



The virtual SciCon conference series | Transcript

Magda Konieczna | Journalism Without Profit: Why We Need Public Journalism (28th October 2020)

Mod.: Prof. Christopher Buschow

[Christopher Buschow] OK. So welcome, everybody, to the virtual SciCon lecture series. Good morning to Canada. And good evening to all of our viewers from Germany and Europe. My name is Christopher Buschow and I am your host today. I am an assistant professor at Bauhaus-Universität in Weimar in Germany and my work here in Weimar mainly focuses on questions of organizing and financing journalism in the digital age.

At the beginning, I was asked to say some words concerning the context of today's lecture. So the virtual SciCon series is part of the conference Science Journalism in the Digital Age, organized by Wissenschafts-Pressekonferenz, which is the Association of German Science Journalists, and acatech. And in the next year in May, the non-virtual part of the conference will take place in Freiburg, the so-called SciCon Working Conference. And at this conference, we will discuss what can be done for science journalism in Germany. And this discussion will especially be against the backdrop of the expert lectures we hear here in this lecture series and the conference, the working conference will be on topics how a viable future for science journalism in Germany can be developed. The working conference and our online lecture series are made possible thanks to a grant from Germany's Federal Ministry of Education and Research. So, thanks a lot for that.

All the lectures we will hear in the next couple of weeks and months will be recorded and transcribed to create a knowledge repository, and this repository will be the input for the discussions in Freiburg next year. So everybody, please note that this Zoom session will be recorded and that you with your participation here today, accept that your question, questions, your voice, and your video will be recorded if you activate it.

So in the following, I'd like to proceed as follows. First, we will hear a 30-minute lecture from today's guest that I just briefly introduce in the next moment. And if you, the audience, have any thoughts or questions on this talk, please don't hesitate to write them in our chat here in Zoom. After the lecture, we will come back to your questions, to the questions from the chat. You will also be able to ask questions directly to our today's guest. We will have like 15, 20 minutes for this Q&A session.

So. Now it's my big pleasure to introduce to you today's guest of the virtual SciCon conference, our speaker, Professor Magda Konieczna. She is an assistant professor at Temple University in Philadelphia in Pennsylvania, and she received her PhD

from the University of Wisconsin-Madison. And even before she was a, as I read, city hall reporter in Canada, before she moved into academia. Her 2018 book *Journalism Without Profit*, published with Oxford Press, Oxford University Press, is focused on nonprofit news organizations and the future of journalism. And this is really a great book I'd like to recommend to all of you. And I just said it before, it's also a key reading for everybody in Europe and Germany, but globally, who is interested in a nonprofit future of journalism. And it's really giving very inspiring impulses for creating such a nonprofit future of journalism. So I'd really like to recommend this book to all of you. So, Professor Konieczna, Magda, thank you so much for joining us today. We are very delighted to have you with us. And very much looking forward to your presentation. So the floor is yours.

[[Magda Konieczna](#)] Thank you so much, Christopher, and thanks, everyone, for inviting me to join. Let me just put my screen on. One moment.

OK, can everybody see my screen?

So thank you very much for inviting me to join. I appreciate being here with you. And also in the esteemed virtual company of my fellow presenters. I'm really heartened by the fact that science journalists are talking about the news business and what it can do for democracy and are working towards making proposals around that because of course it's something that affects all of us as journalists and as citizens. As Christopher said, my name is Magda, Konieczna, I'm an assistant professor of journalism at Temple University in Philadelphia in the United States, and I'm going to talk about nonprofit news and what promises it holds for the future of journalism and also what the challenges are. And this is based on the research for my book that Christopher mentioned and updated to kind of reflect how the news environment has changed and how my own thinking about it has changed since then.

So we'll start with a little bit of context about the crisis in journalism, and then I'll talk about what the market can and can't do in terms of funding journalism and the role of nonprofits and the role of government.

So, as all of you know, journalism today is facing so many challenges. Early on, it may have seemed like the Internet and digital technology posed the biggest challenges. It seemed in the late 1990s and early 2000s that if only journalists could figure out how to put content online and earn money from it, that they could keep doing the kind of journalism they had always been doing. And it's not really surprising that the effect of the Internet on the news business kind of loomed large as we thought about how journalism was changing. After all, it directly contributed to the erosion of all parts of the news business model of circulation, advertising of classifieds. Perhaps more in the US than in Europe. But these changes really are true across the board.

I really like this chart, which I think is sort of emblematic of some of the challenges in the news-funding model. My students always gasp when I put this chart up. So what you see here is advertising revenue coming into American newspapers over time. From 1950 until about 2000, climbing quite steadily. In fact, tripling over that time period, more than tripling. And then those 50 years of growth are lost in just

the next ten years, right? Advertising revenue kind of goes through the floor. And I should say, in the years since then, obviously, things have only gotten more challenging. Facebook and Google have since kind of really eaten the ad market, the digital ad market. In 2018, they claimed, along with Amazon, almost 70 percent of online advertising revenue in the US. And now with the pandemic, we're seeing just a further cratering of advertising support for news organizations, leading to lay-offs and even closures of news organizations. As you know, it's kind of impossible to tell how this will all end, but in the US, the Poynter Institute is tracking job losses and closures since the pandemic began. And so far, they list problems at two hundred and seventy-five publications across the US. So it's really very widespread and really very connected to the challenges in the advertising market.

