The New York Times https://www.nytimes.com/2023/06/13/opinion/media-layoffs-journalism-internet.html

LYDIA POLGREEN

It's Not a Good Sign When People Who Don't Pay for News Have So Little to Choose From

June 13, 2023

By Lydia Polgreen
Opinion Columnist and co-host of 'Matter of Opinion'

In a recently published profile of the former CNN executive Jeff Zucker, a tidbit of news caught my eye. Zucker, who has a venture fund with $1 billion to invest, is one of at least three suitors seeking to buy a controlling stake in Air Mail, a glossy media company catering to the jet set elite, founded by the former Vanity Fair editor in chief Graydon Carter. A recent weekly edition includes a profile of the caterer turned mercenary magnate who is a close ally (and possible competitor) of Vladimir Putin, an excoriation of new diversity rules for the Oscars and an article on Adele's go-to rosé. It's a frothy mix of European royals, luxurious fashion and salacious true crime, redolent of the Vanity Fair of yore. Air Mail has made quite a splash: It threw a star-studded bash with Warner Brothers in Cap d'Antibes that was the toast of the Cannes Film Festival last month. It is generally a fun read. I have been a subscriber for a while.

Still, it was jarring to see that this confection has so many suitors, checkbooks at the ready, at a time when the butcher's bill in American journalism grows longer and longer. Last week, The Los Angeles Times announced it will reduce its newsroom staff by 13 percent, a month after the paper celebrated winning two Pulitzer Prizes. Last month, Vice, a company that once seemed like the invincible future of media, sought bankruptcy protection. BuzzFeed shuttered its Pulitzer Prize-winning news division. Insider slashed its staff by 10 percent earlier this year; its journalists are currently on strike. Hundreds of journalists from Gannett, the once mighty local news company, also staged a short strike last week after years of staffing and budget reductions. We've seen deep cuts at the major TV and cable news networks. MTV News closed its doors.

And last week, the pain hit close to home for me: Many of my former colleagues at Gimlet, the ambitious podcast studio where I worked from 2020 to 2022, lost their jobs. The pink slips landed shortly after the team won a Pulitzer Prize for an investigative podcast.

The loss of jobs in any industry, particularly one as central to protecting our democracy as journalism, is always worrying. But what makes these losses particularly troubling is what many of these news organizations have in common: They sought to make quality news for the masses that cost little to nothing to consume.

In an ever more unequal world, it is perhaps not surprising that we are splitting into news haves and have-nots. Those who can afford and are motivated to pay for subscriptions to access high-quality news have a wealth of choices: newspapers such as The Times, The Washington Post, The Wall Street Journal and The Financial Times compete for their business, along with magazines such as The New Yorker and The Atlantic. Niche subscription news products serving elite audiences are also thriving and attracting investment — publications like Punchbowl News, Puck and Air Mail. The people who subscribe to these publications tend to be affluent and educated.

It bodes ill for our democracy that those who cannot pay — or choose not to — are left with whatever our broken information ecosystem manages to serve up, a crazy quilt that includes television news of diminishing ambition, social media, aggregation sites, partisan news and talk radio. Yes, a few ambitious nonprofit journalism outlets and quality digital news organizations remain, but they are hanging on by their fingernails. Some news organizations are experimenting with A.I.-generated news, which could make articles reported and written by actual human beings another bauble for the Air Mail set, along with Loro Piana loafers and silk coats from the Row.

I've been thinking about the problem of news for people who don't pay for news since the last months of the 2016 presidential campaign, when I was offered a job as editor in chief at The Huffington Post, succeeding its namesake, Arianna Huffington.

Before that, I really hadn't seriously considered leaving The Times, where I had worked for almost 15 years, mostly as a foreign correspondent. I had experienced firsthand the lengths The Times would go to report in some of the most far-flung and dangerous places in the world. My editors had sent me from the Himalayan peaks of Kashmir to the dense jungle of eastern Congo, from the desert scrub of Darfur to the sodden deltas of Bangladesh. They literally sent me to Timbuktu. Twice!

Still, I took the meeting. I knew that something had gone wrong with American journalism. Local journalism was in free-fall. Trust in the news media was reaching new depths. And most worryingly, the news organizations that were thriving were the ones that people paid for directly.

Then Donald Trump won the presidential election, and I felt that maybe in that moment there was work to do elsewhere. Maybe HuffPost, with its huge home-page audience, could be a vessel for testing this question that had been nagging at me: How can you make a quality news product for people who were never going to pay for news? What would it mean to create a news organization that saw itself not as writing *about* people who feel left out of the political, economic and social power arrangements, but *for* them? I took the job.

With its clever, large-format headlines and populist sensibility, HuffPost had the feel of a left-of-center tabloid, like The New York Daily News in its heyday. We would make news for everyone on the internet, for free. Corporate America, via digital advertising, would foot the bill. If this all sounds overly optimistic, if not downright naïve, well, it was. But what else could one do in those desperate postelection days but fuse dreams and work and hope for the best?

