures like the postal system or libraries, for example, or public universities to have them serve as public spaces for producing journalism. We should be helping to facilitate commercial newspapers into non-profit or at least low-profit outlets. We're already seeing that beginning to happen in the US and we need to create, above all, a public media journalism trust, a trust fund that can allocate resources to the news desert, to the news divides that market will never serve. And one of the ideas, of course, is that the big bad duopoly, which is gobbling up almost all the digital advertising revenue now, Google and Facebook, that they should be putting money into this public trust. So despite all these depressing narratives in this depressing scenario, I actually think it is also a moment of opportunity. Certainly, we're seeing our social media monopolies coming under increased public scrutiny. But also what gives me hope – and this sounds a little bit cheesy – but young people today are less in thrall to the market fundamental, the market fundamentalism that has steered us down the wrong path for so long. And I'm weirdly hopeful that going forward we will see more experiments attempted, not just here in the US but around the world. So on that more optimistic note I'm going to end. I look forward to your questions. Thank you for listening.

[Christopher Buschow] Thank you, Victor. Give a big hand for Victor Picard.

[Victor Pickard] Thank you.

[Christopher Buschow] Thank you so much. And I think we have, we already have some questions in the chat, but of course everybody is invited to raise your hands.

You can do that virtually here in Zoom if you click on “Participants” and then you can choose to raise your hands.

But we can also do it via video. If you want to ask a question or write into the chat if you'd like to ask a question, but we will first take the questions from the chat. So we have a question from Holger Hettwer. He asks: "In Germany, there is, unlike in the US, no growth scene of billionaires – philanthropists, patrons, foundations – that financially support journalism. The foundation landscape in Germany has been structured so far that there is hardly any systematic and broadly effective support for journalism. What would be your recommendation to raise more awareness? And finally, more flanking support measures against a threatening democracy without journalism in the private sector as well as in the foundation sector?"

[Victor Pickard] That's an excellent question and a phrase that I think I saw on Twitter one time was that every billionaire's a policy failure. So I don't think it's a bad thing that you have this scarcity of billionaires. I think it's more, that's symptomatic of the

economic inequality here in the US. Now, given our desperate straits, I am not against this idea of trying to get rich benefactors to support the journalism that we need. But I often worry that it serves as a diversion from the systemic problems that are facing us. And it's... in some cases gives us some degree of false hope. I mean, for example, Jeff Bezos bought The Washington Post and there are other examples. Pierre Omidyar, for example, who's supporting The Intercept, has been very concerned about these media issues. You can't point to these exemplars where it seems to be working. But I think in most countries, you should try to skip that..

...that solution altogether and focus more on these systemic fixes, which, again, I think regardless of what our preexisting ideological dispositions might be, that our last, best hope for the future of journalism is going to be some kind of public model. And there are legitimate concerns about that kind of model. And I understand that in Germany, in many countries, there are barriers set up so that your public media systems don't engage in some of the kinds of journalism that print, that for private, for-profit private news outlets have traditionally taken care of.

But that model's collapsing, that private model is receding. And so I think the sooner we can recognize that market failure and start moving towards a public option, the better off we're going to be. In many democracies – New Zealand is doing this, Canada is doing this, France is starting to do this, I think all the Nordic countries have been doing this for many years – subsidize their print outlets as well to maintain a certain level of media pluralism or what we call media diversity in the US. So a long way of saying that I really think we should be looking at these public alternatives as much as possible and to make sure they're not just public in name only, but actually publicly owned and controlled. So we have to democratize these media outlets as well, not just de-commodify them, but democratize them.

[Christopher Buschow] And the next question from Franco Zotta very well connects to what you just said, because he is interested if it is in any way realistic that there will be a market-based financing of quality journalism beyond specialized niches. And can there be market-based solutions for the concept of an editorial office with all departments from politics to science and so on?