But newspaper circulation has not been doing well either, right? So here from 2009 to 2014, you can see the drop in circulation: pretty significant and in many places and in particular in Europe, right? Until these financial challenges, they really loom large. But I think it's becoming apparent now that there are two other challenges here. I really feel now that the news business model, the traditional news business model, was really misaligned. The incentives for producing quality journalism were just not there. And new models for producing journalism, I think, can create incentives that really focus on quality journalism and focus on supporting democracy. And the second set of challenges, I think, that we're experiencing are related to the crisis of trust, the question of who journalism is for, who it serves. And I think these issues really reflect an industry that has always struggled with its relationship to its community and that has sometimes lacked some humbleness around its authority, where it came from, and what responsibilities came along with it.

And so today, my focus is on challenges to the business model and how those are really a reflection of challenges to the incentives and to journalism's relationship to its community. And I'll do that through examining how the business model defines journalism's priorities.

OK, so let's turn to talking about the market's support of journalism.

It really seemed, I think, throughout a lot of the 20th century, that the market was doing an at least OK job of supporting what I call public-service journalism, which is that kind of journalism that democracy needs to function. The situation is similar in Europe. Some of the details are different. But in general, journalism was supported by a mix of circulation revenue and advertising revenue, including classifieds. And the combination of these sources produced some really excellent journalism, right? It may or may not have been all the journalism we needed or wanted, it may not have exactly been in the form we needed, but it seemed like the model was working fairly well. There was at least an impression across many sectors of society that journalism was doing a good job of supporting democracy and that the market was doing a good job of supporting journalism. But I think when we sort of start to look more closely, what we see is that hidden in this model is the fact that there were significant subsidies for doing public-service journalism and that it was those subsidies that were really enabling that to happen. So we don't have any evidence that anyone ever asked if news specifically was making money. Instead, news was always bundled in the traditional model with other things, with sports, with the

crossword, with recipes. People paid for the news to get any number of these things, right? You might want to know how your team did yesterday, and so you buy the newspaper. And by doing that, you're subsidizing quality public-service journalism. And so this bundle, the packaging of news with other things, offered one form of subsidy.

The second subsidy came in the form of family ownership. Families owned newspapers in the US and in many other places as well and were willing to spend money to bring prestige to their publications or to make a political statement. And you see this very clearly.

I'm sure many of you have seen the recent movie "The Post" about The Washington Post reporting on the Pentagon Papers. The reporters are encouraged to pursue the story by their publisher, Katharine Graham, whose family had owned the paper for decades. And there's a suggestion that it's sort of a point of pride for her, though very complicated if you've seen the movie, the storyline is quite complex. But thus it was across many newspapers and many stories. You never see Katharine Graham in the film asking how much the investigation is going to cost and what the return on the investment might be, even though you do see The Post in significant financial trouble in the course of that movie. And you might wonder whether a Katharine Graham today would have okayed such an in-depth and expensive investigation. And so this was sort of the second form of subsidy: families willing to spend money to produce quality journalism without necessarily having sort of an obvious return on that. In the US we also had government regulations that required, in exchange for the use of public airwaves, that news organizations broadcast information in the public interest. It was sort of a tax on using the airwaves for free. And I know versions of this, of course, exist in other countries as well.

And so we have these three subsidies – the bundle, family ownership, and government requirements – that were underwritten by a vibrant and valuable advertising market. So I showed you that chart of advertising revenue in newspapers over time. And you see that it grew very significantly over the second half of the 20th century, more than tripling. Advertisers were, in essence, significant customers of the news business. And you can see here, even as recently as 2006, you see that advertising in the US represented more than 80 percent of funding in the news business. But advertisers weren't buying news, right? They were buying access to the eyeballs of news audiences who might want their products. So this is sort of one more kind of wrinkle. I don't think of it exactly as a subsidy, but it certainly represents a significant underwriting of the news industry that's not connected to paying for quality journalism.

And so given all of this, I think it's fair to say that journalism never really was a product of the marketplace in the first place. It was rather sort of produced incidentally, a byproduct of this relationship between advertisers and news organizations and supported by these three subsidies. And now what we have is that the market's inability to support news has become apparent. The subsidies have eroded. Most newspapers are owned by chains, many of which have been quite ruthless in the US – we use this term "vulture capitalist" to describe how some of these chains behave. The bundle is unbundled, right? I tell my students that I'm the last person on Earth who reads the newspaper in print. That's probably not true.

Some of you people here are probably also among the last people. And of course, some organizations are having success with digital subscription. But most people now can access the sports score or the crossword without helping to pay for public-service journalism. And in the US at least, government regulation in favor of public-interest journalism is gone. And the ad market has all but vanished, right? I showed you that chart. So I think it's not that the market that produced journalism has fallen apart. But rather, I think it's more accurate to say that the market never did support journalism. And it's the structure that made it seem that way that fell apart. So, in other words, we had a situation where journalism never really did stand financially on its own. Instead, it was supported by this complicated structure. That structure is now gone. But there's no reason for us to expect that suddenly journalism should be able to be self-funded, right?

And so in light of this evolution, we've seen the development of a range of alternative funding models for journalism. My work, of course, is on nonprofits, which I think is one of the most promising ones. It's also, I should say, a little bit of a deceptive model, right? So separating journalism from profit is not the same as separating it from revenue, right? Nonprofit: this removes the profit motive. And as I'll explain, I think that qualitatively changes the nature of journalism, but it doesn't remove the revenue piece, which kind of forever connects nonprofit use to the commercial environment. And so I think what we see is that there's a new set of logics for news at play here, as I'll explain. But the differences might not be as stark as you might expect.

