

The future of newspapers

## Who killed the newspaper?

Aug 24th 2006

From *The Economist* print edition

[http://www.economist.com/opinion/displayStory.cfm?Story\\_ID=7830218](http://www.economist.com/opinion/displayStory.cfm?Story_ID=7830218)

### **The most useful bit of the media is disappearing. A cause for concern, but not for panic**



"A GOOD newspaper, I suppose, is a nation talking to itself," mused Arthur Miller in 1961. A decade later, two reporters from the *Washington Post* wrote a series of articles that brought down President Nixon and the status of print journalism soared. At their best, newspapers hold governments and companies to account. They usually set the news agenda for the rest of the media. But in the rich world newspapers are now an endangered species. The business of selling words to readers and selling readers to advertisers, which has sustained their role in society, is falling apart (see [article](#)).

Of all the "old" media, newspapers have the most to lose from the internet. Circulation has been falling in America, western Europe, Latin America, Australia and New Zealand for decades (elsewhere, sales are rising). But in the past few years the web has hastened the decline. In his book "The Vanishing Newspaper", Philip Meyer calculates that the first quarter of 2043 will be the moment when newsprint dies in America as the last exhausted reader tosses aside the last crumpled edition. That sort of extrapolation would have produced

a harrumph from a Beaverbrook or a Hearst, but even the most cynical news baron could not dismiss the way that ever more young people are getting their news online. Britons aged between 15 and 24 say they spend almost 30% less time reading national newspapers once they start using the web.

## **Up to a podcast, Lord Copper?**

Advertising is following readers out of the door. The rush is almost unseemly, largely because the internet is a seductive medium that supposedly matches buyers with sellers and proves to advertisers that their money is well spent. Classified ads, in particular, are quickly shifting online. Rupert Murdoch, the Beaverbrook of our age, once described them as the industry's rivers of gold—but, as he said last year, "Sometimes rivers dry up." In Switzerland and the Netherlands newspapers have lost half their classified advertising to the internet.

Newspapers have not yet started to shut down in large numbers, but it is only a matter of time. Over the next few decades half the rich world's general papers may fold. Jobs are already disappearing. According to the Newspaper Association of America, the number of people employed in the industry fell by 18% between 1990 and 2004. Tumbling shares of listed newspaper firms have prompted fury from investors. In 2005 a group of shareholders in Knight Ridder, the owner of several big American dailies, got the firm to sell its papers and thus end a 114-year history. This year Morgan Stanley, an investment bank, attacked the New York Times Company, the most august journalistic institution of all, because its share price had fallen by nearly half in four years.

Having ignored reality for years, newspapers are at last doing something. In order to cut costs, they are already spending less on journalism. Many are also trying to attract younger readers by shifting the mix of their stories towards entertainment, lifestyle and subjects that may seem more relevant to people's daily lives than international affairs and politics are. They are trying to create new businesses on- and offline. And they are investing in free daily papers, which do not use up any of their meagre editorial resources on uncovering political corruption or corporate fraud. So far, this fit of activity looks unlikely to save many of them. Even if it does, it bodes ill for the public role of the Fourth Estate.

## **Getting away with murder**

In future, as newspapers fade and change, will politicians therefore burgle their opponents' offices with impunity, and corporate villains whoop as they trample over their victims? Journalism schools and think-tanks, especially in America, are worried about the effect of a crumbling Fourth Estate. Are today's news organisations "up to the task of sustaining the informed citizenry on which democracy depends?" asked a recent report about newspapers from the Carnegie Corporation of New York, a charitable research foundation.

Nobody should relish the demise of once-great titles. But the decline of newspapers will not be as harmful to society as some fear. Democracy, remember, has already survived the huge television-led decline in circulation since the 1950s. It has survived as readers have shunned papers and papers have shunned what was in stuffer times thought of as serious news. And it will surely survive the decline to come.

That is partly because a few titles that invest in the kind of investigative stories which often benefit society the most are in a good position to survive, as long as their owners do a competent job of adjusting to changing circumstances. Publications like the *New York Times* and the *Wall Street Journal* should be able to put up the price of their journalism to compensate for advertising revenues lost to the internet—especially as they cater to a more global readership. As with many industries, it is those in the middle—neither highbrow, nor entertainingly populist—that are likeliest to fall by the wayside.

The usefulness of the press goes much wider than investigating abuses or even spreading general news; it lies in holding governments to account—trying them in the court of public opinion. The internet has expanded this court. Anyone looking for information has never been better equipped. People no longer have to trust a handful of national papers or, worse, their local city paper. News-aggregation sites such as [Google News](#) draw together sources from around the world. The [website](#) of Britain's *Guardian* now has nearly half as many readers in America as it does at home.

In addition, a new force of “citizen” journalists and bloggers is itching to hold politicians to account. The web has opened the closed world of professional editors and reporters to anyone with a keyboard and an internet connection. Several companies have been chastened by amateur postings—of flames erupting from Dell's laptops or of cable-TV repairmen asleep on the sofa. Each blogger is capable of bias and slander, but, taken as a group, bloggers offer the searcher after truth boundless material to chew over. Of course, the internet panders to closed minds; but so has much of the press.

For hard-news reporting—as opposed to comment—the results of net journalism have admittedly been limited. Most bloggers operate from their armchairs, not the frontline, and citizen journalists tend to stick to local matters. But it is still early days. New online models will spring up as papers retreat. One non-profit group, [NewAssignment.Net](#), plans to combine the work of amateurs and professionals to produce investigative stories on the internet. Aptly, \$10,000 of cash for the project has come from Craig Newmark, of [Craigslist](#), a group of free classified-advertisement websites that has probably done more than anything to destroy newspapers' income.

In future, argues Carnegie, some high-quality journalism will also be backed by non-profit organisations. Already, a few respected news organisations sustain themselves that way—including the *Guardian*, the *Christian Science Monitor* and National Public Radio. An elite group of serious newspapers available everywhere online, independent journalism backed by charities, thousands of

fired-up bloggers and well-informed citizen journalists: there is every sign that Arthur Miller's national conversation will be louder than ever.