



How to Reduce Commercial Pressures that Encourage News Organizations to Undermine Democracy

Victor Pickard, University of Pennsylvania

After the 2016 elections exposed structural pathologies in America's media system, television news, professional journalists, and social media platforms have come under increasing public scrutiny. However, too much media criticism focuses on symptoms rather than root causes. Now is an opportune moment to draw attention to systemic flaws in the current U.S. media system and push for structural reforms that could address underlying problems.

Commercialism and News Media

Much of what ails our media system stems from unbridled commercialism. Market demands in a period when mid-twentieth-century modes of raising advertising revenue have broken down drive media outlets to pursue reckless agendas that further dangerous political trends. With little regard for truthful content, showmanship and outrageous flamboyancy are featured. During the 2015-16 election cycle, for example, reality TV star Donald Trump attracted overwhelmingly more media attention than his competitors. At a critical stage in the primaries he received more nightly news coverage than all of his Republican rivals combined and nearly three times the amount of coverage than Hillary Clinton and a whopping 16 times as much as Bernie Sanders. By various estimates, Trump received between \$2 billion and \$3 billion of free airtime.

This happened because the always-controversial Trump was irresistible to ratings-driven news outlets. This coverage did not just reflect popular demand. Media outlets are beholden to their owners and advertisers, and coverage of Trump provided bait to capture audience attention, a chief metric for paid advertisers. To keep audience attention, media must entertain – and Trump played to audience fascinations, boosting media profits even as public discourse deteriorated and truth fell by the wayside. As CBS CEO Leslie Moonves infamously explained at the time, Trump's campaign “may not be good for America, but it's damn good for CBS.”

How did we end up with a news media where profits distort public values? In my research, I show that the structure and dynamics of the current U.S. media system arose from policy battles among activists, industries, and regulators. Ultimately, commercial interests espousing what I call “corporate libertarianism” prevailed over a social democratic vision that privileged educational fare, public service news, and other types of media not supported by the market.

Possible Solutions

If Americans want to reduce media pathologies, they must recover this social democratic vision and de-commercialize key sectors of the news media. A variety of steps are possible:

Digital-media monopolies could be pressured to help fund newsgathering. Money could be raised by a “public service tax” or by placing conditions on media mergers.

- Recently, the Media Reform Coalition in the United Kingdom has called for a bill forcing Google and Facebook to help subsidize public service reporting. These two firms devour the lion's share of digital advertising revenue, further weakening legacy news organizations that are expected to help fact-check to reduce fake news content.
- Media reformers are pushing for a one percent levy on digital intermediaries' operations to go toward funding independent and nonprofit ventures, with an emphasis on local and investigative reporting.

Public outlets could also help to bolster inadequate support for public-service journalism by for-profit outlets. For example, the BBC is bolstering the United Kingdom's struggling news industry by funding 150 reporters at news media organizations across the country to focus on local politics and share their coverage with various news providers. The money used to employ these journalists will also fund a local video- and audio-news bank and other types of digital content accessible to local news providers.

Like other countries in the democratic world, the United States could fund a strong public media system – as opposed to further privatizing it, as the Trump administration intends to do. Creative means could be deployed to generate public media subsidies, including revenues from spectrum sales. The media reform organization Free Press is advocating that public television stations devote proceeds from spectrum auctions toward supporting local journalism.

Already-existing public infrastructure could also be leveraged. One possibility is to transform post offices into local community media centers. In addition to providing public Internet access, these spaces could help facilitate local reporting through various media – including print, digital platforms, and low-power radio stations – that adhere to meaningful public-service obligations. The Urbana-Champaign Independent Media Center launched a similar model over a decade ago when it raised money to buy the downtown post office for community media-making and other progressive projects.

Promising nonprofit news experiments like *ProPublica* and *The Intercept* have emerged in recent years, and last year the owner of Philadelphia's newspapers merged those entities into a "public benefit corporation." Tax breaks could help incentivize struggling newspapers to transition into low- and nonprofit status.

Protecting News from Commercial Pressures

The boldest improvements would require uncoupling journalism from commercialism. Three steps can move in this direction. First, break up media monopolies and prevent further market concentration. Second, build and fund public media infrastructures, from community radio to municipal broadband networks. Finally, protect the public interest by closely regulating monopolies in sectors where competition is impractical. These proposals are not outlandish. They draw on models from U.S. history and other industrialized nations. Taken together, these reforms could plant seeds for an alternative media system dedicated to democracy instead of profit. Over time, new media arrangements liberated from commercial priorities could advance the adversarial journalism our democracy so desperately needs.

Read more in Victor Pickard, *America's Battle for Media Democracy*, (Cambridge University Press, 2014).