OK, I will explain all of that. But first, let me take a step back and talk a little bit about the field of nonprofit news. A few news nonprofits have been around for a long time. The Associated Press might be the first. It was founded in 1846. But with growing problems, and so we've seen kind of these organizations bubbling up over time, but with growing problems in the news business model, we've seen a growing interest in alternative models for funding news, especially in nonprofits. In 2009, after the financial crisis really laid waste to the business model in the US especially, 27 of these nonprofit newsrooms joined together to start what is now called the Institute for Nonprofit News. Today, the Institute has more than two hundred and fifty members, the vast majority of them in the US. You see the map here of membership of Institute for Nonprofit News. And by the way, many of them are regionally based and I'll talk about that in a moment. But many are also topic-based. And many of those topics are health or environmental reporting, which I think for an audience of science reporters would be especially pertinent. You may have heard of Inside Climate News, which is perhaps the most prominent one that won a Pulitzer in 2013 for a story that they did about a massive oil spill.

So let me talk you through how these organizations work and who they are with an example. So I will start, sorry, here's Inside Climate News. I will start with Andy Hall, who was an investigative reporter at the Wisconsin State Journal in the city of Madison, Wisconsin. The State Journal closed its investigative desk and moved Hall to a different beat. And he said he just wanted to find a way to keep doing the kind of journalism that he loved to do and that he thought was really important for democracy. And he felt after his experience at the State Journal that the market just would not support it. And so he felt that he just needed to find a new business model for doing that kind of journalism. He started the Wisconsin Center for

Investigative Journalism in 2009. And when I was doing fieldwork there, a reporter told me that they were just doing old-school journalism by old-school rules. And I think this is so important I'm emphasizing this on the screen. So they saw this just as a new business model for doing the same kind of deep investigative and watchdog work that they had always been doing. But early on, Hall recognized that news audiences already existed around the state. It made no sense for him to try to build a new news audience, which no doubt would be some kind of an elite audience siphoning readers off into a segregated news space. Instead, he wanted to focus on improving journalism where audiences already were. And so we already see how this is diverging from the mainstream model. And so from the start, Hall gave his stories away for free to news organizations around the state. And you can see here when they talk about their model of nonprofit journalism is simple: we give it away, right? So they would work on these stories for months or a year and then give them away for free. Mostly to organizations around the state of Wisconsin. And the vast majority of the center's audience would see its stories through their own local newspaper, own local newscast. And when they talk about their audience, what they say is since 2009, you can see here, 94.7 million people have seen, read, or heard our stories. And when I ask them where this number came from, they told me that it's sort of the sum total of the circulation of all the publications that have ever republished their work. So they're really kind of connecting to that mode of distribution. And so right away, you can see that they've set up kind of a nonlinear existence, right? Perhaps they're doing old-school journalism by old-school rules, but the distribution is very different. And what that does is it makes it very hard for the Center to get any revenue from audiences or from advertising – the traditional sources, right? It takes a really sophisticated reader reading their own local newspaper to realize that the story that they're reading was produced by the Wisconsin Center for Investigative Journalism and to think about making a donation to them. And similarly, it doesn't make sense for an organization to buy advertising on a website where people are mostly getting the stories through other sources. And so this model of content-sharing committed the Center, at least early on, to relying very heavily on revenue from foundations and philanthropists – those entities that fund journalism really out of a concern about the quality of our democracy. And this is one model for nonprofit news.

If we think of nonprofit news as a spectrum, the Wisconsin Center is at one end, relying most heavily on audiences to come to it through other news organizations and thus most heavily on foundation revenue. In the middle, we have places like the Center for Public Integrity, you might have heard of them. They were the ones who started the International Consortium of Investigative Journalists, which has now spun off into its own organization. But that ICIJ was responsible for the Panama Papers, which I'm sure you're familiar with, especially in Germany.

Because of international focus it is perhaps easier for the Center for Public Integrity to bring a critical mass of audiences to its website. But it still relies very heavily on sharing content through other news organizations and thus on funding through foundations and philanthropists. And here you can see its revenue in 2017. And I should note, this chart is not to scale. This is from their annual report. What you can see here is that individual audience members bring in about four percent of their \$10 million annual revenue in 2017. So even for an organization like the Center for Public Integrity that has been around for a long time and has won

Pulitzers, that plays a fairly significant role on the national stage, they are still very heavily reliant on foundations.

OK, so that's sort of the middle of the spectrum. And then on the opposite end is the online newspaper, MinnPost in Minneapolis, and these obviously are just examples that represent many, a large group of organizations at every part of the spectrum. MinnPost focuses on bringing an audience directly to its site, holds membership events, and it works to establish itself as a key player in the news space in Minneapolis. And that means that it's getting, that it's working on getting name recognition from its audience and thus it can sort of succeed at earning revenue from its readers, donations from readers. It can even sort of sell swag, right? It has enough name recognition that people are interested in buying these mugs to help support MinnPost, right?

