

American Journalism in Transition: A View at the Top

**A Report of the Fifth Annual Aspen Institute
Conference on Journalism and Society**

Amy Korzick Garmer

*Values profit
Tradition
Change
markets*

American Journalism in Transition: A View at the Top

by Amy Korzick Garmer

A Report of the Fifth Annual Aspen Institute
Conference on Journalism and Society



THE ASPEN INSTITUTE

Communications and Society Program

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Executive Director

Washington, DC

2001

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Foreword

The effective practice of journalism is essential to the strength of a democracy. Certainly in the United States, the premise of self-governance is that the citizen-sovereigns need to be sufficiently informed—have access to relevant information and opinion—to exercise their duties of citizenship. In large measure, Americans have relied on an open, free, and independent journalistic ethic to gain that level of information and knowledge, and the United States Constitution protects the press in effectuating that system.

If the quality of journalism is so important to our democratic system and its purveyors are even constitutionally protected, then what can be done to promote the highest levels of the craft? In particular, can leaders and readers affect a system that is predominantly unregulated, dispersed, and by nature skeptical?

In recent years it has been common to hear complaints about the level and quality of journalism in the United States. In some cases, this concern is related to the extensive proliferation of media and sources of information; many members of the public lump journalism with other forms of "the media," at times unfairly. Some confuse the practice of journalism with talk shows, Internet chats, reality TV, and other new forms of conveying and obtaining information. In other instances observers, including some industry insiders, complain that new financial pressures are challenging the delivery of an excellent news product. Among the particulars, these individuals cite the decision of news companies to "go public" in search for capital, the demands of investors for greater returns on their investments, the subsuming of news organizations by larger corporate entities, and the emergence of a new cadre of corporate leaders who were not steeped in the ethos of the journalistic profession.

In several Aspen Institute forums over the years, we have heard from journalists, policymakers, foundation executives, and citizen activists that the right people—the only people—to address the issue of maintaining quality journalism in the face of these challenges are the chief executive officers and other top leaders of major journalistic enterprises. At the instigation of Henry and Jessica Catto in the mid-1990s and, more

recently, the John S. and James L. Knight Foundation, the Aspen Institute Communications and Society Program has convened journalistic and other corporate executives, leading journalists, and a few academics for roundtable discussions on this topic. This is the report of the fifth annual Aspen Institute Conference on Journalism and Society.

By design, this small roundtable conference does not arrive at consensus or joint statements. Rather, in convening this forum, we seek to gain new insights, frame the issues in the most constructive manner, draw out innovative recommendations, and foster a dialog among leaders that can benefit them, and the rest of us, in future years. Accordingly, the job of the rapporteur of such an activity is extremely difficult: to gather the nuggets of wisdom and insight at the conference and to weave them into a coherent document that is of use to the general public. I believe that our rapporteur, Amy Korzick Garmer, who is director of journalism projects for the Communications and Society Program, has done just that.

The conference was held in June 2001, three months before the terrorist attack on the World Trade Center and the Pentagon. Those events have placed an extreme burden on media organizations. They have increased journalistic responsibilities and, in view of the economic downturn, left these enterprises with lower advertising revenues with which to undertake those duties. Yet these developments only reinforce many of the major points made in the conference and in this report. I would summarize those points as follows.

Journalism is a public trust on which the strength of a democracy relies. Whatever else journalism means to a democracy, private media are businesses that must provide a return on investment to survive. (How great a return was a significant issue discussed at the meeting.) In most cases, at least among the companies represented at this conference, quality journalism is good for business. One of the most challenging tasks ahead for executives is balancing the internal deployment of resources for journalism while increasing economic efficiencies and still producing a quality product. In any event, executives of journalistic organizations will need to be leaders who comprehend and champion their business interests and their broader public trust responsibilities. Looking forward, the top executives and boards of journalistic organizations should address the next generation of leadership in their industry and assure that they value the best in journalism as well as business acumen.

The Program was extremely fortunate to enlist the participation of many top leaders from journalistic enterprises throughout the United States at the 2001 conference. The participants were as colorful as they were powerful. Accordingly, the rapporteur has quoted them extensively to give the reader a flavor not only of the ideas expressed but of the deeply felt concerns and convictions of conference participants as well.

Acknowledgments

The conference was itself an enterprise and had its own pillars. We would like to thank, first, the John S. and James L. Knight Foundation for its generous sponsorship of this conference. In particular, Foundation president Hodding Carter has been a driving force in moving this project to its current level of participation and sophistication. This influence is evident in his remarks at the conference, which are quoted in the report. Also crucial to the success of the conference was the willingness of our Convening Committee—Frank Bennack, Robert Decherd, Jim Lehrer, Jerry Levin, and John Madigan—to sign on to the activity, select the specific topic, and encourage others to participate as well. Jim Lehrer served again as the moderator, a thankless task for which we nevertheless thank him now. He stands as an exemplar of Aspen Institute conference moderation. We thank Amy Korzick Garmer for her extensive and excellent work leading up to and following the conference: designing the agenda, preparing the background readings, overseeing the details, and writing this conference report. Finally, we want to acknowledge with appreciation the hard work of Lisa Dauernheim, conference coordinator, and Sunny Sumter Sana, publication production manager, for actually producing the conference and this report.

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The Aspen Institute
Washington, DC
November 2001

**AMERICAN JOURNALISM
IN TRANSITION:
A VIEW AT THE TOP**

American Journalism in Transition:

A View at the Top

Amy Korzick Garmer

Introduction

American journalism is in the midst of a transition unlike any other it has experienced in the 225-year history of the republic. Like other societal institutions, news organizations must contend with a variety of forces that are upsetting the status quo and shaping new business and cultural environments. These forces include advances in technology, demographic shifts and the changing interests of consumers, changing government regulations, market consolidation, and globalization, to name a few. The convergence of these market and cultural phenomena and the relentless advance of the information revolution have rocked the comfortably familiar culture of journalism.

Reacting to these changes, journalists and critics have become increasingly vocal with their concern that journalism is drifting away from fulfilling its core purpose in a democratic society: to provide people with the information necessary to make informed decisions for enlightened self-governance. They cite public opinion polls that show that the American public is losing trust in the news media. They detail declines in the quality of news across all media, particularly as measured by the quantity of hard news stories relative to the amount of soft news, lifestyle features, and demagogic talk shows. They object to increasing pressures on the newsroom from corporate managers and the supremacy of profits over the quality of journalistic performance. And they point to the contamination of the editorial function by business considerations, as in the case of the *Los Angeles Times*' Staples Center controversy.

In many instances, these concerns are not misplaced. Yet as much as the critics lament the loss of "journalism" to "the media" and its move from the public realm to increasingly corporate space, the transition is undeniably and irrevocably underway. If journalism and the important

educative function that it serves are to be maintained in the flood of information-based commerce that is now upon us, then the professionals who are entrusted with this important public trust must find ways to adapt high-quality journalism to the new market environment. They need to explore tools and strategies that might be available to increase the incentives for maintaining a rich supply of good journalism and stimulating the public's appetite for it. In other words, the leaders of American media must address the following questions: In an age of expanding media, relentless competition, and demanding public markets, what are the incentives to produce quality journalism? And if journalism is truly a unique and important form of communication for American democracy, what can the present generation of media leaders do to sustain a tradition of great journalism for the future?

These questions were addressed by a gathering of 26 of the nation's leading media chief executive officers, senior news executives, journalists, and informed observers at the Wye River Conference Center in Queenstown, Maryland, June 14–16, 2001. Convened by the Aspen Institute Communications and Society Program, the conference was the fifth in a series of annual meetings designed to understand how changes in the media marketplace are affecting the practice of journalism. This series also provides a unique opportunity for decision-makers at the highest levels of the media industry to confront their own perceptions and ideas about the role of journalism in society and their responsibilities as leaders of this important public trust.

