After the Fact | The Loss of Local News: The Impact

Originally aired February 28, 2020

Total runtime: 00:17:04

TRANSCRIPT

[Sound of a printing press running.]

Dan LeDuc, host: That sound, a newspaper printing press churning out copies of the latest edition, is heard far less frequently these days.

[Music plays.]

Dan LeDuc: For The Pew Charitable Trusts, I'm Dan LeDuc, and this is "After the Fact." This podcast is about stories we find in data, and our data point for this episode is: 71. That's the percentage of Americans who believe that their local news organizations are doing well financially.

In reality, the data paints a different picture. According to a survey by the Pew Research Center, local newspapers throughout the country are struggling amid declines in revenue and staffing. And according to a report from the Hussman School of Journalism and Media at the University of North Carolina-Chapel Hill, the United States has lost almost 2,100 newspapers since 2004.

In this special series, we'll talk with experts about why this is happening and what the impacts are from the loss of local news. And in future episodes, we'll travel to see how local publications are dealing with these challenges.

Larry Purdom: It's hard to keep a daily paper going in a rural community, as South Georgia is.

Dan LeDuc: Even as many communities cut back on the size of the paper, or the number of staff—one publication we visited is actually adding journalists and investing in its print edition.

Fred Rutberg: It goes up that conveyer and it goes and straps it up. It's kind of exciting.

Dan LeDuc: I haven't been in a press room in ages.

Dan LeDuc: To help us better understand what's occurring, we spoke with Penny Abernathy, a former journalist and executive with *The Wall Street Journal* and *The New York Times*.

Penny Abernathy: Reporters show up, shine a light, and provide transparency to government proceedings. That vanishes when there's not a newspaper or reporter.

Dan LeDuc: She's now the Knight Chair in Journalism and Digital Media Economics professor at the Hussman School of Journalism at UNC.

Dan LeDuc: Penny, you've written a really important report that looks at the state of local news in America. And if you don't mind, I'm just going to read the first couple of sentences from your report.

"From our very beginnings as a nation, newspapers have played a vital role in building community. Strong newspapers fostered a sense of geographic identity and, in the process, nurtured social cohesion and grassroots political activism. The stories and editorials they published helped set the agenda for debate of important issues, influenced policy and political decisions we make, and built trust in our institutions. The advertisements they carried drove local commerce and regional economic growth by putting potential customers together with local businesses."

Man, I hear that, and I think, wow, local news helps citizens fulfill their responsibility. It drives business and commerce. So, Penny, why do you think this is an important topic to focus on?

Penny Abernathy: We're losing newspapers, and you might pause for a moment and say, why is that important? Well, regional television stations rarely reach outside the major markets where they're located, and, of course, radio stations have not had the manpower to go out and do the investigative reporting as well as just the routine town council meetings. The newspaper has historically been the prime, if not the sole, source of everything from what's happening at the town council meetings to something as mundane as deciding how to spend your money wisely. And the reason I initially focused on newspapers is because, since our earliest beginnings, newspapers have provided the news that built communities.

What has really become apparent as we've lost newspapers and lost reporters is that we've lost access to the types of news and information that feed our democracy. If you look at the last 15 years, we've lost 2,100 newspapers in this country. That is one-fourth of the newspapers we had just 15 years ago.

Dan LeDuc: And what's driving this? What's happening?

Penny Abernathy: Well, there are two things that are really driving it. Both are economic. So, one thing to look at is, between 2000 and 2010, the level of print advertising dropped below

1950 levels. So, think about it for a moment. It took 50 years to reach its peak in 2000, and it had already dropped below 1950 models for print advertising revenue by 2010.

Now, why is that important? Because print advertising has historically furnished about 85 percent of the revenue that most local newspapers use to support their news-gathering operation. It was also vitally important in connecting people, as you just read in that first sentence, to advertisers in the community, helping them build their own businesses.

So, everyone assumed the advertising level is dropping on print. So, all we have to do is just transition to digital. So, there was a mad rush to transform newspapers, and instead what happened is that, over the last 10 years, between 75 percent and 80 percent of the digital ad revenue has gone not to newspapers, but to two tech giants, Facebook and Google.

So, that means that you have television stations, newspapers, digital startups, all fighting over the remaining 25 percent. And that is just not enough to sustain a vibrant level of news-gathering operation. And of course, it has handicapped newspapers in not being able to serve businesses in their area either.

[Music plays.]