And so this is sort of the spectrum of these organizations from the Wisconsin Center, which relies very heavily on audiences finding its story through other news organizations and thus funding through foundations, all the way to MinnPost, which publishes daily on its site and can rely a little more on audience revenue. The Institute for Nonprofit News that I mentioned does occasional surveys of its members. And in the most recent one, they found that about half of the revenue from the respondents came from foundations and about a third came from individual giving. And so what we see here is not just a new business model for doing journalism, I think not just old-school journalism by old-school rules, but rather a real reconfiguration of the subsidies I mentioned earlier. Instead of being produced incidentally, as a byproduct of the relationship between audiences and advertisers, sorry: as a byproduct of the relationship between news organizations and advertisers, news in this nonprofit model is produced directly, funded by entities that support it because of its public-service mission. In other words, Andy Hall and the other news entrepreneurs here have created a space in which public-service journalism itself has value. Just as the market had its own set of logic, so does this [indistinct]. And this is a structure that I think is more focused on promoting democracy, which is the goal of foundations, and on quality journalism, which is the goal of audience donors. By sharing content in the way, for instance, that the Wisconsin Center does, these organizations are working on repairing journalism from within, on encouraging and helping commercial news organizations do better, while taking advantage of the cultural capital from those news organizations that republish their stories. And so what we're seeing here is sort of an outsourcing of public-service journalism to nonprofit news organizations.

And so I think the key here is that the incentives for commercial journalism were really aligned, were really misaligned with the cause of producing good journalism and of serving democracy. And if that model kind of worked for a while, it was by accident, not by design. Nonprofit news really represents a realignment of those incentives and an opportunity to create a funding model that supports journalism specifically for what it can do for democracy.

Of course, these organizations are not entirely insulated from the marketplace. In other words, this realignment is not complete. Many of them still sell advertising. Many of them struggle with how to incentivize membership or donations without excluding audience members who can't pay. And foundations put forth potentially a

different set of outside influences, right? Even if they're not nefarious, they act as an outside force influencing journalism. And journalists are inherently defensive about that and often for good reason, right? And so we see a lot of these publications really emphasizing that their funders have no influence on their content. But at the end of the day, when they're always chasing the soft money, it's sort of hard to imagine that they're not letting foundations set the agenda in some ways. And perhaps more concerning is the way in which the nonprofit industrial complex works. There's sort of a suggestion at the heart of the foundation/journalism relationship that foundation officers are working in the interests of democracy. And I think most would claim that they are. And I think for the most part, we would agree. But if we take seriously the idea that democracy is governance by citizens, this decision starts to become clear, right? Governments are elected. They have a duty to be responsive to citizens between election cycles, and there exist mechanisms to make that happen. Foundations have mission statements and many of them are laudable. Here, for instance, is the mission statement of the Knight Foundation, one of the biggest funders of journalism in the US, and they talk about the First Amendment, the role of journalism in a democracy, journalistic excellence, all values that we all, I'm sure, agree with. Still, we could argue that accountability measures here are limited at best, right? The Lenfest Institute in Philadelphia, where I live, owns our two local newspapers. And if I feel that the Lenfest Institute is causing harm, you know, I suppose I could contact them. And we have as journalists and journalism faculty tried to keep them accountable. And that works to some degree. But there's not kind of an obvious built in mechanism there, right? And that, I think, is certainly a reason for concern.

And then there's, of course, the argument that foundations only exist because we have allowed for the development of an unequal society, right? If the Ford Motor Company had paid its fair share, this argument goes, it wouldn't have the money to create the Ford Foundation, which now has \$13 billion in assets, which allows it to spend heavily every year on things, including journalism.

In the end, I'm a pragmatist, and you may or may not agree, and I would love to hear your thoughts in the Q&A, while I think these are all problems and I think we shouldn't stop advocating for more equality or at least less inequality,

I do think that nonprofits are an important part of the solution to the problem of journalism. There are two more very specific concerns I have about the limitations of nonprofit use. Early on when the Institute for Nonprofit News was formed and in the ensuing years, many of those in the field were focused on just finding a new business model for doing the same kind of journalism they'd always been doing – that old-school journalism by old-school rules, right?. In other words, early on there wasn't really a recognition of the fact that part of the reason the business model was in trouble is that there were problems with the product the journalists were producing and the relationships they were building with the community in that process.

As I said earlier, the Wisconsin Center for Investigative Journalism is trying to improve the quality of journalism across the state of Wisconsin. And that's a laudable goal. But it sort of always ties the Center to the kind of journalism that's already being done, right? The stories it produces in order for news editors to

republish them need to look like news stories. They can't be poems, they can't be plays if they're going to be republished. And this really limits the critique that these news organizations can level against the commercial journalism from which they've come. We have seen that evolving a little bit, especially in Europe, where nonprofit news has a bit of a different context. I think – I won't talk too much about this now, but I'm happy to get into it in the Q&A – but in Europe, nonprofit news, I think largely has arisen later than in the US. And in response, not explicitly to challenges in the business model, but also to concerns about rising populism and the role that journalism should play in tempering that. And we've seen news organizations in Europe, news nonprofits in Europe, being a little more critical of the traditional news model. And so you have Correctiv in Germany that does all kinds of really interesting work. And one of the things they do is they publish books, right? The Bureau of Investigative Journalism in London puts on plays and they do this because they think these are better ways of reaching audiences, or at least ways that can kind of supplement the traditional journalistic outputs, to broaden the audience, to spread the appeal. And what we're seeing is sort of a recognition on the part of these organizations that it isn't enough to produce the same kind of journalism that ran into challenges, partly because of the business model, but partly because of inadequate relationships with the communities.