In a way, this plan represented a very old model of paying for quality journalism, one that began in 1833, when a young businessman named Benjamin Day had an idea. As Tim Wu wrote in his book "The Attention Merchants," most of New York City's newspapers at that time were priced at 6 cents — the equivalent of more than $2 today — a luxury good aimed at a tiny, wealthy audience. Day realized that he could make more money if he charged readers just a penny for his newspaper, and then sold their eyeballs to businesses who wanted to sell them stuff. His newspaper, The New York Sun, set the template for the news business in the United States for most of the next two centuries, even as new technologies such as radio and television transformed how news was distributed.

Capturing mass attention required access to expensive means of distribution: either a press and delivery trucks for print, or access to the public airwaves — which were licensed by the government — for broadcast. These costs allowed the news organizations that could afford them to corner the market on mass audiences, whose attention they then sold to advertisers. The handsome profits they reaped enabled investments in high-quality journalism, including high-risk and expensive endeavors such as investigative reporting and international coverage.

We all know what happened next. The internet, which initially promised to propel this old model even further by reducing distribution costs to near zero and creating the tools to sell ever more sophisticated kinds of advertising, instead created an economic crisis for journalism. Newspapers still had to produce their expensive print products even as the advertisements that paid for them gave way to much cheaper and more highly targeted digital ones. Paid classified advertising evaporated. Local news cratered, and even titans like The New York Times faced existential threats.

Meanwhile, the digital revolution brought a new crop of news organizations roaring to life, unburdened by physical production costs and powered by new forms of information distribution. HuffPost figured out how to reverse-engineer news articles that matched information people were searching for on the internet. Then social media arrived, and with it the opportunity to build huge audiences across people's social networks, an art perfected by BuzzFeed. Sensing the opportunity for hypergrowth, venture capitalists piled into the media business, sending the valuations of these digital upstarts into the stratosphere. On paper, at least.

Powered by those dollars, some companies invested in quality journalism, just like the old-school newspaper publishers had when the market buoyed them. HuffPost won a Pulitzer in 2012. Vice News produced groundbreaking television coverage of the far right. BuzzFeed News invested deeply in investigative journalism and international reporting, and also won a Pulitzer. It seemed, for a time, that a new form of quality mass media was emerging on the back of new technology.

And then it all fell apart. Advertisers began cutting out the middlemen — publishers — and buying advertising directly from social media platforms, which offered what was sold as laser-sharp targeting of a company's most desirable customers. And after Trump, who augured a new era of misinformation online and a ton of new headaches for social media companies, digital platforms largely fell out of love with news. The spigots that had gushed money-spinning traffic to new sites ran dry.

It turned out that I had arrived at the digital media party just as it started to wind down. It was almost impossible to sustain quality journalism with advertising alone. At HuffPost, we went through several rounds of layoffs in three years. Ultimately, I encouraged Verizon Media, which was then HuffPost's owner, to sell the site to a company more focused on news. When it didn't sell, I decided to leave. Less than a year later, Verizon all but paid BuzzFeed to take HuffPost off its hands.

HuffPost, with its big home-page audience, is less reliant on social media networks and has survived. It is smaller and less global than it once was, but it continues to employ talented and enterprising journalists who break news. But with all the layoffs, closures and bankruptcies it is hard not to feel that the old dream of digital news — lots of free, quality and diverse news from lots of different places — is mostly dead.

Instead, there are a few very successful media companies that charge people money for high-quality journalism. The best news organizations take their public service mission seriously, and do create news products that are free to all, like podcasts and email newsletters. Some have relatively porous paywalls, and even drop their paywalls entirely for coverage of major events involving public safety. But many surviving free consumer sites are cutting staff and focusing on aggregation — which is an important service, but not the same as investing in original journalism. Television news is dominated by talking heads as budgets for real news-gathering shrink. Cable news is in terminal decline in the age of cord cutting.

The current landscape means the mass audience that never paid for news and never will pay remains underserved, and that has big implications for the future of our country. Creating a shared reality was always the work of mass media. But our present and future look much more like the 1830s, with one class of people getting tips on summering in the South of France from Air Mail and everyone else reading whatever A.I.-generated aggregation the internet spits up.

For the better part of two centuries, news that was free — or at least *felt* free, owing to its reliance on advertising — was good business. But the advertising dollars that once underwrote ambitious mass journalism are now stuffing the pockets of technology billionaires. We're all — even those of us willing and able to pay for quality journalism — the poorer for it.

Lydia Polgreen has been a New York Times Opinion columnist since 2022. She spent a decade as a correspondent for The Times in Africa and Asia, winning Polk and Livingston Awards for her coverage of ethnic cleansing in Darfur and resource conflicts in West Africa. She also served as editor in chief of HuffPost. @lpolgreen