This report is written from the perspective of one informed observer at the conference; it is not meant to imply consensus among the group as a whole or the assent of any individual participant on any of the issues summarized in this report. The conference discussion was expertly guided by conference moderator Jim Lehrer, executive editor and anchor of *The NewsHour with Jim Lehrer* on PBS. A list of conference participants appears as an appendix to this report.

Conference Themes

This report summarizes several themes that were discussed during the conference:

- How journalism is different from other forms of information-based commerce and what this distinction means to companies that are searching for new ways to exploit synergies among

their media properties and new uses of technology to extend their reach.

- The implications of changes in consumer behavior and public demand for news, including the decline in public trust in media institutions and the trend toward audience fragmentation.
- How an increasing reliance on capital markets to sustain growth affects the management of news organizations in positive and negative ways.
- Ways to move constructively beyond the culture clash that has existed between journalists and their corporate managers to achieve greater harmony on the values and mission of the organization, and strategies that might be implemented in pursuit of those goals.
- The importance of strong leadership and a fully articulated set of values for guiding the future of journalism.

The conference discussions did not resolve the great challenges facing journalists and corporate managers today. However, they did yield several constructive approaches that corporate leaders and journalists can consider for strengthening the culture of journalism within their own organizations and sustaining its important mission:

- Exercising leadership by articulating the core principles of the company and communicating these principles throughout all levels of the organization;
- Overcoming "church-state" issues arising from the clash of journalism and business cultures through improved communication and cooperation;
- Considering succession of top management with as much care as that which goes into determining the long-term business plan of the company and making the succession plan part of the overall long-term strategy; and
- Educating the investment community and the public through improved communication, greater transparency of methods

and motives, and rigorous commitment to covering one's own organization and competitors with the same energy as that which the news media apply to the coverage of other societal institutions.

Journalism's Market for Trust

An Information Explosion

What is so striking about the present period of transition in journalism is the explosion of information usage in the past 20 years that has made information a pervasive feature of American life. People now have available to them, twenty-four hours a day, seven days a week, an extraordinary range of information services—news, entertainment, advertising, transactions, e-mail, and chat, to name a few. Even as the form of the information may seem familiar, the providers increasingly are not, as new players have joined established sources and what was once old becomes new again in a whirl of corporate restructuring. What has emerged in large measure are entertainment conglomerates that include news divisions as an increasingly smaller percentage of their corporate mix, and a significant number of journalists and editors who are uncertain about how journalism fits into the corporate mission.

Some people reflexively see a problem with the ability of "big media" to deliver quality journalism to the American public. Americans historically have possessed skepticism regarding large institutions, and public trust in other large institutions is down from earlier periods. Notably, at a time when the media industry is consolidating and news operations are becoming parts of larger entertainment and information conglomerates, the level of trust in the news media (as measured by public opinion polls) has fallen precipitously. Does this decrease in trust indicate that the public perceives problems with news coming from larger organizations that are also becoming more varied in what they do?

Several conference participants noted an inconsistency between the polling data and actual consumer behavior, which they contend suggests a comfort level with the changes taking place in the sources of news and information. "There's such a voracious consumption of news and information that I think that's an implicit statement that there is absolute regard [for the news media]," said Gerald Levin, chief execu-

tive officer of AOL Time Warner. "It's also a fact," he continued, "that every day people are making decisions based on what they have read or heard, and their opinions are being shaped. So I think that's a testament to the variety of material that's available to the reader, viewer, or consumer. As we proliferate more opportunities to have more information, the amount of consumption is just extraordinary, and for those who are trying to figure out whether there's more news or information, or more entertainment, or more transactions, the dominant form of material that's being consumed is news and information."

What about the Internet, with its Matt Drudges and low barriers to entry, which some have charged as less credible in its journalism? Is the Internet less credible than more traditional forms of media whose institutional sponsors are well known and proven providers of information?

Joan Walsh, vice president and news editor of Salon.com, a news Web site, cited the increasing use of the Internet as a news source as indicative of the transparency that often characterizes that medium. "I think it's interesting in the Pew study¹ that people trusted CNN.com more than the CNN network," she said. "I think the Internet is, ironically, creating more trust because people have more access to more information and feel that they can check out what they read in *The Washington Post*. They can drill down, if they're on a Web site, they can follow the links until they get the answer to the question they want."

William Dean Singleton, vice chairman and chief executive officer of MediaNews Group, Inc., suggested a different way of reading public opinion. He drew a distinction between reading the public as distrusting the media and the public's desire to blame the messenger for news that people don't particularly want to hear. "Today, we've got information coming at us from all different directions. The people who consume our news are much more intelligent about what's going on in the world than they were 30 years ago. And because they have all these many places to get information, they question us because they don't have to believe just what is printed in *The New York Times* or the *Denver Post*; they get it from all over. And so they question us. But just because they question us doesn't mean that they don't trust us."

Yet another answer to the question may be that the polling numbers mean very little because there had been no real *need* to trust the news media in recent times. Americans were enjoying a time of relative peace and prosperity. Threats to their democratic way of life seemed remote: The Cold War was over, lesser conflicts had yet to capture the fear or

interest of the American people, the economy had just come through a period of record-setting growth, and there was no great social upheaval roiling the public waters. In sum, the public generally was apathetic about many of its political and cultural institutions—so why should the news media be any different?

Robert Decherd, chairman, president, and chief executive officer of Belo Corp, cautioned against easy dismissal of the polling data on the public's level of trust. "I don't think we should be dismissive about the question of trust," he said. "Our relationship with readers, viewers, and online users is our single greatest asset, no matter whether you're operating the finest Web site in the universe, or the greatest newspaper in America, or the finest cable news operation. The confidence and relationship with viewers, readers, and users is something that we should not take for granted."

The Trust Market

"I think there's such a thing as a trust market, with the stock market in mind," said Bernard Shaw, veteran journalist and former anchor of CNN's *Inside Politics* program. "The trust market rises and falls each day, based on market forces, and—in this case, when it comes to the news media—based on our performance. The American people make almost daily judgments about the news media, and they are incremental judgments. But based on our daily performance, day in and day out, that trust market rises or falls."

Many conference participants agreed that public trust in the media is more dynamic than most public opinion research generally suggests. Jonathan Wolman, vice president and executive editor of the Associated Press, extended this idea: "You see a growing variety of voices in the media, and my observation would be that...trust is something that you build almost story by story, depending on the subject matter and depending on the reach or the ambition of the coverage. I think we found, during the Florida recount and during even the Middle East story—which is such an explosive one—that folks are looking at our coverage very closely, almost story by story, and depending on the variety of information, I think pretty much when the going gets tough, there's more trust built out there than we have the right to expect."

Individual journalists and news organizations have an opportunity through their daily performance to improve or tarnish their standing

with the reading, viewing, and surfing public. Two main supply-side factors seem to be affecting the market for trust: shifting standards of journalistic performance and changing ownership structures.

New forms of media and new forms of journalism—some observers have called it "pseudo-journalism"—are affecting the market for trust. These new forms include polarizing niche media and opinion-based journalism, such as popular personality-driven shows on niche cable channels, talk radio, and vanity sites on the Web.

Louis Boccardi, president and chief executive officer of the Associated Press, regards this trend as damaging to the public's overall perception of the media. "I think the public wants to trust us, but sometimes we make it difficult," he said. "We make it difficult with the shout shows. I think we make it difficult when drawing a portrait of a community that doesn't correspond to what the community knows itself to be. I think we make it harder to trust us when we promote news as entertainment, and entertainment as news, and mix the blood ourselves."

Michael Getler, ombudsman for *The Washington Post*, agreed that the drift away from straight news stories, where the reader is unaware of the reporter's position or politics while reading or listening to the story, has taken a toll on public trust in the media. "You learn a huge amount from readers, who do want to trust whatever it is they are reading—and the readers can smell bias a mile away. They can just sense it. If you can fix the kind of things that elementary and fundamental journalism can teach you...that goes a long way to people having a sense of confidence in what it is you are presenting, whether it is on TV or whether it is in print."