Relatedly, we're seeing huge problems in the level of trust that people have for news organizations and a growing recognition that this might be a symptom of the fact that news organizations didn't always adequately connect with their communities and that not everyone was reflected in the news, that journalists were often assuming an authority, assuming an authority that it seemed they had, but when the Internet opened up other options for information, people turned to those that they more trusted. And so when we look throughout the 20th century and we see that journalism was doing a good job, I think what we're noticing is that it was doing a good job for us and leaving out many parts of the community. And so perhaps finding a new business model was never quite enough. Today, we've seen increased focus on engaged journalism and participatory journalism, solutions journalism. In other words, on journalisms that take seriously the notion of audience agency and that acknowledge that journalists aren't kind of inherently imbued with the ability to figure out what audiences want and need. And so early in the nonprofit news evolution, we saw these places that maybe doubled down on deep investigative journalism, published it on their websites, and gave it away to other news organizations to republish. Today, we see an evolution in the idea of what nonprofit news can and should do to include places like City Bureau, which acknowledges that producing amazing journalism is not enough. Let me just tell you very briefly about City Bureau. Here we go. So City Bureau brings people together to produce media that's impactful and responsive to the public. It is a nonprofit civic journalism lab and it helps, it envisions a future in which people are equipped with the tools and knowledge to effect change. So their work is really grounded in the community, providing tools to the community, taking the lead of the community, and empowering really a historically disempowered community in the south side of Chicago. And this, I think, gets to the idea that the business crisis in journalism is related to other broader crises. Perhaps the challenges that journalism never quite fulfilled what it was that audiences needed.

OK, and so the organizers asked me to kind of think about whether there are opportunities for states or civil societies to play a role here. In a word, I think yes, absolutely, right? If we talk about journalism being essential to democracy, it is clear, I think, that commercial funding is a mismatch. And while I've expressed great hope – and great pragmatic hope – in the role that news nonprofits can play, I think the limitations really should give me pause, should give us pause. In particular, the question of who foundations are accountable to and the degree to which we let program officers dictate the future of our democracy I think are really worrisome. And so I think we can note that obviously government, whose role is to uphold democracy, should play an important role in funding it. And this is something obviously that is very controversial in the US, but less so elsewhere in the world, I think.

We've seen, though, you know, even in the US, in light of these intersecting crises of news, governments getting more involved.

There have been interesting experiments, for instance, in New Jersey, just a little kind of image of that, where activists persuaded the state to use some of the proceeds from the sale of unused broadcast spectrum to fund journalism. So there is a recognition and there is kind of work happening there, even in sort of the very commercially minded situation in the US. Finally, the organizers also asked me to think about my vision for a mass media infrastructure in a modern digital democracy.

And this is a very challenging question. And I would love to hear also in the Q&A what all of you think about this. I have tended to believe that the more media we have, the better, or the more models, the better. But I think we're starting to really see the downsides of that. You know, especially in the US, there's been a tremendous broadening of news organizations and of types of news organizations. And the cacophony of that is really deafening, right? The uncertainty around whom to trust is overwhelming. I think maybe it's clear now that what we need is not more, but instead some way to make sense of and maybe even pare down what we have. I really love this idea from Eric Newton from the Knight Foundation, who said a few years ago that the idea of journalism shining a spotlight is maybe outdated. And what we need instead is journalism that helps us put on sunglasses, right? But I think those need to be highly polarized sunglasses. What I mean is we don't want to attenuate everything equally, right?

We need a way to promote the kind of work that supports democracy and somehow attenuate the rest. And for me, it again comes down to the question of incentives. There's no getting around the fact that for commercial media, the incentives are to get clicks. And it's long been obvious that this is problematic. But I think what we see now is that it does not just lead to sensationalist coverage. It also encourages misinformation to circulate. And so I just don't believe that a market-based or commercial journalism can be relied on. And if it does produce something that promotes democracy, I think that's a coincidence. I think the incentives are just not set up to produce quality journalism. And so I think going forward, any structure that we come up with – and I know that all of you will be debating this – any structure that we come up with to produce and support journalism, we need to ask ourselves, what are the incentives? And are they aligned with producing quality

journalism in the digital age and with distributing it, right? One thing we've seen is a real separation between news production and news distribution with social media companies doing a lot of the distribution and reaping a lot of the financial rewards. But I think with increasing pressure on Facebook and now with the American lawsuit against Google, it seems increasingly likely that we'll see a realignment there. And we should make sure that as that happens, we push for a structure that really appropriately incentivizes quality journalism. And so – I'm just running out of time here – so just very quickly, I think it's clear that government-funded media set up with the appropriate incentives – of course, government can't and probably shouldn't fund all of the journalism that we need – I'm cautiously optimistic about the ability of nonprofits to play a key role here, though I do think we need to think about the limitations that I've mentioned and think about ways to sort of mitigate those. And ultimately, I think we need to keep fighting to make the argument about the importance of journalism and insisting that quality journalism is essential in its own right.

So I would love to hear your questions, either in the chat or verbally in the Zoom call and also feel free, certainly, to contact me as well. Thank you so much for listening and I love to hear your inputs.

[Christopher Buschow] Thank you, Magda. Thank you so much. Ladies and gentlemen, please give a big virtual hand for Professor Konieczna.

