

Building Civic Energy is the Goal, Not Saving Old News Business Models

Speech by [Tom Stites](#) at Hope Academy of Senior Professionals, Hope College, Holland, Michigan; September 5, 2023

I feel lucky to be with you today. I was scheduled to speak here 11 months ago but I had to cancel on almost no notice for medical reasons. I won't bore you with the details, except to say this was neither fun nor, happily, life-threatening. Milt Nieuwsma and the HASP team sprang into action and saved the day by rounding up a great program at the last minute – both Sarah Leach and Ben Beversluis spoke about the state of journalism in Holland and the region *The Sentinel* serves. I tuned into the live stream, and I must say that the citizens served by *The Sentinel* are in good hands. The presentation was justifiably well received by the crowd in this room – and by a guy watching from his bed in Newburyport, Massachusetts. That would be me.

I feared that I'd lost my chance to speak with you. But Milt wanted HASP scholars to hear my thoughts about community journalism, which come from a different perspective, so here I am, with Part 2 of a two-part series of speeches almost a year apart. Thanks, Milt.

This speech is Part 2 in another way as well. Seventeen years ago I was invited to give a keynote address at a pioneering conference on the future of journalism that drew more than 200 respected journalists, academics, pollsters, and business people. A widely followed blogger put the text on his blog, and it went viral. And that drew me into the urgent discourse about the future of journalism. That speech was [entitled *Is Media Performance Democracy's Critical Issue?*](#) My answer 17 years ago was a firm yes. But democracy faces lots more challenges now and other critical threats compete. One thing for sure is clear as we gather here: The question that was my speech title 17 years ago is still deeply valid. The need for responsible media winds through all the threats our democracy faces.

As we get going this morning, let me ask you all to internalize one word. That word is *civic*. It's our magic word for this gathering. It's at the center of the message I'll be bringing you this morning. Let's all say it together once. [Lead performance.] Please be listening for it as I talk, for the word *civic*.

It's hardly news to a well-read group like this that community journalism is in grim shape nationally. Advertising dollars once flooded into newspapers, which tended to be monopolies in their communities and thus consistently prosperous businesses. But then came the World Wide Web and sites like YouTube and Google, and so many more, and suddenly there were mighty competitors for ad dollars. Newspapers started cutting costs, and staffs, and the cutting has never stopped. According to a 2020 report from my good friend Penny Abernathy, a professor at the

Medill School of Journalism at Northwestern University, more than a quarter of U.S. newspapers – 2,500 – have gone out of business since 2005. For some years now an average of two newspapers have bit the dust every week. This trend, she says, points to a third of newspapers having succumbed by 2025.

Almost all that die are weeklies in rural and suburban communities. It's uncommon for dailies to die outright but in recent years many have cut how many days a week they publish on paper. My local paper in Massachusetts, the *Newburyport Daily News*, published six days a week for decades. It now publishes Monday, Wednesday, and Friday. It's daily on the web.

Before we turn to some good news, for context I want to call attention to three other sad trends:

First, news deserts. These are communities with no newspaper, news website or any other reliable source of original reporting about local doings. There are more than 2,000 of them and 20 years ago, almost all had their very own papers. Research has found that in many news deserts, voter turnout has decreased, fewer people run for office, and local economies have declined. Here's where our magic word jumps up and waves: What I've just described is a civic disaster.

Second, ghost newspapers. This is a term Peggy Abernathy coined to describe papers that sell advertising but have no news staff and so contain no original reporting of local news. They usually fill up their pages with stories and photos reused from papers in other communities that are owned by the same company. Ghost papers are all but civically dead, and ghost papers that don't generate enough ad revenue for their owners are put to death.

Third, "pink slime" websites. I'm sorry to unfurl this yucky term – it usually refers to a meat byproduct used as filler in processed meats. In digital news it refers to a seriously yucky practice: What appear to be innocent news websites are instead deceptive sources of political disinformation, many funded by so-called dark-money political donors. A 2020 study discovered 1,200 such sites spread across the country. Such sites are civic calamities.

So what is being done to reverse these sad trends? In short, not nearly enough, but here's the good news I promised. Many millions of philanthropic dollars and donor gifts are flowing into efforts to save existing sources of news and into starting new sources of reliable news. And this flow is increasing.

The most positive trend arising from this spending is a spreading set of digital news sites based in state capitals and devoted to covering state policy, politics and news, with significant attention to holding power to account. In many states, as papers cut budgets capitol newsrooms were

hollowed out – and in some states state coverage has rebounded and then some. This is great news.