Even more troubling to some of the conference participants was the lack of trust among people who are most familiar with the workings of contemporary journalism. "The thing that worries me the most is that the people who we cover are our most severe critics," said Frank Bennack, president and chief executive officer of the Hearst Corporation. "We have, in my view, a much higher level of trust among people who have never been touched by what we do. And you can read that either as carrying out our mission, or you can read that as very concerning."

Changing Media Ownership Structures

In addition to performance, changes in forms of ownership may also be a factor in increasing public skepticism regarding the news media.

For the better part of the twentieth century, newspapers and broadcast outlets were dominated by private forms of ownership—media barons and family ownership. The names Chandler, Graham, Hearst, Luce, McCormick, and Sulzberger often carry ready association to the principles and values that have long governed the news business. These owners were also members of the community, and their public constituents felt comfortable with the values driving the news. "I think there's a memory trace for the population about that," Levin commented. "So whether we can detect it or not, there's an instinctive desire to want to understand the auspices of the source—is it Citizen Kane, or Rupert Murdoch, or Ted Turner?"

The public's perception that the news media are connected to and invested in the concerns of the community is an important part of establishing a relationship of trust. News organizations that do the best job of reflecting the community often have a higher level of public trust. This correlation is true as the definition of community expands beyond conventional, geographically defined notions of community, and it may explain the popularity of the Fox Newschannel and other news outlets with a perceived ideological perspective. "Fox News is a good example of community," commented Arthur Sulzberger, Jr., chairman of *The New York Times*. He went on: "We can do good journalism in all mediums, and we can do bad journalism in all mediums, and no medium ensures that it is, in fact, journalism. It's a sense of community—all of us serve a community.... I guess the question I am troubled by is: In each of our separate communities, where are we on the trust scale?"

Moreover, measures of public trust in the media traditionally have been linked to the perceived political bias of the news organization. Does the organization slant stories to promote a liberal or conservative social agenda? Do the reporters lob softball questions to representatives of one political party or another? But as news organizations have taken a more corporate form, the public's concern has moved from political bias to economic bias in the news.

Bill Kovach, chairman of the Committee of Concerned Journalists, described this shift in the public's perception of bias and how it has come about:

Part of the problem is that [decline in trust] has coincided with the growth of the market and economics as a story in this country—and that's the one story every-

body has covered better than ever before. There is a whole knowledgeable public now about economic issues, about how money changes hands and moves. But part of the problem for some of the people around this table is that the public now begins to see the journalistic institution as a moneymaking institution.... When they said "biased," they always said "biased" in terms of political bias—you're a liberal, you're a conservative, you're a Democrat, you're a Republican. Now they say, "You're just in it for the buck." So the combination of circumstance, and the change of the economic organization of journalism is part of the problem we deal with when we talk about public trust—because they're not sure they can trust a corporation. They might trust a family, but they're not sure they can trust a corporation. And I think that's one of the things everybody has to be aware of.

Public Demand for Quality Journalism

The proliferation of information has begun to blur the lines between journalism and other forms of information. Several participants were uncomfortable with the suggestion that the quality and value of information can be measured by the amount or rate of consumption alone. After all, isn't journalism different from other forms of information-based commerce? And aren't there relevant distinctions to be made between different kinds of journalism? "I think there's a difference between lifestyle information and...cursory blurb reporting, and hard news investigative reporting and full government reporting," said Russell Lewis, president and chief executive officer of the New York Times Company. Public confusion over these distinctions is mounting.

Bill Kovach agreed: "My experience talking to a lot of people in the general public about journalism is they're not sure what it is. They are exposed to an extraordinary range of news and information, they have all these outlets, and a lot of it comes in a format and appearance that looks like traditional journalism, but it's not. They have so many confusing images about what is going on today that they're not sure they can trust anybody because they don't know the difference between journalism and information that may be self-serving."

Kovach continued, "If journalists don't help the public recognize what quality journalism is, and create a demand side for quality journalism, I think the whole process is in trouble *because* of the proliferation of news and information.... It's the information part of it that journalists have to separate themselves out of, and make the case for quality and the importance of the work they do. Otherwise, the educational aspect of journalism in a democratic society does begin to disappear in this confusion of information. It's hard to understand how the public can make decisions on that basis."

Bernard Shaw saw a need for journalists and the media to do a better job of defining for the public what journalists do. "You have to be mindful that the American people don't make distinctions...between what's on the front page of *The Wall Street Journal* and what's on the op-ed page of *The New York Times*, or the *Post*, for that matter. And they damned sure don't know anything about a firewall between the hard news columns and the editorial pages. Most Americans think of everything as 'the media.'" He continued, "I submit that one of the reasons they do that is that we have not taken the adult responsibility of defining ourselves." In other words, the public needs a vocabulary for talking about the press and a greater base of knowledge about the functioning of journalism to engage in discussion about what it wants from journalism in a more informed and enlightened way.

What Makes Journalism Different?

The key to stimulating public demand for good journalism may begin with an articulation of the difference between journalism and other forms of information, accompanied by a solid argument for why quality journalism is valuable to citizen-consumers. Conference participants said that the difference derives from a combination of the function of journalism in a democracy, the motive for the reporting, the process by which the journalist does his or her work, and the special constitutional favor that the republic's founders bestowed on the press.

Jack Fuller, president of Tribune Publishing, described the tenets underlying the relationship between the people and the press in American democracy:

The great American idea...was...the people would be the sovereigns.... The next great question was: How does the sovereign get information? And the answer

couldn't be from the government. The founders of the Constitution were wise enough to recognize that if the information was controlled by the people who were being elected by the sovereigns, the sovereigns would soon lose their throne. And so, in a variety of ways, they decided to divide up the government, and one great division was dividing the sources of information, the provision of information, from the government. A very wise but troubling idea. And another great idea is that they divide the source of information by saying that the press was free, and that anybody could be the press—and trusting that people would make a sovereign decision about who to believe, what information to believe. And that...creates a marketplace that allows anybody to say anything they please, and without a union card of any kind. The challenge is that...one of the sovereign decisions is what kind of information they're interested in. You can't make them be interested in something that they're not. There's no authoritative anything in this system. That's the genius of it. The problem, then, is when thoughtful people try to think about what kinds of information and subjects, it's useful for the people to be engaged in, for their own good, how to do that in an unauthoritative, messy, clumsy, open system like this.

Bill Kovach emphasized that the civic function of journalism sets it apart from other forms of information. "The purpose of journalism, most journalists agree, is to provide citizens the information they need to function effectively in a self-governing society and in their community. And if journalists agree on that, then the process by which they do their work is what defines journalism.... What can't be lost in there...is that segment of communication that has, as a main part of its purpose, to help the citizens make the decisions, to give them the kind of information they need on which to make wise decisions in a democratic society. That's what journalism does," Kovach said.

The question of intent is vital, agreed George Rodrigue, vice president of Belo Corp's Capital Bureau. Rodrigue covered the war in Bosnia, where he saw first-hand the consequences of news reporting that inflamed public passions to advance a political agenda over the

greater public well-being. "This distinction between information that a whole society can rely upon to make decisions, or at least to frame its thoughts about the big questions that it confronts—versus advertising, versus advocacy, versus propaganda—that's a critical distinction," Rodrigue said. "It's important to me in a business sense, and it's important to me as a citizen. It's important in a business sense because if we don't define it clearly enough and to some extent tell people why it's valuable, they will not understand why they should pay for it."

Perhaps most important, the notion of journalism as a *trust* is still relevant, said Levin. "I think that word applies not only to the consumer's trust, but also to what it is we do. It is the only form of communication that has been endowed, not only constitutionally, but with a trust that implies a purpose. So rather than just focusing on the process of fact-checking...it's this trusteeship for a guiding purpose—that's what distinguishes what it is we're trying to do."

