

**IPS Roundtable on
“Journalism’s Uncertain Future”**

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Report of Roundtable Discussion

The Institute of Policy Studies recently held a roundtable discussion on “Journalism’s Uncertain Future” as part of its seminar series on media issues. This roundtable was led by Dr Cherian George, an Adjunct Senior Research Fellow at IPS and an Associate Professor at the School of Communication & Information at Nanyang Technological University. Dr George is also the editor of an independent paper for children, *What’s Up*, and a former journalist with *The Straits Times*. The participants at the roundtable included academics, policy makers, and online and offline journalists.

Dr George began his presentation by noting that he was not going to make predictions on when the last newspaper would be printed. Instead, his focus would be on certain neglected issues.

He said that often, in the discussion on professional journalism and its future prospects, there is a tendency to conflate journalists, journalism, and the press as a business. He defined journalism as “reporting and commenting on current affairs, using enterprise, investigation, interpretation and analysis, to serve the public’s need to deal with complexity and change”. The notion of journalism as a public good which would serve the public would be central to his presentation.

Dr George noted that with the advent of new technologies and communication tools, the entry barriers for news reporting have come down tremendously. In theory, this means that it is now possible for any individual to be a journalist. However, the increasing complexity of human affairs has, in fact, placed a greater demand on dedicated and skilled individuals to do the job of bringing information to the public.

Web 2.0 technologies enable a much higher level of interactivity amongst individuals online and hence the pooling of information to provide a more accurate picture. This phenomenon, which has been called “crowdsourcing”, actually has the capacity to produce high-quality information. He cited the examples of Tripadvisor.com and Hungrygowhere.com

as excellent examples of crowdsourcing where there is a critical mass of users that produce information without the need for a journalist.

However, the advent of new technology and crowdsourcing seems to help solve only certain problems. Some constraints include the limited capacity of new media outlets as well as the availability of first-hand information. It would appear the new media outlets are really not all that suitable should one wish to have an in-depth understanding of issues.

Dr George also spoke about the second phenomenon that has emerged, that of the “amateur journalist“, who has become increasingly important in niche areas of reporting, “where there are experts and fans committed to public enlightenment.” The term “amateur” may be misleading in some cases, for often these journalists have professional expertise in the subject they are writing about. They are only amateur in the sense that they do not have professional journalism training in translating their expertise into articles accessible to the general reader. These writers, however, do contribute to public information. In contrast, while professional journalists have such training, they are often amateurs in the areas they write about.

Dr George also said there is a third category of the “pseudo journalist”, such as public relations professionals or public affairs officers in government. They would write articles much like professional journalists, but their aim is not to serve the public and public good but their employers or other interest groups.

While the new forms of media that have emerged are interesting both in terms of information and quality of analysis, there are still certain limitations to new media, and this is where the services of journalism professionals are still required. Their services are needed especially “to pursue stories that most people find too boring to pursue” such as Parliamentary proceedings. Professionals are also important in the sense they are committed to staying independent of sources and to writing for the public, he said.

However, not enough people are willing to pay for quality journalism: the result is market failure. This is not a new problem, as for more than a century the full cost of journalism has been subsidised by advertising. Dr George described the newspaper business as one that engages in a “dual market” -- first, there is the newspaper selling content to the reader, and second, the newspaper selling the reader to the advertiser. In fact, the second has been subsidising the first market. Another subsidy which occurs in the newspaper industry is a cross-subsidy through content, where non-journalistic content subsidises journalistic content. Examples of such non-journalistic content include celebrity gossip and comic strips. In such a scenario, publicly-meaningful journalism is only received as a by-product.

Newspapers themselves act in ways which show that their interest is more in meeting the needs of advertisers than providing a public good. He cited instances in which local papers choose to highlight that their readership is better-off than the general population to make themselves appear more desirable to advertisers. However, from a public good angle, the lack of representativeness of the readership would be an embarrassment.

Market failure was cited as the reason why western European governments instituted public service broadcasting. Dr George believed that public service broadcasters and

socially-minded newspapers help to set norms, and he also contended that most journalists in Singapore still try to hold to their editorial judgement. However, he said, it is increasingly hard to do so.

Dr George noted that now for consumers, individual choice has replaced “content bundling” where a news package such as a newspaper would carry a variety of content chosen by editors. The consumer now wants to pick and choose. The music industry was cited as an example of the trend towards content unbundling, as many consumers would not pay to buy an entire album when only one or two songs interest them. This trend and technological developments have led to advertisers moving away from bundling outlets, like newspapers. Dr George likened this to a fixed price set menu (the “better balanced diet” approach) being replaced by an *à la carte* menu.