[Victor Pickard] Another excellent question, and I'm certainly not doctrinaire about this. I mean, I do think that commercial outlets, some will persist. But to go back to the question. No, I don't think we can place our faith on the market. I don't think there is a market solution for the news deserts that are worsening as we speak. So I'm not arguing that we shouldn't have any commercial outlets, but we have to be crystal clear that there are certain kinds of journalism that commercial outlets are very unlikely to cover. And there are rational reasons for this – types of journalism that tend not to sell advertising or that people don't pay for. Some of these kinds of journalism are what economists refer to as merit goods.

So individuals will not likely want those kinds of news stories, but they still need them. It's the reason why we have national health care systems, it's the reason why we have public education. We can't just simply trust individuals to always make the right choices or pay for the kinds of journalism that they need.

And finally, a public media system is very much governed by this universal service ethic, which a commercial outlet will never, that's profit-driven, will never, ever be guided by that same logic.

So at the very least, we need a mixed system, which is, you know, part of a social democratic model. We can have commercial outlets, but we've got to have these public outlets that cover the local journalism and the science journalism and the international reporting that commercial outlets are very unlikely to cover.

[Christopher Buschow] Franco Zotta, he adds another question. "Do you believe that the transformation of the journalistic system can succeed without statistical intervention and which intervention by the state...

...do you consider compatible with the imperative of journalistic independence?"

[Victor Pickard] Yeah. Excellent question. So, again, it must be democratized. So as much as I think federal governments, national governments should have this affirmative duty to guarantee the resources that are required to support these new newsrooms, I'm often thinking in terms of creating something entirely new, a structural alternative to the failing commercial model that we have now.

It has to be devolved from that kind of centralized control to regional and local control to the communities themselves. The newsrooms should look like the communities that they serve.

So again, there has to be this kind of radical democratic governance model put in place at the same time that we try to make sure that the resources are there. And that said, I mean, I think governments can help transition suffering commercial outlets into more of a non-profit model, which still might be privately owned. My preference would be that it's not privately owned. But I think those will exist. But that's where government can help through tax incentives and various subsidies to transition those already existing models into these non-profit or here in the US we also have these hybrid models are called low-profits, public-benefit corporations is their technical term, where they're focused on serving the public as opposed to primarily serving their profit imperatives.

[Christopher Buschow] And if you have further questions, please post them to the chat or raise your hand or write in the chat that you like to ask a question, we have now the possibility to also hear questions. You can activate your microphone and talk to us. But I want to ask Victor: what we have here in Germany is a discussion about innovation policy. I expect you to be critical of that because you, in your presentation, said that the hope is on technology that will solve all these problems and so on. But do you see any value in innovation policy for journalism? So, helping commercial outlets with initial funding, with new projects, or do you see no value at all in such kind of policy interventions? This is, from my perspective, something different from the perspective of subsidizing permanently funding news outlets.

[Victor Pickard] Yeah. Great question. I'm not... I would never go on the record saying that I'm anti-innovation. Right. Like, I think that, you know, obviously the future of journalism is already digital. It's definitely going to be a technologically enabled

practice. And as much as we can innovate those practices, not just in using new technologies, but in the news-gathering practices themselves, I think this is all to the good. So I do think there are these technological, even cultural advances that would be, that a government could help incubate, could help subsidize by providing what in the States we refer to as R&D or research and development funds. So absolutely, I think government – and that's essentially what government has always done, whether it's the Internet or the telegraph or broadcasting – governments helped incubate those new then very new technologies. So I think certainly government has a role to play in that endeavor as well.

[Christopher Buschow] But is it only about technology or is it also about innovation in other areas of journalism, such as business models, organization forms, products?

These kind of things?

[Victor Pickard] Yeah, I think so, too. And I'll give you one example, something I know Julia Cagé, who I think you'll hear from in the coming weeks as well...