"It strikes me," said Jonathan Wolman of the Associated Press, "that the tasks for the next decade, perhaps, would be to create quality journalism in a presentation that establishes and projects the credibility of the kind of process that Bill [Kovach] was describing before—which is to say, you're going to put an awful lot of information and news onto the Web, and into print, and into broadcast—and the question is, How does a reader sift through that information and grab what matters, and respect the accuracy and fairness of a certain kind of trade?"

Can journalism make the changes necessary to restore public trust, or is it constrained by market forces beyond its control?

Prisoner of Wall Street

Jay Harris's resignation as publisher of the *San Jose Mercury News* in early 2001 sparked a new round of debate over the compatibility of simultaneously pursuing ambitious business goals and producing high-quality journalism. In many respects, this is an old debate. Profitability is inherent in sustaining journalism. No great news organization can sustain itself without being profitable. Newspaper publisher Joseph Pulitzer recognized this reality in a 1904 article defending journalism as a public trust, even as he issued a warning:

Commercialism has a legitimate place in a newspaper, namely, in the business office. The more successful a newspaper is commercially, the better for its moral

side. The more prosperous it is, the more independent it can afford to be, the higher salaries it can pay to editors and reporters, the less subject it will be to temptation, the better it can stand losses for the sake of principle and conviction. But commercialism...becomes a degradation and danger when it invades the editorial rooms. Once let the public come to regard the press as exclusively a commercial business and there is an end of its moral power."²

Journalists have lived under these tenets for the past 100 years, which may be one reason why they are so uncomfortable with the business pressures they feel in today's market-oriented culture. The separation of church and state within news organizations—that is, the isolation of the editorial functions of the enterprise from the business functions—has led many journalists to this article of faith: At the end of the day, quality journalism will sustain itself. They blame a "new environment"—the influence of capital markets and the ascendant power of Wall Street investors and analysts—for undermining the mission and principles of their news organizations. What is it about the capital market that constrains the ability to produce quality journalism? In a country founded on free market ideals, is this really a new environment?

The Financial Pressures of Public Markets

Certainly, the extent to which news organizations have become parts of publicly traded companies is different from the environment of previous generations, when private, family ownership had been the norm, especially in the publishing world. Yet there are also certain fundamental features of capital markets that persist regardless of the industry or economic climate. "Once we have begun to participate in the financial markets, which is now an accomplished fact, the market itself takes over in certain ways," observed Robert Dechard of Belo. Steve Rattner, himself a former journalist and now the managing principal of the investment firm Quadrangle Group LLC, agreed: "Once you enter the public market, you have to live by that sword."

Rattner outlined three phenomena that have led to the disquieting feeling that business pressures are corrupting journalism. First, there is a cyclical slump in advertising that is made even more painful because it is coming off a very high base. Second, there are structural changes in

the media that Rattner identified as being driven in large measure by audience fragmentation. Illustrating the business impact of audience fragmentation, he said, "I'm not here to tell you that ABC will be better or worse if under Disney or not under Disney, but I know that when you lose half of your audience, it's going to have an effect on your costs and your revenues and what kind of a product you put out." The same may be said of newspaper readership—which, as a whole, has been declining. The trend toward dealing in niche audiences, smaller publications, and smaller broadcast outlets, according to Rattner, "is just a huge structural change which everybody is going through and which creates a lot of these pressures we all feel." Finally, he cited the increased influence of the investment community—Wall Street—in the media marketplace.

It is not surprising, then, that there tends to be more interest in profits and shareholders within news enterprises as companies go public. Each executive at the helm of a media company has a fiduciary responsibility to serve the best interests of the company's shareholders. Investors usually regard a high return on investment as their primary criterion in determining where to invest their money. In theory, investors could stipulate dual criteria for their investments—good profits and good journalism, for example—but in practice they rarely do.

Rattner described his own experience in managing investments: "We have a job, and that's what we're hired to do," he said. "If a group of investors got together and decided, 'We want our money to go to work, not only in good, profitable enterprises but ones with good journalism'...we could do that.... But that's not what the people have told us to do."

Consequently, as media companies increasingly go public, pressures from investors and the financial analysts who advise them are likely to drive business models away from good journalism. Arthur Sulzberger, Jr. made this point: "I suspect that what we're going to see over the next decade—and we've already seen it—is that fewer and fewer organizations are going to say that quality journalism is part of their business model. And that's a new pressure that's going to occur naturally, or occur because people drive it that way."

Not everyone agreed that the business pressures about which the critics complain are all that new. John Madigan, chairman, president, and chief executive officer of Tribune Company, conceded that the entry of media companies into the public financial market is different

today from what he experienced when he started in the business. Still, in his view, the pressures being felt by the managers of news organizations today are not vastly different from the pressures that executives running news enterprises have always felt. "They're trying to put out a more appealing newspaper or a more appealing television news product, without unlimited resources...but trying to exploit technology, trying to utilize the resources they have to accomplish that, with fewer people," Madigan said. Regardless of the particular circumstances, Madigan underscored the need to sustain good management practices over time to sustain an environment for producing quality journalism.

Russell Lewis, president and chief executive officer of *The New York Times*, disagreed that the financial pressures on journalism have remained constant. "I think that the financial pressure is enormous. I think it's a relatively new phenomenon...certainly I'm speaking for the newspaper part of the greater news industry. I think it's fair to say that prior to the recession of 1988–1993, which had a horrific effect on the newspaper business, newspaper companies were more known as being interested in fulfilling that social purpose, and they were not dynamic investments in the equity marketplace. As more of them became public, as we realized how vulnerable we were from that recession, we started to take our profit responsibilities and our responsibilities to our owners, the shareholders, more seriously."

These unrelenting financial pressures have had other consequences as well. One is that the tenure of chief executive officers in these companies is getting shorter as more of them are moved out for failure to produce desirable or sufficient financial results. Another impact that is regarded as a positive development is that more savvy business managers have been drawn into the news business in recent years. These business professionals take as much pride in their business results as the editorial side takes in its journalism, which may introduce an element of competition between the two cultures that has not existed previously.

Privately held companies are not immune to public market pressures, particularly as they compete with public companies to attract capital to grow their companies. As Frank Bennack, president and chief executive officer of the privately owned Hearst Corporation noted, "One of the things that the private companies—the good ones, I think—have done is benchmark themselves against the public companies. My constituents expect me to have the same margins in the various categories of business that I operate that [Tribune Company] has,

for example. So the pressures are there. I would acknowledge that we can, in a smaller room than this, make the judgment that we're going to defer gratification in the interest of building something worthwhile somewhere...it's a little harder for a public company to do that."

"It's a given that everybody in this room is, in some way, a prisoner of Wall Street," said William Dean Singleton, vice chairman and chief executive officer of MediaNews Group. "Arthur [Sulzberger, Jr.] sells stock; I don't sell stock, but I sell debt. My debt trade is based on how well we do. So we're all a prisoner to Wall Street, and that's just the way life's going to be. There are those who want to romanticize, including me...about the way life used to be, but it isn't that way anymore. Our business will be a prisoner to Wall Street from now on, so we might as well just get used to it."

The challenge, then, is finding the balance between long-term and short-term, between good journalism and good business. Finding that balance is becoming harder and harder, several conference participants reported, leading news managers to actions such as employee buyouts, layoffs, cutting of news holes, and moving to a smaller Web presence. As Russell Lewis noted, "Those things are signs of tremendous pressure, and, in balance, they don't speak well for the funding of great journalism going forward. I'm not sure we can change that because these are now public companies, and unless you take them back private, they're going to be subject to this public market pressure."

Profits: Determining What is Enough

Conference participants raised another concern that is related to the financial pressures of public markets: the changing nature of the incentive system governing news organizations. An evolving incentive system appears to be driving corporate decision making deeper into the value system of business and farther away from the mission of journalism, observed Hodding Carter, president of the John S. and James L. Knight Foundation. In questioning the reward system that governs media management decisions, Carter noted the danger that the business goals will subsume the important mission of journalism: News simply becomes an intermediary to the money.