In some mature markets, one may observe industry stagnation and the decline of advertising-supported newspapers. However, Dr George noted that although the news about newspapers is bad in the United States, there is some good news coming from countries in Asia because of rising incomes and educational levels. Nevertheless, the structural shift away from content-bundling undermines newspapers, which then impinges upon the livelihood of large teams of professional journalists. While there is now more experimentation in business models, no real substitute for newspapers has been found as employers of professional journalists.

Dr George suggested that given new technology, there would be a “shakeout” in the industry, with new technology giving people what they want. His own news habits show how a future media consumer may look like. He may receive news alerts on a smartphone or similar device throughout the day, tune into television news two or three times a day, read newspapers once a day as a ‘light read’ or when he is on the move, read a free newspaper four times a week and read a “quality paper” once a week as he tries to make sense of the world.

According to Dr George, “the writing is on the wall” for newspaper owners, for it will not be as easy as in the past to make extraordinary profits. Currently, the profit margins from running a newspaper are still among the highest across all manufacturing industries, a situation that is not sustainable in the long run. Remedies, he said, must be set based on practical considerations in this regard. Companies have tried to maintain the high profit margins by cost-cutting in the newsroom, but that would result in the shrinkage of the pool of journalists and a decline in the quality of journalism.

Professional journalists, noted Dr George, are divided on how they could save themselves. Some believe in a stronger focus on professional values in order to “save the profession’s soul”. However, more and more believe that journalists must be more market-driven. Singapore journalists, said Dr George, must ask what the purpose of journalism is in spite of the predominance of neoliberal thought in Singapore. Faith in the market fails to recognise the public good aspect of journalism, argued Dr George. As such in Singapore, consumer choice is in tension with the public sphere.

Dr George warned that the idea of national conversation would “become narrower in scope and less inclusive” unless supported otherwise. He noted that individuals prefer to spend their time on content that caters to their tastes, wants and interests, rather than those

of the collective. As an example of this, he showed participants his own customised iGoogle page, which was dominated by news from the English Premier League. He warned that this trend may lead to distortions of knowledge and perspective amongst individuals. This, he said, has public policy implications for national life.

There is a need to moderate consumer empowerment with what matters for the collective, argued Dr George, who also stated that there is no better institution or profession better-equipped for the job than the press and the journalist. He predicted that *The Straits Times* will remain, for a very long time, the forum for national conversations. Journalism, he said, engages citizens in national conversations, serving the goal of collective self-determination and journalists are well-placed to organise conversations by dint of instinct and training, for they are able to take important information and communicate it in a way that is interesting and that can create empathy in the reader.

Finally, Dr George suggested that the work of community-building is best done by public service broadcasters and socially-minded independent papers. In Singapore, this has implications not just for media content but also regulation as the government puts a premium on the purity of content rather than the inclusivity of the conversation. While each approach has its pros and cons, he said, not enough attention has been paid to the implications of the current approach, which may accelerate global trends in a shrinking readership in Singapore.

Discussion

Mr Arun Mahizhnan, IPS Director chaired the discussion. He began by highlighting a few key questions that came through Dr George's presentation:

- a) Would the impending changes described by Dr George result in a media that could serve the public good better?
- b) In many countries around the world where there are no national newspapers, unlike in Singapore, there is yet a sense of a "national conversation" occurring. Would the new technology augment or fragment these national conversations?
- c) Third, would the notion that "journalism is value-based" still be valid in the age of new media or should we accept a multitude of approaches to journalism?

In the hour-long discussion which followed, the following points were raised:

- *The National Conversation, the Public Sphere and National Interest*

A participant said that laments of journalism dying may be symptoms of a "romantic" notion of journalism, and a confusion between the form (the newspaper) and the content (news). He agreed with Dr George that journalism enlarges and enriches the public sphere, but he believed the new form of online media has advantages over the old form of a print newspaper as new media is pluralistic and does not limit the reader's perspective to that of a single editor's. In terms of content, he also considered new media to be better as it is pluralistic and customisable to individual taste. While he agreed that customisation may lead to the distortion of perspective, he also believed that "an intelligent reader" may not make such a mistake.