...has argued for this as well: we all are arguing for various kinds of tax vouchers, and that's where the government gives individuals a tax voucher of, say, \$100 or \$200 that they can put towards media of their choice. So that's an elegant way of circumventing or negotiating this concern that government will have too much control. And I think that in itself could be a site of innovation because individuals might put money towards new startups, new kinds of gathering information, new kinds of journalism. So absolutely, I think governments can help incubate that and subsidize that.

[Christopher Buschow] OK, so we have more questions from the chat. Mariana wants to know: "There are already concepts like crowdfunded online papers and magazines in Germany.

Which role will these concepts play from your point of view?"

[Victor Pickard] So I think those are exciting endeavors whenever they work. And so I certainly would not dismiss them. But at the same time, I think we have to be clear that those kinds of endeavors will likely only work for particular kinds of journalism. I always use the example of like a journalist covering the health of the local bridge, you know, our local bridges. That's not a very sexy story.

I don't know that crowdfunding would support that kind of story. But yet we need a journalist whose job it is to go in, day in and day out and cover those very boring stories. So those are the kinds of stories that I worry that philanthropists aren't going to cover, the market's not going to cover, advertisers aren't going to cover, individuals aren't going to pay for it. It's that kind of, you know, sort of baseline democratic reporting that we need to make sure there are people whose job it is who have benefits, who make an annual salary, who wake up in the morning and go out and cover that kind of story and gather that kind of information. So that's what I try to draw attention to, that there are limitations to some of these more exciting initiatives. And I keep coming back to: we need a public system, a public model to guarantee the baseline level of journalism that democracy requires.

[Christopher Buschow] With regard to the public model, Holger has another question, he's interested in these, yeah, I would say dangers that state intervention could influence the content that is produced. This is the case in discussions around foundations as well. But what is your take on the question? Holger asks: "How do you cope with those fears in the US? Are there any governance role models for ensuring journalistic independence that we in Germany could learn from?"

[Victor Pickard] Yes, great question. That question always comes up, especially in the US, as you might imagine. And I think it's a very legitimate concern. We certainly can point to public media systems around the world that have been captured by the state. So there has to be these firewalls and safeguards that are built in. I mean, one example in the US: the state of New Jersey has allocated a couple of million dollars towards local journalism initiatives. But the money is going through various civic organizations that sort of act as mediators. So the government just says, here's your pot of money.

But it's entirely content-neutral in terms of what kind of journalism that money supports, aside from it having to be local journalism. But it's local groups that help determine how that money will be allocated and what kind of news that money will help support. So I do think that there are these decentralizing mechanisms that we can put into place that again democratizes the entire governance model, the governance level, the news production level, to make, to make it so that citizens themselves are creating their own newsrooms, that their voices are represented in that process, that journalists are in constant dialog with local communities about what sort of news stories those communities would like to hear, making sure that they're representative, you know. I think that we can figure this out. Other democratic societies have figured it out. Norway and Sweden have been subsidizing news and newspapers for decades. And as far as I know, they haven't slid into totalitarian regimes just yet. So I think, I think democratic societies can figure this out. But it's got to be transparent and accountable to local communities. It's got to be just very democratic.

[Christopher Buschow] We have a further question from Manuel Lino, who is interested: "What would be your recommendations on how to start small with the changes you propose?" And I'd like to add what would be the first thing to do for governments if they start small as Manuel asks.

[Victor Pickard] Yeah, I mean, in my view, small is good.

It doesn't have to be big, although, again, I think in the big picture, we want to make sure that there aren't just all these niche outlets, you know, that we want to make sure that state governments and regional governments are being covered by journalists. So there are certain information needs that I want to make sure we're definitely checking those boxes. But in terms of just having small outlets, I think as long as they adhere to certain criteria, that they also should be, you know, they should qualify for these subsidies as well. And, you know, increasingly, that is one example of where new technologies enable these small types of journalism. One of the ideas, one of the crazier ideas, that I promote in my book is that we convert post offices into community media centers across the US and in other countries as well.