Seeking a rationale for determining profit numbers from the business executives present, Carter asked, "At some point, the question that every newsroom is asking you is: 'What's enough?' As somebody who is

not at this table has been heard to remark—Brandy Ayers of the *Anniston (Alabama) Star*—he somehow lives like a king, makes ten percent, runs a good news product, and is able to go and borrow the money he needs to build presses and whatever he needs. He does it with a news product in that community that people pretty much say is a good news product, and he lives like a king—at ten percent. And now I'm told that this year it has to be 22, and next year it has to be 24, and the next year it has to be 28."

The answer to Carter's question was as elusive as it has been at previous forums. There are no metrics for determining profit margins. Levin suggested that profit margins are based on a "sophisticated dialogue," with information flowing among management, investors, and the analyst community.

Sulzberger suggested that the answer to this question lay in understanding the drive for excellence that exists in the business culture of news organizations in the same way that it exists in the journalism culture. Sulzberger told the following story to illustrate his point:

Joe Lelyveld is the soon-to-be-retiring editor of *The New York Times*, and he has often come at me over this issue of how much is enough. "Arthur, how much is enough? Do you really, really need to get to those outrageous...kinds of margins?" And the answer is, "Yes, Joe." But secondly, the answer back is easy. "*The New York Times* has 81 Pulitzers, Joe—81 Pulitzers! How many is enough?" Well...the answer is excellence.... To somehow say, "10 percent guys, let's hold"—think about what that does to the culture of an institution.... Somewhere in this equation there is a grow or die. I don't know where it is, but it's out there somewhere.

Carter replied, "The reason I ask the question 'What is enough?' is not to criticize the ten percent. It is to question at what point are you no longer able to do two things simultaneously, good journalism and better profits. At what point is your settle point?" It may be that the discomfort so many people have over the current state of affairs, as evidenced by the Jay Harris resignation and other departures from journalism, is an indication that this limit is being approached.

Size as an Asset in Today's Market

It may be that the size and diversification of today's media conglomerates is one of the best assets for news organizations trying to cope with market pressures. A company that gains significant profits in one area, such as entertainment publishing, may choose to reinvest that money in its news properties. This is the case within several divisions at AOL Time Warner, reported Gerald Levin, where the financial success of *People* magazine subsidizes resources at *Time* magazine and the profitability of Turner Broadcasting's entertainment fare enables CNN to sustain its worldwide news-gathering operations. Norman Pearlstine, editor-in-chief of Time Inc., commented that he is seeking resources for his magazines from the chief executive officer on the basis of the performance of the entire division, not just the performance of *Time* or *Fortune* or *People*.

Moreover, as Johnathan Rodgers, president of Discovery Networks U.S., pointed out, "In economic hard times big, in fact, may be better. I'm looking primarily at AOL Time Warner, where as part of their corporate strategy, a lot of the money they would spend on outside media, they're spending on internal media, which may, in fact, allow them to maintain higher qualities of journalism just by their own size." Rodgers cited Warner Brothers, which will spend approximately \$400 million in the marketplace this year. "A good portion of that this year will be spent on AOL Time Warner properties."

"In other words, advertising Warner Brothers movies on CNN," interjected Jim Lehrer.

"Or TBS, or *People*, or AOL," continued Rodgers.

Yet size can also present dilemmas for news executives who are faced with exploiting or managing synergies among different parts of the whole, especially with regard to reporting on the activities of the corporate parent.

The Dilemma of Self-Reporting

Several conference participants suggested that covering one's own company is a benchmark for journalistic independence in today's rapidly consolidating environment. There were some significant differences in the approaches that companies represented at the conference take toward news coverage of their own organizations.

For example, John Madigan of Tribune Company said he does not have a management strategy to have the *Chicago Tribune* cover corporate affairs beyond the normal reporting that the company does. Neither does he prevent anyone from reporting on the company. He did voice skepticism that the public will believe a news source if it covers its own organization. "I know I try to downplay our coverage of us, stick to the press releases, try not to overdo it, because if there's some big interview with me, and it's by our own reporters, I just don't see how that plays out any other way than people have suspicions that there was pressure on the reporter," Madigan said. "But there are plenty of other outlets to cover the *Tribune* story that are totally independent, so leave the in-depth reporting to them."

Robert Decherd concurred, citing how difficult it is for readers and viewers to make subtle distinctions about coverage by owned-media. "Any company that dreams up a corporate communications strategy where we're going to expect or instruct our operating companies to interview us when we want to be interviewed, or do things on our terms, is headed for disaster," said Decherd.

There are certain areas, of course, where news properties cannot help but report about their businesses. For example, several media companies own other businesses such as sports teams (e.g., CNN/Atlanta Braves, Fox/Los Angeles Dodgers). "In fact," said Tribune president Jack Fuller, "we write about the Cubs every miserable day. And when they're good, the only people who are angry at us are the [White] Sox fans, who think we're favoring the Cubs. When they're bad, the Cubs fans think that we're overreacting...so we can't avoid it."

Norman Pearlstine of Time Inc. occupies another place on the spectrum. He declared an ethic of noncoverage to be "a disastrous policy." "I just saw what happened to ABC when Michael Eisner declared that it wasn't a good idea for it to cover Disney—and you could just see the resume traffic flowing out of the place," he said. Pearlstine's own job description mandates that the publications under his control are to provide readers with synthesis and review and commentary and, he said, "they are also expected to provide unbiased coverage of myriad interests of advertisers and of Time Warner itself."

According to Boisfeuillet Jones, Jr., publisher and chief executive officer of *The Washington Post*, company-related matters are subject to reporting by the media reporter and in the business section of the newspaper, as well as by the *Post's* ombudsman, Michael Getler. David Talbot

reported that Salon.com does not have a policy of self-reporting because the interactive nature of the Internet allows readers to critically assess Salon's performance in numerous public forums.

Jim Lehrer then probed this idea further with Gerald Levin of AOL Time Warner.

Lehrer: Jerry, at the risk of putting you on the spot even more on this...the whole point of bringing these disparate groups together is to have synergy. You've got a movie company that has a bottom line—they're trying to make money—and one of the ways they can make money is to get people to go to their movie. And they've got, sitting across the table, in the same company, somebody like Norm, who's got the ability to publicize their movie and help their bottom line. Now, as the head of the corporation, do you say, "Hey, you can't talk to Norm; this is not in the corporate interest." What do you do?

Levin: No, it's an issue that we've been dealing with my entire adult life. When we started HBO, and within the Time Inc. organization, as it relates to the coverage of a movie, or the CEO's strategy, *Time* magazine is treated like *Newsweek* magazine, it's treated like *U.S. News & World Report*. That's the relationship.

Lehrer: And the movie people know this?

Levin: The movie people in fact know it, and their PR people will deal with *Time* and *Newsweek*, and they don't care who gives them the coverage, or whether they get a cover on *Newsweek* or *Time*. They just want a cover for the movie. And yes, that's absolutely built into the fabric, and I'm not overstating it."

Improved reporting on the media business as a whole is also important to building understanding and public confidence. "What I don't think any of us do well," Decherd said, "with the possible exception of Norman's group of magazines, is report on our own businesses in a general sense so that our readers, our viewers, and most importantly,

our employees understand all of the things we're talking about." He continued, "I could give you a dozen examples. The coverage of Federal Communications Commission policy, as it relates to ownership issues in the digital television transition, for four years was largely ignored.... Well, how can we expect our employees, our journalists, our colleagues to understand the subtleties of all the things that people in this room spend most of their time thinking about when, in our own newspapers and our own television news operations, we largely ignore it?"

When asked about how he manages the dilemma of self-reporting within PBS, Lehrer said, "It's a difficult thing for us, but we do it. We have the same problem that you all have: Where is the line between being sort of self-indulgent and talking about yourself too much, and the idea of whole disclosure?" Deciding where that line ought to be drawn is a difficult task, but conference participants recognized that facing up to the risk that self-coverage entails could go a long way toward establishing journalistic independence and securing greater public confidence in the organization as a source of unbiased news.