Dan LeDuc: While print newspapers continue to struggle, their websites are also showing some declines. Amy Mitchell directs journalism research at the Pew Research Center and has been tracking changes in the industry for more than a decade.

Dan LeDuc: Take a step back for us and tell us, as your annual reports are often called, what is the state of the news media today? And, in particular, what's happening in local news?

Amy Mitchell: Well, one of the things we see in local is a big transition to digital, just as we've seen at the national level. So, we see in 2019 that about as many people say they prefer to get their local news digitally as prefer to get it through the television set. We still see local TV stations garnering the widest reach when it comes to overall audience. But definitely a very prominent preference for digital.

Dan LeDuc: One of the other elements of local news is, of course, our local newspapers. As a lot of people have heard, circulation is down, staffing is down. What are the numbers there?

Amy Mitchell: Well, the newspaper industry's financial fortunes and their subscriber bases have been in decline since the mid-2000s. And website audience traffic actually, after some years of growth, we've also seen level off. So if we look at 2018, which is the last sort of cumulative year of data that's available, 2018 saw another decline of 8 percent in U.S. daily newspaper circulation—that includes print and digital combined. Total estimated advertising revenue for the industry fell another 13 percent. In 2018, and when we look at the

employment, so sort of that reporting power that's in the newsroom, there we see declines of 47 percent since 2004.

Dan LeDuc: That's almost half.

Amy Mitchell: That's almost half. And in 2018 alone, about a quarter of U.S. newspapers with 50,000 circulation or higher have had layoffs in their local newspapers. And that is on top of roughly 32 percent that had layoffs in 2017. So, the challenges that the industry is facing there are not abating.

When we ask about the financial state of local news, in general, 71 percent of the American public said that they think it's doing fairly well financially. That's pretty striking. And really speaks to quite a gap in awareness among the public and a challenge for the industry. We then followed up, and we ask about paying. Have you paid for local news in any way, whether you are subscribing, or keeping a membership, or donation? Only 14 percent of the American public said that they had paid in any way for local news in the past year.

Really striking numbers. And, so, if there has been an attempt by the industry to reach out and have people be aware, it's largely gone unheard by these numbers in terms of what they suggest. When we followed up with the people who hadn't paid, that large majority who said they hadn't paid, it was interesting because it wasn't a question of quality, it was the fact. The largest reason people gave was the fact that there was so much free content out there.

Dan LeDuc: Could we talk a little bit about just the specific role of local newspapers in all of this? I'm thinking smaller town America that has 30,000 people, 100 people, small villages. Your local TV news is important for lots and lots of people. But, of course, they tend to cover bigger markets.

Amy Mitchell: One piece of data we have that would speak to that—we asked people whether most of the coverage was about the area that they live in or whether it was about a nearby area outside their own, such as another city or another town. And we had about half of our respondents say that the bulk of their local news covers an area outside where they live. People that were more likely to say that coverage was focusing on other areas were those that lived in more rural segments of the country.

Dan LeDuc: Let me just ask you this. For the longest time, news was a commodity that was paid for because people could sell advertising, and it worked. Is news in American society changing?

Amy Mitchell: Absolutely. I would say the concept of news has definitely gone through change. And some of that is through producers and providers of it. Right? We had about 30 percent that said they got local news regularly from some of what we might call the sort of second-tier types of outlets, online-only places, local government agencies, local organizations, like churches and

schools. So, when you add that up, you had about 30 percent that get news from one of those types of—at least one of those types of outlets regularly.

So, there's a lot of ways people can get informed. And, also, when you think about then the impact of social media, not just digital generally but, in particular, the structure of social media, where news is mixed in with everything else, it becomes a sort of constant, as opposed to something one does at certain times during the day. It's just a very different experience than what we had three or four decades ago.

Dan LeDuc: This new normal—getting news from a variety of sources, some of them with a partisan point of view, others offering free content—can come at a cost. "Second-tier" providers might follow only a single topic, as opposed to the broad local news a resident may have depended on from a local newspaper.

The result? Less civic engagement and negative consequences for democratic institutions, according to Jay Jennings; he's a research fellow at the Center for Media Engagement at the University of Texas. He and co-author Meghan Rubado examined the impact of local newspaper declines on mayoral elections in the United States and published their findings in the *Urban Affairs Review*.

Jay Jennings: Communities suffer when newspapers are in decline. We found specifically that when newspapers are cutting staff and when they're in decline, when they are not as active as they were in the past, that that is associated with some political consequences. And, specifically, we see these consequences are lower competition in mayoral races, and also lower turnout—so, lower engagement with the elections in general.