A second participant said local newspapers tend to be conversation stoppers rather than conversation starters, as they report official opinions as fact. In this respect, alternative media is useful in that they “counter opinion with opinion, and facts with arguments.” Another participant also felt that while the public sphere is enlarged by new communication technologies, the government has yet to come into the conversation. Journalism is necessary for the enlargement and enrichment of the public sphere, but this is a function that is being fulfilled by new media here *in lieu* of a national media that is not doing it. While there is perhaps the need to further enrich existing conversations, new media has already enlarged the public sphere. The participant also wondered if the public sphere is equivalent to the national conversation, and added that he defined the public sphere as “anything people are interested about.”

Dr George agreed with the point that the national media is only one out of several possibilities through which a national conversation may occur. There are reasons to be hopeful with the cited examples of Web 2.0 conversations. The “losers” in this scenario, he said, would be any institution that has depended on its success on mass attention, such as the government. For instance, he wondered, how would an agenda-setting item such as the National Day Rally speech be communicated? There may be segments of society that would consider the move away from a national media as a set-back for public conversation.

He expressed faith in the form and principles of journalism, but admitted to being pessimistic about whether it can fulfil its role as a public good that enriches the public sphere given “current thinking”. In his presentation, he focussed on the public conversation as recent events in Singapore were, for him, symptoms of a wealthy society that has too successfully privatised individual interests. The growing belief that one was able to fashion our own world after ourselves was the reason he is so passionate about the issue as journalism is one of the best solutions for this problem, for it would reach out to diverse people and inform them about the people they share the space with.

- *Why People are Not Interested in Serious News*

A participant said one needed to distinguish between liberal democratic and authoritarian societies when assessing the implications of new trends in journalism. In liberal democracies, the death of journalism as we know ought to be mourned, but this is not necessarily so in the authoritarian ones where the press is controlled. Indeed, would it be a bad thing if *The Straits Times* and MediaCorp were to fold? He also said that the “unbundling of content” by newspaper readers – in the sense that they only read certain parts of the paper rather than the whole of it -- was already happening before new technology; new media merely made it easier for people to pick and choose. There are two causes of the unbundling. First, the habits of modern life -- here and elsewhere -- have led to a situation where people have and want choices and these choices tend to be for “infotainment”. The other cause in countries like Singapore is the failure of another public good, education. The education system does not encourage people to think about social and political issues beyond how they are affected personally or about the people around them. This has led to declining demand for the second public good, journalism.

- *Journalism Talent*

A participant was also concerned about the declining quality of journalists. He noted that journalism in the 1970s and 1980s was “robust and vibrant”, and cited the example of a particular public difference in opinion between *The Straits Times* and a government minister. Since then, media control and the education system have led to a decline in good journalists. For this participant, the new blood that is coming into the profession does not “have a sense of history to connect the dots” and any move towards different content platforms would only be “postponing the problem”.

- *Diverse vs. Niche Content Offerings*

Dr George said that local mass media is still not used to the shift in consumer trends towards “fragmented” or niche media offerings. Politicians, he said, know that it is in their interest for *The Straits Times* to be diverse in content so that it can continue to draw in eyeballs.

It was suggested that the challenge posed to local mass media by niche media may not be as strong as there are enough individuals who would know what kind of information, boring as it may be, is good for them. It was suggested that if there is intrinsic value in “the boring stuff”, there will still be consumer demand. However, media organisations obsessed with impossible profits would perhaps realise that profit expectations would have to be tempered although they should be able to still have a viable business model.

Dr George was not convinced that the unbundled form is necessarily what every media consumer wants. For him, “the bundle still matters”, and the newspaper editor is “too precious an institution to give up” until the day such quality also appears in new media. Many of the most enjoyable and enriching consumer experiences for him were those moments when a quality publication is in his hands, and when the time taken by an editor in putting the publication together was able to surprise him. The unbundled formats, he said, simply do not offer quality editing.

- *The Business Aspects of Professional Journalism*

On the topic of the possible business measures that can be taken to ensure the sustainability of professional journalism, there was an exploration of possible models. Beginning with Dr George’s example of how he himself might consume media content on a given day, it was proposed that business owners choose to focus on specific “tiers” of reporting and content delivery ranging from news alerts, to fuller new articles to commentary and analysis. For instance, at the lowest tier would be instant news alerts sent to one’s electronic device of choice. This tier of news would be more dependent on the provider’s judgement of what is important. Within this framework a publication like *The Economist* would be a “top-tier” or “Level 4” outlet. A consumer may want more control over the content he or she consumes as one moves up the hierarchy of tiers. Currently, the bundling of content is being done on all four levels, and perhaps some specialisation should be considered.