So we take questions from the chat. We already have some here. I will read them to the audience. But I'd also like everybody who wants to ask the question in person, please raise your hands so I can, we can take your questions live here.

I will read the first question. It's from Franco Zotta. He's actually interested: If there's a danger for many nonprofits that they will become niche offers for an, as he calls it, "info elite". After all, he writes, the old bundle model not only ensured income, but also a large reach.

If the bundle no longer works, how does nonprofit journalism secure reach and legitimacy in the long run?

[Magda Konieczna] I mean, I think that's such an important question.

One of the most important questions, I think. You know, in some ways, Andy Hall, who I described from the Wisconsin Center for Investigative Journalism, I think kind of stumbled on one of the solutions here, which is to, you know, they're not working to bring audiences to their own website, but they're working to improve journalism where people already are, right?

So through all the newspapers and television newscasts and radio newscasts all across the state of Wisconsin. Some of those newspapers are very tiny and really don't have the resources to do the kind of work that the Wisconsin Center does. And the way they work with them is very interesting. So they're always kind of available to work even with the smallest newspapers, to try to localize the stories as well. So they create huge data sets. And I know that the Bureau of Investigative Journalism in London is doing a great job of this as well. They build these data sets and then

they share them out to local publications around the state or the country, who can then kind of crunch the data for their own local place.

And I think that's key here.

I think the question is, as those news organizations, those mainstream news organizations, are shrinking in influence and as many of them are closing, how does that then continue to play out? And I think that's a really important discussion that we need to start having, right? So if you live in a small town in Wisconsin and your local paper sometimes reprints these great stories from the Wisconsin Center for Investigative Journalism, that's great. When your local paper shuts down, then where is journalism coming from, right? And that's a really complicated question. And I think something that we're really starting to grapple, I think, with in the United States and also in Germany. I know the folks at Correctiv are really thinking about that question as well.

Thank you for that question.

[Christopher Buschow] I think Franco Zotta's next, second question connects to your answer, because you already mentioned the point of the model where content is shared with legacy media companies. What is the actual benefit?

That assumes that there can be a market-based business model, right?

I mean, or does it just only buy some time? I mean, does this content-sharing by the old organizations, legacy organizations just only buy some time? So what is your take on this?

[Magda Konieczna] Yeah. Again, again, such a great and complicated question, right? I think... So, I think what we're seeing is that the, you know, the quality investigative stuff that places like the Wisconsin Center are producing, those are funded kind of outside of the market model, right? And then they are distributing back into the news organizations that are funded through the market model.

And I think you're right that those organizations are kind of on borrowed time, right?

And I think it's you know, we have not yet really contended with the question of what will happen as all these small, local and regional news organizations, you know, either close or just really shrink until they're almost kind of irrelevant, right? We have this concept in the US of the "ghost newspaper".

It kind of looks like a newspaper, but it carries lots of content, you know, that's either free or shared or whatever. And you see that there's very little local coverage in that context, right? One thing that I'm hopeful about is we have seen some newspapers in the United States now looking to a nonprofit model in various different ways. So the Salt Lake Tribune in Salt Lake City in Utah was the first newspaper that moved to a nonprofit model. And they have actually just announced that they will be publishing sort of a quality print product on the weekend with kind of deeper, more thoughtful stories and that they will be publishing the rest of the week just online.

And so that's kind of, you know, one model.

In Philadelphia, I briefly mentioned, our two local newspapers continue – it's sort of a complicated structure – but they continue to operate as for-profits, but they are owned by the nonprofit Lenfest Institute, which was created to own them and has a large endowment that helps support, I think, the journalism that both they are doing and it's also giving donations to news organizations around Philadelphia and around the country.

So I think slowly we're seeing the mainstream news organizations also waking up to the fact that they need to find a new way to kind of continue the work that they're doing. And I think, you know, when you look at the incentives, again, for me, the nonprofit structure, the grant funded structure, I think it is, has some clear advantages here and the same sort of challenges and concerns that I also identified.

[Christopher Buschow] We have more questions in the chat. Please raise your hands if you like to ask the question in person. I'd like to, OK, Thomas, I have you.

I'd like to ask one question regarding the content-sharing model, because I do a lot of research in terms of innovation in journalism.

And doesn't it hinder the innovative capacity of non-profits if they too much cooperate with legacy media? I mean, you already also said that they have to use the old products that these legacy media produce. There is not this kind of diversity that we might need for more innovation. So what is your take on that?

[Magda Konieczna] That that is definitely also a concern, right? In order for some news editor in a small city in Wisconsin to even consider republishing a story, they need to recognize that it kind of looks like a news story, right? And I think for places like the Wisconsin Center that rely so heavily on that republishing model, I think it definitely does hinder their ability to kind of level a larger critique about journalism, right? To maybe say, hey, maybe the way that news stories have traditionally been produced and written maybe is inadequate, right? I think we have, you know, I gave those examples of Correctiv and of the Bureau of Investigative Journalism producing things that are very not journalistic, right, books and plays. In the US, one example that I really love is, there is a radio program called Reveal that's produced by the Center for Investigative Journalism that you might have heard of. And they did a story that was really important locally in Philadelphia. But they realized that because they are a radio program on public radio that has a very particular kind of elite audience, not everyone was seeing that story. And in particular, the people most affected by that story were not seeing it. And so they turn that story into a cartoon, that they were trying to buy ads to put that cartoon on buses so that people who were riding the bus would see a version of that story, right? And anyway, it turned out very complex. They ended up suing the bus system. I won't get into the details here, but I think increasingly we're seeing these organizations realizing that producing quality investigative journalism is not enough, right? We need to be thinking about why is journalism in trouble in the first place? Why are people not trusting journalism? Why are people not turning to journalism? And how can we kind of rebuild that trust through connections with community? And how can we sort of

rebuild people's ability to access quality journalism by putting it in places where they are, like ads on the bus or plays that that sort of show the way that journalism is produced?