The new digital state sites tend to run on a business model akin to public broadcasting's: Establish a nonprofit entity, raise money from foundations and other large donors, hire talented staffers to cover state news, and raise "membership" money from readers who value the news coverage, largely people who can be characterized as influencers – or perhaps the establishment, or elites. One such site I know covers the local opera.

This coverage fills a civic void. It also serves to alert metro-scale papers, community news sites, and public broadcasting about state-level decisions that have local impact.

This is the biggest civic plus so far in the philanthropic pursuit of effective new forms of digital journalism.

Now more nonprofit digital sites are being founded to serve metropolitan areas, almost all of which still have daily newspapers. Rather than compete with the newspapers, many focus on filling gaps – providing coverage the papers' shriveling staffs can no longer provide. Other approaches are also being tried. In Baltimore, for example, a local billionaire has invested \$50 million to start an online news organization that goes head to head with a weakened *Baltimore Sun*. Everywhere a new approach takes root, some of a city's lost civic strength is restored.

But what about our nation's spreading news deserts, the 2,000-plus rural and suburban communities whose weekly papers have died and nothing has come along to replace them? Penny Abernathy finds that a fifth of the country's population – that's 70 million people – live either in a news desert or in a community at risk of becoming one. Let me say that again: Seventy million people – one fifth of the national population – have little or no access to reliable local news.

What's the civic impact of this? I shudder to think. Political scientists have long understood that civic engagement at the community level is the seedbed for democracy at all levels. There are many reasons people are wringing their hands about the perils that endanger our democracy – and for good reason. But the death of civic seedbeds is rarely mentioned as such a peril because by its nature it's silent and invisible in a time of very noisy politics. Nonetheless, revivifying the arid seedbeds is hugely important if our democracy is ever to regain its strength.

So let's change *civic* from our magic word to our crucial word. And let's add a second crucial word, *democracy*, knowing that the two are inextricably linked.

Sadly, very little effort is going into finding ways to bring reliable news back to such communities. A big reason for this is that most of them are economically challenged, and Penny Abernathy has found that news deserts and philanthropy deserts tend to coincide. Community foundations are rare in rural and suburban places and tend to have very limited resources. Bigger ones tend to be based in bigger cities – and to focus their support on the needs of their own cities. Further, many national funders have long been comfortable giving to public broadcasting, whose stations can serve regions, and so these funders may feel comfortable with large-scale state digital news efforts whose business models tend to look lots alike those of PBS stations.

Let's look farther afield: The Center for the Future of Public Education was formed in the 1990s and has explored several ways to improve learning. Why is there no Center for the Future of Community Journalism?

I'm all but alone in asking this question, so I can only speculate.

Could it be that the people who run foundations that fund this tend to be highly educated and cosmopolitan – and have little sense of the communities that have become news deserts and of what has happened to their civic health after their source of reliable news closed down?

Could it be that the largest independent shaper and funder of new journalism efforts, the American Journalism Project, has taken a cautious path to build on models that were already working? This is a wise course, particularly for a new venture, and it has worked splendidly for AJP and sites it has funded – especially nonprofit state news sites. But will it ever turn to inventive new models that might work to revive the civic health of news deserts?

Could it be that funders are narrowly focused on saving old ways of doing news? This would be no surprise – people tend to stay in their comfort zones. The National Trust for Local News, which is not a funder but brings a load of deal-making sophistication into this challenging landscape, has put together two large deals to save clusters of newspapers in Colorado and in Maine. But it isn't yet equipped to work with news deserts. Don't get me wrong – saving established news efforts from turning into ghosts or dying is a seriously good thing. But something akin to the National Trust's effort will have to come along to help revivify news desert communities' civic life.

Could it be that all the good people running the major efforts I just described would find it easier to turn their attention to revivifying news deserts if they adjusted their strategic thinking to focus on the civic health of communities rather than on saving existing journalism models?

If some funders got together and decided to set up a Center for the Future of Community Journalism, and asked me what to do, here's something like what I'd say:

First, I'd insist that every employee be trained in the basics of democracy. Here are two of many:

1. A democracy is a government whose authority rests with we the people, not with a monarch or oligarchs, or theocrats, or what have you. This has never been close to 100 percent the case in any country, but the closer to 100 percent, the stronger the democracy.
2. As Thomas Jefferson said, a working democracy relies on an informed and engaged citizenry. Informed citizens who are not engaged are useless and engaged citizens who are not informed – or who are misinformed or disinformed – are dangerous.

The first place to focus, then, is on the people, the citizens – the demos. A few of many questions:

What do the citizens need to help them be informed and engaged? Accountability journalism is marvelous, but what about original day-to-day reporting about government and community doings – and what about feature stories that illuminate the community's character? These are topics that stir community conversation every day and thus keep the seedbeds vital. What will it take to deliver that?

