

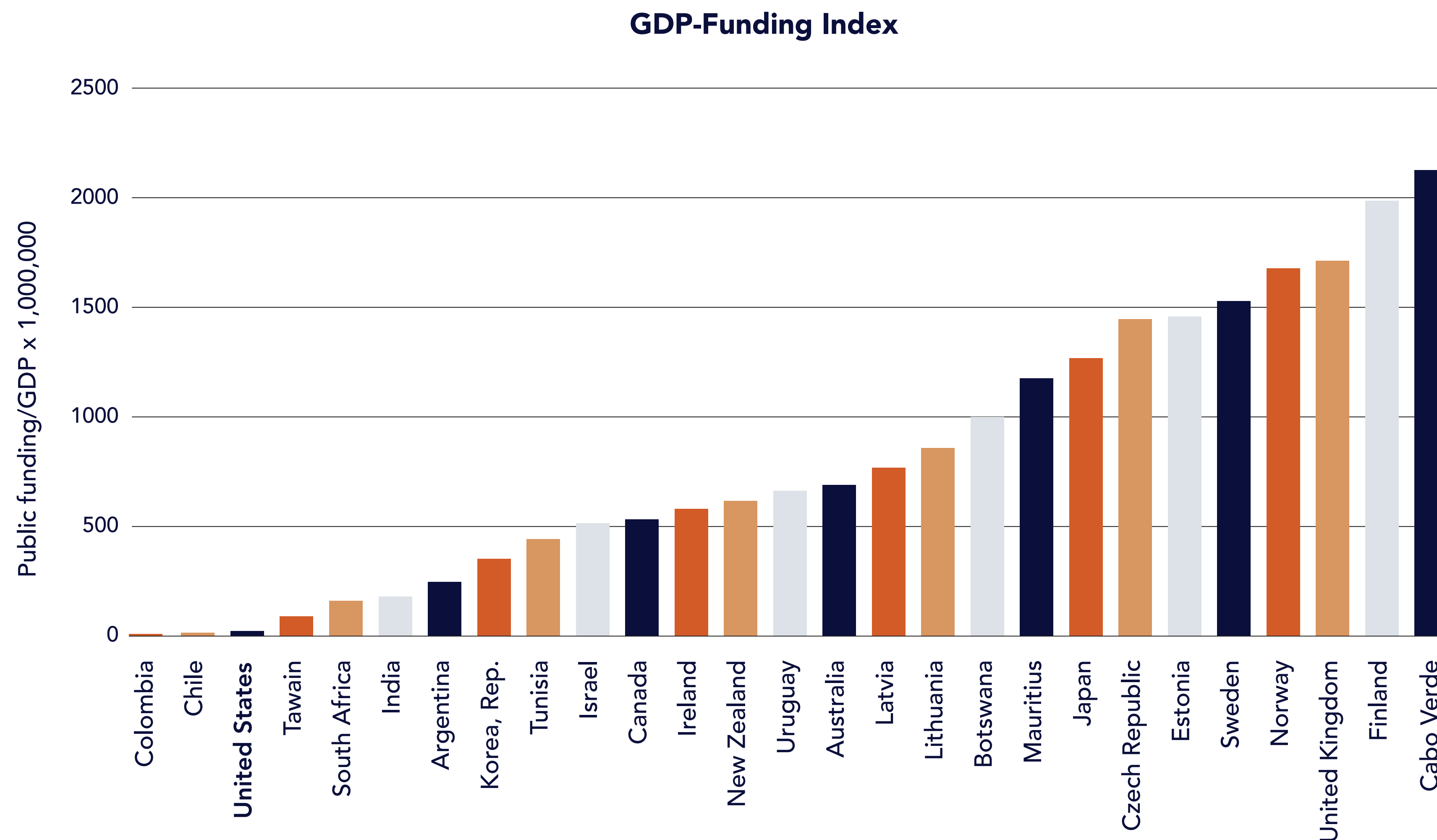
# Raising the Bar for JOURNALISM

Authors: Timothy Neff, Ph.D. and Victor Pickard, Ph.D.

For-profit journalism faces a structural crisis as a crumbling business model — accelerated by a global pandemic — prompts newsroom closures that leave communities in the dark. One solution to this systemic market failure lies in public-funded media<sup>1</sup>, a source of journalistic excellence around the world.<sup>2</sup>

This chart illustrates public media spending as a proportion of gross domestic product (GDP) in 27 countries.<sup>3</sup> A country such as Finland vastly outpaces U.S. spending on public media.

These GDP-Funding indices show who leads and who lags in supporting public media.



## Strong democracies, strong public funding

The world's strongest democracies, such as Norway, Sweden, and Finland, also have the best-funded public media.

## Major outlier: U.S.

The U.S. has the world's largest GDP (more than \$20 trillion) but spends just **\$445 million**<sup>4</sup> on its public media. In recent years, the U.S. has declined to "flawed" democracy status.<sup>5</sup>

## WEATHERING ECONOMIC TURMOIL

Heavy reliance on commercial funding, as found in Chile, Colombia, and the U.S., tethers public media to the whims of markets, while high levels of public funding, guaranteed over multiple years, sustains quality journalism.

## Public media benefits

Strong public media are correlated with higher levels of public knowledge and political engagement and lower levels of extreme views.<sup>6</sup>

## NEWS DESERTS

As commercial news organizations fail, "news deserts" without quality coverage expand, and these areas often are economically disadvantaged. Misinformation and political disengagement fill the void.<sup>7</sup>

<sup>1</sup> Public funding most often comes in the form of direct government outlays or fees and taxes assessed on households. Most public media systems mix public funding with private (commercial) funding in the form of corporate underwriting, pooled fees from private broadcasters, or the commercial sale of services and programs.

<sup>2</sup> The Economist Intelligence Unit's 2019 Democracy Index rates all included countries as either "full" democracies (e.g., Nordic countries and the U.K.) or "flawed" democracies (e.g., U.S., India, and Tunisia).

<sup>3</sup> The GDP-Funding Index is calculated by dividing public funding for each country's public media system by gross domestic product for most recent available years. The resulting very small number is converted into a more readable index by multiplying the number by 1,000,000. Most data for 2018 or 2019, except for: Mauritius, 2014 public funding estimate; Colombia, 2016; Argentina, 2017; India, 2017; Tunisia, 2012. GDP from World Bank, except for Taiwan, which is not included in World Bank data and is instead gathered from Taiwan government data. Public media funding data gathered from annual reports, academic literature, and news sources.

<sup>4</sup> Fiscal year 2018 federal spending on the Corporation for Public Broadcasting

<sup>5</sup> EIU 2019 Democracy Index

<sup>6</sup> Albæk et al. 2014; Curran et al. 2009; European Broadcasting Union 2016

<sup>7</sup> Abernathy 2016; Ardia et al. 2020; Ferrier et al. 2016; PEN America 2019; Pickard 2019