[Christopher Buschow] Please keep your questions coming in the chat. We have a question by Tom Schnedler from Netzwerk Recherche. I will activate his microphone now.

[Tom Schnedler] OK. Do you hear me? Perfect.

Thank you, Magda. Just one short question. You mentioned Correctiv. That's right. We have some nonprofit news outlets in Germany already. But if we compare the situation in Germany and in Europe with the US, we are a kind of developing country. So my question is, what do we need to boost nonprofit journalism in Germany? Is this the number of foundations which invest in quality journalism? Is this the media crisis perhaps, which is hitting hard? The legacy media? Or is there something else? What do you say?

[Magda Konieczna] Yeah, that's a great question as well. I'm originally from Canada, and it's been interesting to watch how Canadian journalism has really been eroded and not too much has stepped in to kind of fill that space in the way that it has in the US. I think a big part of the answer is, is foundations, right? The US, you know, I think because it is a less equal society, there are these foundations that over time, like I mentioned, the example of Ford Motor Company and the Ford Foundation, you know, over time these foundations have accrued significant assets.

And that's kind of both a good thing and a bad thing, right? So if a society is more equal and thus has fewer foundations, that's something to be glad for, I think. But that doesn't sort of solve the problem, right? I think part of what we're seeing happen... So initially, the funders of nonprofit news in the US were places that were focused on funding journalism, places like the Ford Foundation, the Knight Foundation, which specifically works around journalism. But I think now we're seeing a recognition that quality journalism is important for everything, right? Without quality journalism, we're not holding governments and corporations accountable. And that affects, you know, our environment, that affects public health, that affects education. It affects everything across the board, right? And I think the ability to make that argument and thus to look for funding from a broader range of sources I think is important, right? So I think in the US, very slowly, we've had the realization on the part of, for instance, community foundations which typically fund, you know, fixing up a playground in a community or arts endeavors in a community. Those community foundations have slowly realized that without quality journalism, the community is a much worse place to live in. And so I mentioned the Lenfest Institute in Philadelphia, that's actually under the umbrella of the Philadelphia Foundation, which is our community foundation. And so I know this is sort of not exactly an answer to say just more foundations is the answer. But I think what we've seen is a broadening of awareness that it's not just sort of journalism for the sake of journalism, but we need to be making the argument that journalism is important for the sake of all the other things that we care about. And I think that can then help sort of a broader range of funders become interested and a broader range of donors as well, of audiences and philanthropists as well. So I think that's important. I think

in the US, the Institute for Nonprofit News is a really important kind of force, right? I think, in Europe there are kind of various organizations sort of popping up right, like Network Initiatives, like the European Journalism Center, that are sort of bodies to look at nonprofit news kind of more broadly. But I think because through the Institute, we see kind of new members joining, learning from what longstanding members have already been doing, being able to share, you know, backend support, being able to share website production, accounting, all this kind of, you know, the non-exciting stuff of doing journalism.

And I think that's really important, too.

And the Institute really has stepped up with organizing conferences and doing surveys of its members and really kind of trying to usher along sort of this whole body of organizations. And I think one reason we've seen such a growth of them is the work of that Institute as well.

[Christopher Buschow] Please keep your questions coming. Activate your video and raise your hand or raise your digital hand here in Zoom. We have a question by Manfred Ronzheimer.

He asks: if there is so much nonprofit journalism in the US, why is US democracy in such a bad situation or is it just that yet? Is it just the other way around? Is it vice versa, that because US democracy is in such a bad situation, we see so much nonprofit journalism arising?

[Magda Konieczna] I mean, this is a very good question. And I thought of it when Thomas said that in Germany you feel like a developed, a developing country. I mean, in the US, we feel like we're a developing country in so many ways, right? And so the question is, you know, is the quality of journalism or is the number of news nonprofits correlated to the quality of democracy?

This is a complex question, right? I think,

I think what we're seeing partly is sort of the issue that I mentioned at the end. The idea that maybe that we need our sunglasses and not spotlights, right? And so in the US, we see a tremendous blooming, you know, not just of nonprofits, but of all kinds of news organizations and also organizations that you and I might not call news organizations, but that people might think are news organizations, right? So there's tremendous growth in sort of disinformation and partisan-based information. I think these things are tied. You know, I think part of the reason we have so many news nonprofits in the US is that Americans are very entrepreneurial, you know, and they're willing to kind of go off and start a thing. And that thing might be, you know, a news nonprofit that does great journalism, or it might also be, you know, an entity that really takes advantage of the challenges in journalism and fills that hole with disinformation or misinformation, right? So I would say that, you know, I hope there's not a correlation between the number of news nonprofits and the quality of democracy, right? But I think it's true that we need kind of a greater reckoning in the US across the entire news-scape about what's happening, about where people get their information from and why they're doing that, right? And I know that that you all have heard from Victor Pickard as well. And I love his argument that that

sort of you know, when we decided in the US in particular to support quality journalism through the commercial system, why did we not expect that disinformation and misinformation would fill that space. Like that is kind of an obvious outcome of the commercial system. And so I think, Christopher, I think I agree with sort of your postulation that because democracy is in so much trouble in the US, we kind of see all these entities that are trying to step in. You know, both to fix it and to kind of take advantage of that trouble. And it's hard. You know, I will not make any predictions about what might happen next week or beyond. But I think, you know, I'm still hopeful about the ability of journalism to bring people together, to bring communities together, to kind of rebuild some of the trust that has been lost and to try to sort of rebuild some of the quality of democracy.