Educating the Market

One way to moderate the financial pressures of Wall Street is to educate the market about the relationship between quality journalism and long-term business success. Part of the process, however, must be to show that such investments can sustain the trend of profitability. Steve Rattner of Quadrangle Group believes that the market can be educated to accept the notion of long-term profits rather than quarterly profits, as long as there are profits at the end:

Quarterly profits are an important discipline for the market because, as somebody once said, what is a long-term profit if nothing more than a series of short-term profits added up? So the market has been misled, made mistakes into buying into this long-term notion in the past, and so they have probably overreacted and been on the short-term side. But having said that, there are examples, of which AOL is a very good one, of companies that have been born on a long-term strategy, saying to the market: "We may make a very little bit of money for awhile, but we're really building an asset here"—and the market has accepted that.

There are examples of business models centered on excellence in journalism that have proven to be very successful—*The New York Times*, for example—just as there are examples of media companies that thrive without regard for professional journalistic standards and practices: the supermarket tabloids, for example. There are also examples of companies with quality-centered business models that have failed, or nearly so. Oxygen Media, for example, a new media company that is targeted to women, was nearly bankrupted before it was bailed out by AOL Time Warner.

Ken Lowe, president and chief executive officer of the E.W. Scripps Company, advocated a direct approach to Wall Street, particularly for companies that are thinking about how to transform the business models of a mature industry, such as newspaper publishing, into sustainable new models that maintain the core mission of journalism. Lowe remarked, "Wall Street's got to be told, 'Guess what? The margin may go from 40 to 30 to 25—what's wrong with that?' ... The expectations of Wall Street, I think, have to be managed. The question is how to do this?"

One suggestion was for corporate executives to use meetings with the financial community to educate analysts and investors about the journalistic mission of the organization and how that mission contributes to the overall success of the corporation and the bottom line. One such opportunity is the Mid-Year Media Review, an annual meeting (held in June) among media companies and the Wall Street investment community where the CEOs and CFOs of media companies make presentations about the financial performance of their organizations. Why not incorporate the company's journalistic mission into the presentations, especially because these meetings are now attended by journalists from the business press?

Private and informal meetings could provide additional opportunities for committed CEOs to engage the financial community in dialogue about these issues. Gerald Levin, for example, said that in every appearance he makes in his role as CEO of AOL Time Warner—where journalism contributes less than ten percent of the company's total revenue—he defines his own role as a trustee and articulates the charter that Time Inc. founder Henry Luce laid down for the company because, as Levin put it, "that's the source of the governance of the company. And the fact that journalism is a small percentage of the revenues or profitability is totally irrelevant, if you cite journalism as the principal source of the company's core values."

Fighting the Last War

In some ways, the new market environment does constrain the supply of quality journalism, but being a prisoner of Wall Street does not preclude managers from exercising leadership in making decisions regarding their own internal resource allocations. Moreover, changes in public demand for traditional news services, driven by demographics shifts and changing consumer behavior, may play an even more significant role in determining whether good journalism, as traditionally defined, is also good business. Part of the challenge, for journalists and business executives alike, will be overcoming the Cold War mentality that has persisted in the tension between business and journalistic cultures.

Allocating Resources for News

Dean Singleton of MediaNews Group estimated that over the past decade, as revenues in the news business rose, there has been a corresponding increase in spending on news. "I know, for our company, the percentage of money we spent on news each year exceeded the percentage that our revenue grew. So we really weren't starving anybody for news; we were investing those new revenues in news," Singleton said.

Levin agreed. "By virtue of our internal capital allocation process, we're either investing more money in quality journalism or we're not," he said, "That's where you have to look because that's the biggest force, not just raising money externally."

The problem is that many of these allocation decisions are perceived by journalists not as basic management decisions about how best to allocate the organization's resources—taking from here and giving to there—but as cutting away at the core of what the journalistic enterprise is all about. For example, the decision to pull a correspondent from the state capitol or to close overseas bureaus is regarded as a measure of the corporation's lack of commitment to quality journalism. Corporate management comes off looking like the villain. Is this attitude fair? Or, as many journalists contend, why shouldn't such decisions be seen as a measure of lack of commitment to quality?

"Because you have to understand the situation's specific context," said Robert Decherd of Belo. He related how *The Dallas Morning News* created a freestanding religion section eight years ago, which he said will never make money, although the public's desire was for more coverage of this subject. "I think it's unfortunate when we dwell on what you take

without analyzing where you apply the resources," Decherd said. He went on to cite the existence of the Associated Press as a factor in making such resource allocation decisions. "If *The Dallas Morning News* is publishing exactly the same number of inches of coverage of state news, but it happens to come from the Associated Press, as opposed to our own correspondent, I'm not sure what the difference is to the end-user, if it's quality coverage," he said.

The difference, said Russell Lewis of *The New York Times*, "is a diminishment of the diversity of the voices that are out there." Diversity of voices, as several participants noted, has long been considered an important feature of the American environment for journalism because through such diversity, society is more likely to reach a greater knowledge and understanding of the truth. Lewis went on to speculate what it would mean if the *Boston Globe* were to fire all of its own book review writers and substitute the book reviews of *The New York Times* instead. "Granted, the individual reader would get a book review, and it would be a good one, but the diversity of voices, the diversity of reviews of a particular book would be diminished. I think that's the journalistic and the societal argument. Otherwise...if the AP report is great, why doesn't everybody run with the AP?"

Moreover, the recent spate of cuts that have drawn so much attention and ire appears to have less to do with shifting audience interests and more to do with improving the financial performance of news properties and trying to make the company look better. Louis Boccardi of the Associated Press did not object to decisions that result in taking a resource from one area and applying it to another. "That's a judgment by an editor that the readers or viewers of that news program or newspaper are better served by your doing this," Boccardi said. However, he went on to say, "I do think I am seeing, in the last six months or so, more cases where that entrenchment is simply a reduction and not a matter of taking here and putting there." He interpreted this trend as a by-product of the peculiar economic period we are in.

In making resource allocation decisions, media executives must not lose sight of the need to make investments in developing new products and cultivating new audiences. Even as resources are being pulled back because of the economic downturn, corporate leaders must be wise to the sources of long-term growth. There are audiences that have not been sufficiently tapped, such as younger audiences that are not reading daily newspapers but are using new digital technologies and voraciously consuming information.

"I think a lot of these pressures and traditional church-state, editorial-business side pressures come from a situation when the industry is

static, when there's not a lot of growth," said David Talbot of Salon. "The question I would ask of managers in the business is not how you're managing your quarterly bottom line, but are you putting investment in R&D, so to speak? Are you putting investment into new enterprises and projects that are finding us new audiences that you're hemorrhaging away at this point?"

Cutting Away at Journalism's Core

Citing the example of reduced coverage of statehouses, conference participants engaged in some debate over what constitutes "cutting the core" of the journalistic mission. Louis Boccardi said that it is impossible to say in a vacuum that steps such as dropping a general assignment reporter or closing a state bureau automatically mean that the core is being attacked. "You can't make a blanket judgment; you have to look at what's done with those resources," he said.

Bill Kovach saw the issue another way: "It is the covering of what used to be meat and potatoes about how the government conducts its business that is declining at newspapers, and local television is closing bureaus at statehouses all over the country. I'm sure you can make a judgment that covering religion more effectively or covering technology more effectively serves a real purpose. The question is: What happens to the depth of knowledge the citizens have on the one thing they're the only people who can make a decision on—that's how the government functions?"

Michael Getler of *The Washington Post* added that there is a substantial amount of anxiety in newsrooms across the country regarding the corporate commitment to the journalistic mission, even within organizations that can be considered confident, good news organizations. "If you read the journalism press that reports on us, I think it's quite evident that there are tensions, there are anxieties," Getler said. "There are concerns within the newsrooms about the ascendancy of profit margins to substantial degrees, about infotainment, about the growth of conglomerates, about cutbacks in staff and space—and a concern about whether there is some erosion of commitment to journalism. I think we need to be mindful of that."