I think this model might work where you already have that infrastructure in place. And in many communities, you could at best fit in one or two citizen journalists. You could imagine their desks fitting into these little boxy post offices. But I think that small can work, can work very well. We just have to make sure they have the resources because a small outlet is not going to be able to rely on advertising, might not be able to rely on reader support or community support directly. So I think, again, we're going to have to subsidize even those small outlets as well.

[Christopher Buschow] We have a question that Dario Siegen like to ask in person. I think we already activated his microphone. So, Dario, please go ahead.

[Dario Siegen] Thank you, Christopher Buschow. Professor Pickard, thank you so much for your insightful presentation. I very much agree with a lot of what you've presented here and have thought about public funding for a quality journalism as absolutely necessary.

And I personally don't think it's innovation necessarily that is needed. But just the ideas are out there.

They just need to be implemented and political will needs to be there.

However, from my perspective, and seeing that the political debate in the US.

I hardly ever see this discussion being held, even though Trump's constant attack on the media would very much invite that sort of discussion around the value of journalism and democracy. What's your perspective on that? And why do you think— if you agree that it's not there – why do you think it's not more also, you know, asked by politicians or the media?

[Victor Pickard] Yeah, great question. I think to answer your last point there, I think politicians have a lot to gain from there not being a financially viable fourth estate. I think they're more than happy to see a lot of journalism disappear, although politicians sometimes will sing a different tune when they realize that their local journalists are no longer there to cover them.

So they no longer have this way to communicate with their own constituents. And this gets me to this. It might be counterintuitive, but actually right now I've seen a lot of opportunity to push for this kind of subsidy model. Ideally, this wouldn't happen while Donald Trump is in office. But I do think there is this growing level of concern and awareness about journalists as essential workers, especially during a global pandemic. I think we've really been sensitized to the absolute necessity of having local journalism, having local media to tell us what's happening in our own backyards. Where can we have a COVID test, for example? Oftentimes, these things aren't covered anywhere else, especially in far-flung communities. They need to have access to local media.

We're also seeing that polling data is showing us again and again that even among conservatives, who hate the media because they think it's got a liberal bias or whatever, they actually have warm, fuzzy feelings about their local media. They care

deeply about their local newspaper, their local broadcaster. And we're seeing high levels of trust across the board for local journalism, also for public media in the United States. Americans have these kind of warm, fuzzy feelings about, [indistinct], my last PowerPoint slide, that was Big Bird. Most Americans grew up with Sesame Street.

They also like the BBC. So I think there are these leverage points where you can pierce through the kind of knee-jerk libertarian reaction against this idea of media subsidies, public media subsidies. I like to call them public investments. Let's not even use the term subsidy. It's about public investments in local media infrastructure. And, you know, that's a little wonky and that might not capture people's hearts and minds. But I do think that there's growing concern about the need for having local journalism. And that, again, gives me some weird hope at the moment.

[Christopher Buschow] Thank you so much, Victor. I think this is a perfect moment. This is a good outlook you presented, and I think we ran out of time. This was a wonderful session. Thank you so much, Victor. Give a big virtual hand for Victor Pickard.

Thank you so much.

And I'd like to give an outlook to the next session. We will have next week, on Wednesday, the 14th, it's with Dame Frances Cairncross, the author of The Cairncross report that was published last year in the United Kingdom and is about the future of journalism in the United Kingdom. Very interesting indeed. So you're all invited to join us next week as well. If you'd like to know more about the next lectures, the next dates, what's coming up in the next eleven weeks, I think visit science-journalism.eu. And there you find all possibilities and all next dates. And we will be happy if you join us the next time we gather here in the virtual sci-conference. So thanks again, Victor. All the best to Philadelphia, to the United States. And thanks for taking the time for the impressive talk. All the best. Bye bye.

[Victor Pickard] Bye. Thank you, Christopher. Thank you all. Take care. It was a great discussion. Thank you.

www.science-journalism.eu