Dan LeDuc: So fewer people want to run, and fewer people turn out to actually vote. Let's talk about those one by one. What's your conclusions about why fewer people are running?

Jay Jennings: One of the important roles that newspapers provide for communities is to tell them what local government is actually doing and how they're doing their job. And so we think that it really highlights the opportunity for potential challengers when the newspapers can cover and say, look, here are the ways where this mayor is not doing as good of a job as he could. If you don't know what local government is doing for your community, why would you want to be a part of it?

Dan LeDuc: Makes a lot of sense. And that also, then, translates into turnout. Because I guess the corollary is if people aren't reading about it, they don't know what to vote about.

Jay Jennings: That's right. A lot of these elections are taking place at off-cycle elections. And, so, if you don't know to turn out on a Tuesday in May for your local election—you don't know what's going on, you're not following the mayoral race, you're not following what's going on in

government, why would you turn out to vote? And a lot of these races have pretty low turnout even compared to what we would see in Congress, or definitely for the presidency.

We really wanted to talk to people on the ground about how they thought these things were connected and what their experience has been like covering local government.

And, so, we specifically reached out to people who had either covered local government or were assigning people to cover local government. And what we've been told is that as these staffing cuts have happened, they're able to go to less and less meetings.

Dan LeDuc: We have seen this sort of notion of the citizen journalist, and social media does make anyone a publisher. But what's the downside to that that you see?

Jay Jennings: The downside is twofold. One, there is an advantage to having a trained professional who works underneath kind of journalistic standards, the person knowing how to be a good writer but also knowing what the rules are about privacy and how you cite sources—all the things that go into what you learn about being a journalist I think are important.

The second thing is I think a lot of the citizen journalists are coming into this with an agenda. And, so, they are kind of their own little interest group. And, so, they're doing this because they're interested in a certain topic, not because they have this journalistic drive, typically.

Dan LeDuc: This is also one of those things where you don't know what you don't know, right? I mean, if no one's going to the meetings and the city council decides to vote themselves a raise, no one's going to know. That stuff happens, doesn't it?

Jay Jennings: It does. And there's some examples of this. And corruption is a particularly hard thing to study, because you don't know the corruption stories that haven't been uncovered. So, until a newspaper reporter or someone uncovers that corruption is happening, you don't know when it's happening.

Dan LeDuc: And what's going to happen next? I get a sense from your report that you think that this decline might start feeding upon itself a little bit?

Jay Jennings: Knowing what's going to happen next is difficult. I think, on one hand, what you see when you talk to these people in these communities is that they're really doing more with less. And they're really being innovative and working hard and trying to find solutions to cover local government as best they can. They always talk about how important it is. The editors especially say that this is something they have to prioritize.

They'll talk about democracy. They'll talk about their role. So, on one hand, you want to be hopeful that they will kind of figure out this new model and there will be ways that they can

kind of promote democracy and really return to their watchdog role in some way. On the other hand, you see the economics of it. You see the way the decline has just kind of gutted these papers from newsrooms that used to have 40, to now having six people do 40 people's jobs—how are they supposed to cover the same amount of things with such a gutted newsroom?

Dan LeDuc: As local newspapers search for a new business model that's both profitable and sustainable, they're seeing mixed results. In some places, the model collapses, and the result is a "news desert," a place with little or no local news coverage. We'll travel to Waycross, Georgia, which is one of those places, to see firsthand the impacts from the loss of local news.

Larry Purdom: The effect on the local and area population was immediate. It was not quite panic in the streets. But it was, what are we going to do?

Gary Griffin: Yeah, it's like, this is our newspaper. What do you mean? Our newspaper's gone? Who took our newspaper away from us?

Dan LeDuc: Of course, some local newspapers are finding a model that works for them. In the third and final installment in this series, we'll be looking at *The Berkshire Eagle* in Massachusetts, where a small group of local investors stepped in to save their paper. Between those two extremes, there are still hundreds of local papers fighting to survive, trying to serve their communities and their subscribers. We'd like to hear about your local paper—email us at podcasts@pewtrusts.org or tweet us @pewtrusts.

[Music plays.]

We'll see you next week as we report from Waycross. For The Pew Charitable Trusts, I'm Dan LeDuc, and this is "After the Fact."

Female voice: "After the Fact" is produced by The Pew Charitable Trusts.