Which demographic groups and which categories of communities are well served and which aren't? What will it take to balance this out?

What citizen needs are most urgent? How should the Center best proceed?

Note that this is not about how to tweak business models from the analog age so they might work in the digital age -- businesses that thrive on the web often bear scant resemblance to analog businesses.

This is about how best to inform and engage citizens so they can best perform their civic roles in a democracy – and thus supply the authority our government needs to be credible and effective. Surely original reporting about what's happening in a community will be part of this. But will it be delivered in ways that resemble what has gone before? What's the best way to distribute the news to the most citizens in the community? If a Center for the Future of Community Journalism could get going, we should be able to find out.

I confess that 17 years ago, when I delivered that early speech on the future of journalism, I thought that a center such as I just described was an obvious and urgent need. And I mean obvious back then. And I was hardly alone. A bunch of people concerned about the future of

journalism, and of democracy, came together in an informal conversation to develop ideas and kick them around. We were senior journalists, researchers, technologists and executives – but no funders showed up.

We decided to sort out all the ideas we'd generated, engage in strategic analysis to pick the most promising, and see if that would appeal to funders. We named ourselves the Banyan Project. Somehow I became known as the founder. This pleases me a lot because for all my gratifying decades as a journalist this is, by my lights, easily the most important project I've ever worked on.

The model we came up with is based on consumer cooperative ownership – a large group of local readers would be the coop members who own the source of their community's news the way that depositors own credit unions and shoppers own food co-ops. And the news would be free – we're talking a grassroots community institution. It would make no pretense of monetizing the news by selling subscriptions or PBS-like "memberships." Instead, what would draw readers to pay to become co-op member-owners is a sense of civic engagement – there's our crucial word again. They'd also get a sliver of equity and a vote at the annual meeting. That's another civic exercise.

The beating heart of the Banyan model is a digital public square that's open to the community. This is right in the center of the publishing platform that delivers the news. This way people can discuss issues, learn from each other, find ways to help each other, even organize for constructive community change. How's that for stirring civic engagement and energy? As for the business model, this offers a lot of value to people who care about their community; the more people care about their community the likelier they are to enroll as paying members.

OK, that's at least enough detail for this speech. If you're curious for more, the URL is easy to remember: Banyanproject.coop. [.com](http://Banyanproject.com) will work, too.

Funders still have yet to start flocking to our door. We've done almost nothing to call attention to our model at the community level because we don't have the resources to offer adequate support to launch efforts. But people in more than 60 communities from Maine to Honolulu have nonetheless found us and gotten in touch to see if they might be able to deploy our model. We give them a model business plan and a how-to-launch guide, wish them well and offer free advice if they call. But that's not enough to get a new model off the ground. None has launched.

What we really need is a grant significant enough to allow us to build a prototype, test it thoroughly in at least one community, work out the kinks, and then help some of those 60 communities get going. And then, we dream, we'll watch the model spread from coast to coast, the way credit unions and food co-ops spread.

Wait, wait, wait! We're getting ahead of ourselves. Let's back off a bit. This model has not been tested. Maybe it can't be made to work. The Banyan board and its advisory board, responsible people all, are confident enough in the model to believe that it's worth the money to test it thoroughly. This is easy for us to say but, so far, no funders have joined us in believing the risk would be worthwhile.

A true Center for the Future of Community Journalism would test Banyan's plan but it wouldn't stop there. Let's say that the early online news sites, powered primarily by advertising – call them online newspapers – are Plan A. A few, almost all in affluent communities, still operate. And let's say that Plan B is the nonprofit state-level models that are so popular now but don't work well at the community level. Let's call Banyan's model Plan C. But democracy's need is far greater. If news deserts are to be revived, we'll need Plans D, E, F, and G – and perhaps the whole alphabet out to Plan Z.

That's because no one of knows which plans will work best, and which won't work at all. This will require development and testing. But we do know right now that strong communities need strong civic engagement – and we know right now that strong democracy at all levels arises from community seedbeds made vital by civic energy. Now all we need is funding for a Center for the Future of Community Journalism.

Then we can get on with the race to find the best ways to build strong communities with lots and lots of civically informed and engaged citizens. If Banyan's Plan C doesn't measure up to still-to-be-envisioned models for delivering original reporting and civic engagement, so be it. I'm way past the time in my life that I'm trying to build a resume.

What I care about now is strengthening democracy with reliable community news and enlivening civic engagement. Hey! There's that word again. I hope the good Western Michiganders of HASP will keep the word *civic* in mind and spread the news about this crying need of our battered democracy.

Thank you!