Cautiously hopeful.

[Christopher Buschow] Keep questions coming. We have one from Holger Hettwer. He's interested in the governance aspect of funding infrastructure. You touched upon that in your lecture.

But let dig a little bit deeper in this topic, because what Holger is interested in:

How do you deal with such fears around influence from foundations, politics? And he asks, are there any role models for ensuring journalistic independence that we in Germany could learn from?

[Magda Konieczna] Yeah, that's a great and really important question, right?

I think, you know, we could identify plenty of ways of doing it wrong, right? Identifying, you know, there's no perfect way of doing it, right? I think, again, the Institute for Nonprofit News tries to kind of promote best practices around this. And in fact, in order to be a member, they kind of take a look at the organization and sort of make an assessment that their funding is independent from the journalism that they're producing. I think, you know, as in traditional news organizations, having the fundraising be separate from the news production is important. But this is very challenging, right? And so, you know, I spend a lot of time talking with Andy Hall from the Wisconsin Center of Investigative Journalism over many years. And when he started the Center, you know, he didn't know how to run a business. He was a journalist. He learned everything about running a business. And he was doing all parts of it, right? He was a one guy who was doing the journalism and doing the fundraising. And that's kind of very problematic, right? I think being mindful about where you get revenue from is also really important. Again, really challenging the Center for Public Integrity. Initially, I've forgotten the whole list, but they initially said they were not going to take money from corporations, unions, philan... I forgot, they had a huge list of places they weren't going to take money from. And when they sat down to look at it, they realized like there was no one left to take money from, right? I think, you know, ultimately in the US we have this argument and I am a little skeptical of this argument, and I think in Europe, maybe this argument doesn't hold as much water as it does in the US, but I think in the US, people really feel that being open about where your revenue is coming from is enough, right? If I tell you that my revenue is coming from the Knight Foundation, that's good enough. I don't exactly accept that because we don't know kind of what's happening sort of in the

back end, right? I think, you know, we haven't seen sort of evidence of kind of nefarious meddling on the part of foundations, at least at some of the more upstanding news nonprofits like the members of the Institute for Nonprofit News. But certainly I think there's an influence, right. When Kaiser Health says we have a grant for health reporting, you know, lots of news nonprofits are applying to get that money and their priorities are thus kind of being driven by that foundation. And maybe, you know, nothing nefarious is going on there, but maybe they're spending resources in an area that they would not have independently kind of identified as being important. And so, you know, I think the bottom line is openness around where the funding is coming from is really important. But I think not enough, right? I think separation in the fundraising and the content production is important. But again, not enough, right? And we've seen sort of government-funded media struggle with this as well, right? The BBC's ten-year charter, you know, is kind of a way of protecting the BBC from government influence in its content by sort of making that decision-making around the funding happen every ten years. But every ten years, there's sort of a scramble and concern around influence at even at the BBC, right? So there's no perfect model. I mean, wherever funding comes from for journalism is, has the potential to taint journalism. I think we need to be really thoughtful about how we sort of set up that that structure and how it's managed.

[Christopher Buschow] Magda, thank you so much. I'm afraid we run out of time.

Thank you so much for the inspiring talk on the way how news nonprofits can contribute to field repair in journalism. Very inspiring. Very nice Q&A. So please, ladies and gentlemen, again, give her a big virtual hand for Professor Konieczna.

[Magda Konieczna] Thank you so much. And please, if you have other thoughts or questions, please feel free to email me. I would love to hear them.

[Christopher Buschow] Great. So everybody is invited to join us. The next time the virtual SciCon conference lecture series will happen, this will be on November 9th. Chris Anderson from Leeds University will join us. And the topic of his talk will be "Future-proofing Journalism: Ideas for the Digital Age". If you like to check out what the next dates will be, if you want to register, please check out our website, science-journalism.eu. You're a happily, you're very much invited to join us here in the lecture series. So again, so thank you so much, Magda.

A great evening to everybody. Thanks for joining and join us the next time we talk about the future of science journalism, we would be very happy to have you with us. Bye bye.

Thanks.

[Magda Konieczna] Yeah. Thank you. Thank you. Thanks for all the really great questions.

[Christopher Buschow] We have still have one guest here tonight.

[Franco Zotta] [Indistinct] talk. [Christopher Buschow] Yeah. Very, very inspiring. Great. Thank you.

[[Magda Konieczna](#)] I would love to hear kind of what next steps you guys come up with in Germany. Because it's, yeah, it's... I appreciate... I forgot who it was who asked about through the big number of foundations in the US. The number of nonprofits in the US... [tape ends]

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