

Journalism's Privatization Problem

Journalism today faces a fundamental contradiction that also poses its greatest threat: the increasing privatization of news media has decreased accessibility and augmented sensationalism. According to a 2023 study, news headlines have become progressively more polarized along ideological lines,¹ and the percentage of newspapers that operate behind a paywall has grown from 60% to 76% in the US since 2017.² This creates a dangerous cycle: as quality journalism retreats behind paywalls, free content increasingly relies on inflammatory headlines and coverage to generate advertising revenue. Nearly half (47%) of media experts worry that this model will restrict balanced, factual reporting to wealthier, more educated communities, while leaving others exposed primarily to sensationalized news designed to maximize clicks rather than inform.³

This trend can be partially attributed to increasing competition for audience and profit; nationwide, the share of newspapers owned by private equity increased from 5% to 23% between 2001 and 2019.⁴ Many of these private investment firms that have purchased newspapers have spending on comprehensive coverage,⁵ instead promoting sensationalized content to drive online traffic; of course, they also increase the percentage of paywalled articles to maximize profit. This transformation threatens journalism's fundamental role in democracy, where informed civic

¹ Jinsheng Pan et al., "Bias or Diversity? Unraveling Fine-Grained Thematic Discrepancy in U.S. News Headlines," 2023, https://workshop-proceedings.icwsm.org/pdf/2023_25.pdf.

² Felix Simon and Lucas Graves, "Pay Models for Online News in the US and Europe: 2019 Update," Reuters Institute for the Study of Journalism, May 23, 2019, <https://reutersinstitute.politics.ox.ac.uk/our-research/pay-models-online-news-us-and-europe-2019-update>.

³ Nic Newman, "Journalism, Media, and Technology Trends and Predictions 2022," Reuters Institute for the Study of Journalism, January 10, 2022, <https://reutersinstitute.politics.ox.ac.uk/journalism-media-and-technology-trends-and-predictions-2022#sub6>.

⁴ The Economist, "Private Equity Is Buying up America's Newspapers," The Economist, February 17, 2022, <https://www.economist.com/graphic-detail/2022/02/17/private-equity-is-buying-up-americas-newspapers>.

⁵ Jack Shafer, "'The Investment Firms Leave behind a Barren Wasteland,'" POLITICO (Politico, February 18, 2024), <https://www.politico.com/news/magazine/2024/02/18/is-wall-street-to-blame-for-the-collapse-of-newspapers-00141920>.

participation depends on citizens having reliable access to accurate, thoughtful news coverage regardless of their ability to pay.

This trend raises the question: is there a way for news to be publicly reported without the influence of shareholders? Our government can actually provide a vital alternative to the deteriorating state of private journalism through public media or government-run agencies that provide services such as news reporting. The Public Broadcasting Service (PBS) or the National Public Radio (NPR) are already doing this work today, being funded by the Company for Public Broadcasting (CPB), which itself is funded by the U.S. government and taxpayers.⁶ With the rise of sensationalized reporting and growing barriers to accessing quality news, it is now more important than ever that consumers maintain public media alternatives funded by the government.

While the specter of tax-funded media often raises alarm bells amongst those fearing a *1984-like* government control of truth, in reality, publicly-funded media like PBS or NPR is often innocuous and informative. Even the beloved Barney is a result of public, taxpayer media in the U.S. It is empirically proven that “high levels of secure funding for public media systems... are consistently and positively correlated with healthy democracies.”⁷ Plus, research demonstrates that government-funded news organizations consistently rank higher in reliability and show less political bias than private alternatives like CNN or Fox News,⁸ so those bemoaning the *1984*

⁶ MacIver Staff, “Fact-Checking the Feud,” MacIver Institute, 2023, <https://www.maciverinstitute.com/news/fact-checking-the-feud>.

⁷ Victor Pickard, *Funding Democracy: Public Media and Democratic Health in 33 Countries*, *Www.academia.edu*, 2021, https://www.academia.edu/68443455/Funding_Democracy_Public_Media_and_Democratic_Health_in_33_Countries.

⁸ Susan Gilroy, “Research Guides: News Media across the Political Spectrum: Starting Point: 1. ‘the Chart,’” *guides.library.harvard.edu*, 2024, <https://guides.library.harvard.edu/newsleans/thechart>.

potential should realize the monopolization of truth more likely comes from the private sector, not the public.

Supporting government-funded public media is in the interests of the public writ large; in return for their taxes to their local, state, and federal governments, citizens receive accurate information about current events that they can use to become more informed, engaged citizens. Its time for democracies to start investing in their own health.

Bibliography

Auburn, Luke. "Study of Headlines Shows Media Bias Is Growing." News Center. University of Rochester, July 13, 2023.

<https://www.rochester.edu/newscenter/study-of-headlines-shows-media-bias-growing-563502/>.

Gilroy, Susan. "Research Guides: News Media across the Political Spectrum: Starting Point: 1. 'the Chart.'" guides.library.harvard.edu, 2024.

<https://guides.library.harvard.edu/newsleans/thechart>.

MacIver Staff. "Fact-Checking the Feud." MacIver Institute, 2023.

<https://www.maciverinstitute.com/news/fact-checking-the-feud>.

Newman, Nic. "Journalism, Media, and Technology Trends and Predictions 2022." Reuters Institute for the Study of Journalism, January 10, 2022.

<https://reutersinstitute.politics.ox.ac.uk/journalism-media-and-technology-trends-and-predictions-2022#sub6>.

———. “Journalism, Media, and Technology Trends and Predictions 2024,” January 2024.

<https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2024-01/Newman%20-%20Trends%20and%20Predictions%202024%20FINAL.pdf>.

Pan, Jinsheng, Weihong Qi, Zichen Wang, Hanjia Lyu, and Jiebo Luo. “Bias or Diversity?

Unraveling Fine-Grained Thematic Discrepancy in U.S. News Headlines,” 2023.

https://workshop-proceedings.icwsm.org/pdf/2023_25.pdf.

Pickard, Victor. *Funding Democracy: Public Media and Democratic Health in 33 Countries*.

Www.academia.edu, 2021.

https://www.academia.edu/68443455/Funding_Democracy_Public_Media_and_Democratic_Health_in_33_Countries.

Shafer, Jack. “The Investment Firms Leave behind a Barren Wasteland.” POLITICO. Politico, February 18, 2024.

<https://www.politico.com/news/magazine/2024/02/18/is-wall-street-to-blame-for-the-collapse-of-newspapers-00141920>.

Simon, Felix, and Lucas Graves. “Pay Models for Online News in the US and Europe: 2019 Update.” Reuters Institute for the Study of Journalism, May 23, 2019.

<https://reutersinstitute.politics.ox.ac.uk/our-research/pay-models-online-news-us-and-europe-2019-update>.

Susca, Margot. “‘A Lot of People Got Really Rich off of What Happened Here:’ How Hedge Funds Helped Destroy Local News.” Nieman Foundation, October 10, 2023.

<https://nieman.harvard.edu/articles/hedge-funds-local-news-book/>.

Talbot, Dean. “Magazine Sales Statistics – WordsRated.” WordsRated, March 28, 2023.

<https://wordsrated.com/magazine-sales-statistics/>.

The Economist. "Private Equity Is Buying up America's Newspapers." The Economist, February 17, 2022.

<https://www.economist.com/graphic-detail/2022/02/17/-private-equity-is-buying-up-american-newspapers>.