The debate over the allocation of newsroom resources has been raging for years and is primarily an internal debate that construes change very narrowly. It is not particularly reflective of the broader changes

taking place in the consumer marketplace, with its proliferation of diverse news outlets and the increasing command consumers have over information, thanks to new technologies. There is a dynamic missing from this argument, noted Nancy Hicks Maynard, president of Maynard Partners Incorporated: The public's cycle of news consumption is moving away from the cycles of production that persist in journalism. She explained:

We print newspapers everyday. We have newscasts every day. There is not something going on every day that commands attention, necessarily. And the public, with time-shifting and the ability to keep information and to get it when it wants to, is doing things in a very different way. So international coverage may go down in a daily newspaper, but there is so much more ethnic press for audiences that we're not handling. The Spanish-language television station in Los Angeles does have a correspondent in Sacramento, even though some of the newspapers may not. It's a very different way that people are looking at what's important to them, and we're not talking about that enough as we look at this sort of mournfulness of change and a sense of loss rather than what Robert [Decherd] is talking about, a redeployment.

Now, the caveat being there has to be some protection for what you think is your core news coverage of the civic mission, that's important. But that's a very small piece of a lot of what we do now, and [we can't] use the change in resources as an excuse not to have these bigger changes that respond to getting information to people in the form that they want it. We know that Internet users do not read daily newspapers, they do not watch daily broadcasts. They get online, they read weeklies, they get cable television news—their whole pattern of consuming the information has changed. But our rhythm is still very much in one step. It's a very expensive way of doing business.

Arthur Sulzberger, Jr. agreed that this defensiveness in the face of market change misses the point that quality journalism, if it is to survive, must adapt to this new market environment. "We're fighting the last war

here," he said. "We have a mission in our heads that, in my judgment, is still driven by sort of a Cold War mentality of what our audience is and what our audience wants. We're here and all around us we're seeing audience fragmentation; it is the reality. Every one is going for a smaller and smaller piece of the pie, and it's driven by some of what Nancy said about the changing nature of the demographic profile in our country. How do you judge success in that environment? How do you judge quality?"

The answers to these questions may rest in having a clear articulation of the value of quality journalism within the organization and a business model that realizes the core mission of journalism within the context of changing consumer demand. "I think the answer has to be: What is the purpose of the organization, and what are the values of the organization?" Sulzberger said. "And some of us, most likely all of us here in this room, are going to say quality is a part of that structure. Part of the value structure that we want is going to be quality-based. So you [need to] bypass all of this last war stuff, and simply say...it's the responsibility of the news departments and the business sides of all our organizations to agree on only two things: values and strategies."

Changing Measures of Quality and Success

A key element to courting public demand for quality journalism over the next decade will be understanding how audiences are changing—geographically, demographically, and psychologically—and then applying that knowledge to produce journalism that forms more durable relationships with the community. For media managers, this means focusing on allocating their organization's resources in a way that better serves the needs and interests that they have identified within their communities. Robert Decherd explained: "All these things, to me, come back to the notion that journalism *can* create these relationships with viewers, readers, on-line users, that are very durable. I think we should worry less about whether people are pulling out of having reporters in the statehouse as opposed to how they are allocating that resource."

Newsrooms can equate quality with the size of their organizations and their own ability to cover every subject through their own enterprise, noted Boisfeuillet Jones of *The Washington Post*. "There is a point to diversity of opinions, but I sometimes get a sense that the way our newsrooms judge themselves is too much on whether they do every-

thing themselves and on the size that they have, rather than necessarily how efficiently they run or, more importantly, what they actually give to the reader as the ultimate test."

Robert W. Mong, Jr., president and editor of *The Dallas Morning News*, cited his own experience as evidence that greater efficiency can lead to higher quality and better performance, provided that the mission is clear and all parts of the organization are committed to working together. "I have very high financial goals that I'm trying to achieve, and what I have found is that that has made me and the people I work with much more creative, much more efficient," said Mong. "I look at the evolution we've gone through in the last several years—it's made us better. It's made us more efficient, and it's made us reorder our resources in a way that we had never dreamed of doing before, so that we can continue to write about subjects like science, religion, government, the statehouse that we didn't do as well several years ago. With that efficiency, we haven't even begun to take full advantage of the resources of our company, meaning there is a lot more efficiency that can go on before I feel I have compromised anything. But it's been very difficult; it takes a lot of attention to detail, and you better have good people in the field or it can't happen."

Conference participants were nearly unanimous in the belief that quantity should not be used as the barometer of quality. To the extent that quantity has been used as a measure of quality, the standard can no longer be how many reporters the news organization has at the statehouse or how many column inches are devoted to one subject versus another. The standard is what the organization puts out—in print, over the air, via cable, or on the Internet—and how it is accepted in the market. Moreover, as Dean Singleton observed, "All quality is local." In other words, the readers of the *Denver Post* will determine what quality is to them, just as the readers of *The New York Times* will decide quality for themselves—and quality "may be different for both," Singleton added. Thus, the connection between profit and quality depends on the market the organization is in and knowing that audience.

Frank Bennack of Hearst observed the connection between quality and business success in the markets in which Hearst Corporation operates: "Where we have the best product, we are first in the market. Where we have had less than the best product, then we are either not there anymore or wish we weren't."

"Quality, to me, is a perception, and a lot of different audiences have different definitions of quality," said Johnathan Rodgers of Discovery

Networks U.S. He cited as one example Madison Avenue's view of quality, which rests on the nature of the programming and what advertisers are willing to pay for it, as one way to measure quality. This issue, again, ultimately gets back to knowing the audience.

One troubling aspect of this market-based approach to defining quality is that people cannot make a fully informed decision about the quality of their news if they do not know what is missing. Bill Kovach cited the example of the increasing privatization of government functions and services to illustrate: "If those stories that have to do with government are more complicated, more diverse, harder to get to, and we have fewer resources, what chance does the market have to react to whether or not it's not getting what it needs out of government coverage if government coverage is declining?... How does the market have a chance to react to what it does not know it is not getting?"

Some observers regard this problem as part of the ongoing debate over resource allocation, but the solution clearly will rest in the quality and skill of leadership within news organizations.

Increasing Attention to Community Service

Community service, which conference participants agreed is an important component of the mission of journalism, can be an important measure of quality as well as a strategy for attracting audience. New technologies are vital tools for news organizations to use in this regard. Ken Lowe and Dean Singleton observed how the number of hits recorded on the Web sites of their Denver-based news properties exploded in the hours and days following the Columbine school shootings. Singleton explained what the *Denver Post's* decision to go into breaking news mode and provide continuous coverage of events surrounding the massacre at Columbine High School meant for the newspaper: "We went through the roof in terms of hits. I've never seen anything like it," he said, noting that the paper's Web site provided hourly updates for four weeks. When he was asked about the benefits of this decision for the business, because people were not paying money to go on the Web site, Singleton replied, "Community service. It was the right thing to do; it was what we needed to do at the time. From a selfish standpoint, it accelerated our brand, and the more [the public] saw us on the Web, the more likely they were to go buy our newspaper the next day. Single copy sales went through the roof also. But, yes, there could have been a bit of

selfish benefit in it to promote our brand, but that really wasn't it. It was, *this is what we do for a living*. This is what we do for our community. And the cost of doing so was pretty high. We spent, in our news operation in a two-week period, almost a million dollars over budget in news to cover this story."

When Singleton was asked whether the added cost was worthwhile, he did not hesitate in his answer: "It doesn't matter whether it was worth it. We owed it to our readers; we owed it to community. We had to do it. I'd do it again."

Managing the Tension between Cultures

Many news organizations have developed strategies for managing the tension between their business and editorial operations. Others are still struggling with the conflict. The key to moving beyond the old battles is to develop a greater sense of mutual understanding and respect between the business culture and the journalism culture so that together they define one overarching culture for the organization. One way to go about this is to create opportunities for business and journalism professionals to work together to solve problems of concern to the enterprise.