In this vein, a participant cited the example of the *Financial Times* which has seen success with its paid-content model, for it offers “very high-level financial reporting”. However, other participants also offered some qualifiers. *The Financial Times*, it was noted, is being cross-subsidised by *The Economist* which is in the same media stable. In addition,

it was questioned if the *Financial Times* and *The Economist* existed simply because they emerged in a certain “ecology” that supported a variety of publications. In this vein, perhaps “tilling of the soil” or a more fertile macro environment might be needed before paid models can take root.

Dr George replied by saying that the suggested model would be a business decision. His key concern, however, would be if such a model would translate into “a proper home for journalists”, and if it would contribute to society. He acknowledged that Singapore media suffers from a small market, and wondered if general offerings of first-level news alerts would work in Singapore, where media consumers have access to a variety of sources.

- *Media Control, Regulation and Competition*

The subject of media control and regulation was also brought up. With reference to the title of the seminar, a participant said that he was not at all feeling any uncertainty. For him, the Singapore context is one where the consumer of journalistic product does not feel the threat that other newspapers overseas are facing. The fear, he said, is rather a certain future where there is not much change. Another participant noted that when it comes down to the basics, media control is the key reason why local mass media may be threatened both in terms of professional talent and migrating consumers. The quality of journalism, he noted, goes down as there is no competition. He asked if there is the possibility of media control being loosened in the future.

A participant however said it was not true that the Singapore Press Holdings (SPH) and MediaCorp do not face any competition at home. In particular, newspapers are already seeing competition from various overseas media as does local television from cable TV. In response, Dr George noted that the competition was only in certain segments, but not for areas such as local news, where there is a monopoly by SPH and MediaCorp. Speaking from the perspective of a media entrepreneur who runs a newspaper aimed at students, he said that he would rather a dominant player be controlled by competition regulators. As a citizen, however, he could also see how a dominant player may deliver economies of scale and keep journalists employed.

Dr George did agree that the chances of *The Straits Times* failing are minuscule, and the main threat in this instance comes from the possibility that SPH and MediaCorp would continue to dominate the public sphere, and consumers would seek their choices in the online media. He has noticed nervousness and “positive soul-searching on the part of journalists” in this aspect, as they realise that they can no longer dominate the conversation. He also acknowledged that mainstream media is indeed aware of the situation and is trying hard to catch up with the times. Dr George noted that as long as papers have one hand tied behind their back by government controls, they will not be able to compete. Corporate demands also create a more straitened situation for newspapers.

Dr George also offered a question for participants’ consideration. If society were to agree that journalism is a public good, then what is a viable approach that would keep journalism in Singapore alive? Does SPH's dominance help sustain the profession, or does its monopolistic behaviour hurt public interest journalism? For Dr George, this is a regulatory issue, and he expressed the hope that the Media Development Authority (MDA) would address this.

- *Possible Funding Models*

On the subject of competition policy, it was noted that public funding -- not just state funding but funding from different public sources -- is needed to sustain a public good. Non-profit organisation *ProPublica* <<http://www.propublica.org/>> was cited as an example of such a media institution. However, public trust is essential in this set-up, as no one would have join the conversation if no one could trust that such an endeavour is truly independent and only in service of the public good. As such, a regulatory regime would be a critical factor in the success of such a measure.

In reply, Dr George noted overseas examples such as the BBC where best practices are set up so that editors of publicly-funded news outlets are insulated from the wishes of their funders. Journalism, he said, has an advantage over other industries where distrust may come into play. For Dr George, journalism is a transparent institution, and it may be possible to ask the public to trust within a certain period of time, and then provide proof of the pudding. For instance, while the BBC is known for being independent, it has proved its mettle not by dint of its mandate but through practice.

Dr George said that he did not believe in “the perfect media institution” in terms of whether it ought to be run commercially, funded by taxes through the government, or funded by foundations and other sources. A society, he said, can only benefit from diversity, as each media form has its strengths and weaknesses. These included commercial media, which is still one of the best as it is independent of the state and is a test of the market. For him, civic media -- that is, media which is not commercially-run -- is an essential part of the puzzle.

Notes taken by Tan Simin, IPS Research Associate.