Robert Mong of *The Dallas Morning News* remarked that his newspaper's parent corporation, Belo Corp, has developed a process for using all of its human resources to solve problems. For example, to resolve the problem of how to get the newspaper out a half-hour earlier without changing existing deadlines, the management of *The Dallas Morning News* brought together representatives from news, production, advertising, marketing, and circulation. Working together, they solved the problem in a way that invested each department with a shared sense of commitment to the goal and ownership of the solution, and they now are able to deliver the newspaper to far-flung areas in the metropolitan area by 5:30 a.m. instead of 6:00 or 6:15.

George Rodrigue, vice president of Belo's capital bureau, reported that this process has a huge impact on the comfort level of the news people with the business decisions being made because the newsroom now has a share in the decision-making. He added that it is important for management to deal with problems such as layoffs in a way that preserves the humanity of the newsroom and doesn't destroy its culture.

Michael Getler warned that the church-state issues are not going to go away and probably should not go away, but he added, "A newsroom will

feel better if an editor explains a corporate approach in a way that they can accept, and they accept that their leaders understand this and that there are certain things that have been done." Moreover, Getler added, "There's a very crucial relationship between a sense of why people come into journalism, the commitment to a certain thing, and the sense that their company is committed to those goals as well."

Other participants reported similarly positive experiences in bringing news and business people together and say that they look for additional opportunities to do so, where appropriate, as a way of overcoming the sense of distrust that has plagued the two cultures and improving the efficiency and performance of their organizations.

John Madigan of Tribune Company suggested the use of employee ownership mechanisms and stock purchase plans as part of a strategy for infusing an understanding and knowledge of the how the market influences the business of journalism. "I think one way to bridge the gap...is through employee ownership. I think we've found in our case, at least before the merger with Times Mirror, we had something like ninety percent ownership in our company. And I think what we were able to do was engage people, all though the organization, on financial issues that impact everybody. And I hope out of that we got a better understanding of some of the stresses and strains the people in the product development area, like editorial, have to face." Madigan cited the employee ownership program as the most unifying thing that has happened within Tribune during his time with the company.

Expanding Missions, Core Values

As business models continue to evolve and missions continue to expand to meet the growing size and diversity of media organizations, it is more important than ever for the management of these companies to have a fully articulated set of principles that guide the decisions of the organization. It is equally important for those values to be communicated throughout the organization and projected outward to the public and the investment community. Ensuring that this happens is a function of leadership.

Articulating the Company's Core Values

On an industry-wide basis, it appears that the values of the profession are not being passed down from one generation to the next in any meaningful or systematic way. Bill Kovach cited research being conducted by

the Committee for Concerned Journalists, working with a team that includes a developmental psychologist from Stanford University, a sociologist from the University of Chicago, and an educator from Harvard University. Their research, published in October 2001 titled *Good Work: When Ethics and Excellence Meet*,³ is based on in-depth interviews with practitioners across several professions. The researchers found that journalism has one of the worst records for passing the wisdom, knowledge, and values of the profession from one generation to the next. There is no built-in training mechanism, Kovach said.

Jerry Ceppos, vice president for news at Knight Ridder, considers the lack of a definable mission a significant contributor to the perception of, and in some cases the reality of, declining quality. "I think you could go a step further and say that one of the many reasons there are so many lackluster newspapers throughout the country is that they haven't been bold enough to figure out that mission, or the allocation of resources that Lou [Boccardi] was talking about.... I think if you look at the newspapers we would all consider unappealing, you'd find that master narrative... and nobody has been bold enough to define that mission."

"If you have established a fully articulated set of core values as to what you mean by quality journalism, or to use a new economy phrase, if you actually had metrics, then you don't need church-state, you don't need the firewall," noted Gerald Levin. "You can have all the communication you want, which is highly desirable, because no one is going to violate the pillars which have been completely understood."

Frank Bennack agreed: "It is about what you do in leadership. We also think that bringing together our people across these lines [business and editorial]...not only produces good economic results and the synergy that everyone seems to be looking for, which can be one of the dangerous elements here. But I also think it allows the journalistic parts of the company to impart those kinds of principles as you discuss what you're going to do."

Levin noted an additional benefit of defining the organization's guiding principles: "The reason I have to have an articulated set of values is that I'm called upon to preserve, protect, and defend the things that we do. And how do I know when to support it and when not to support it? So I have a very central statement for that and although you might consider me a fuzzy idealist, this is what I believe, and it isn't just with respect to journalism. As long as there is artistic and journalistic integrity—the operative word is *integrity*—and it is substantively mis-

sion-driven primarily through an educational objective, and it is not predominantly expedient or financially exploitative, I will stand up, and no matter how much criticism there is, I will defend that part of our company."

Clearly, media leaders have a responsibility to stimulate this conversation about the enduring values of journalism. This means engaging in public conversation about the mission and values of journalism, thereby reaffirming the premise that moral and social values affect corporate performance. Doing so would reaffirm the enduring values of journalism and might alleviate some of the fears that newsrooms have about profits being the driving force in corporate decision-making today.

As a corollary to this discussion (and as reported in previous reports of the Aspen Institute Conference on Journalism and Society series), AOL Time Warner has established a values committee on its board of directors that is co-equal with the finance committee of the board. Levin reports that it has not been a complete success and has drawn a fair amount of cynicism, but he cites it as his attempt to balance the considerable emphasis on shareholders within an organization that has a charter requiring the company to serve the public interest as well. "If you do all this," Levin said, referring also to articulating the corporation's core values, "then maybe you'll have a different calibration as to what should a CEO be, who's a good CEO, instead of what we presently have—which is, I think, a fairly narrow definition."

Planning the CEO's Succession

The concern for defining what makes a good CEO, at least for media companies that include journalism divisions, takes on a new sense of urgency in considering issues of executive succession within these companies. Sharp accountants and skillful lawyers have played a huge role in building media enterprises into the formidable industries that they are today. However, it appears that many of these individuals have never worked in a newsroom. Moreover, although many of the current generation of media leaders grew up in the journalism business and thus possess the journalistic DNA that causes them to hold on to the core values and sense of mission of the profession, their likely successors are individuals who have been trained in business, not journalism. Once that journalistic DNA goes away, what will become of quality journalism as a part of the mission of the enterprise?

The change is already underway at large companies such as Viacom/CBS, Disney/ABC, and General Electric/NBC, where journalistic enterprises are parts of companies currently led by individuals who do not come out of the culture of journalism. This is true of some smaller journalism organizations as well, such as at least one large newspaper group that owns many small-circulation newspapers throughout the country (5,000–10,000 daily circulation).

Several of the executives participating in the conference expressed considerable concern over this issue of corporate succession. There was a realization that if the important mission of journalism is to be sustained, CEOs must give as much consideration to imparting the important values and legacy of journalism within the company as they have to training their protégés in the mechanics of running the business. It is clearly an important function of leadership, inasmuch as it is regarded as part of a plan for the long-term success of the company in achieving its mission.

Engaging the rising corporate leaders of the media in forums such as the Newspaper Association of America and other trade and professional associations is one way to pass along the profession's special knowledge and traditions to them. Another is to do a better job of bridging the internal divides between church and state, so that candidates for succession understand early in their tenure with an organization that the principles underlying the work of journalism are valuable and worthwhile for the corporation to uphold. This cross-generational development is entirely possible, according to George Irish, president of Hearst Newspapers: "My view, having observed this and been a part of this, is that very bright people, properly engaged with a CEO and with others, can make that transition from having been technicians in their field to being very strong supporters of what we do journalistically."

Conclusion: Investing in the Long-term Value of Journalism

The prospects for quality journalism may well depend on the deftness of leadership. Managers must understand the changing nature of audiences and use that knowledge to guide sound decision-making. They must identify business models that can satisfy the increased demands of Wall Street while sustaining the values of journalism at the company's core. Perhaps most important, they will need to communicate their vision and strategies to their various constituencies—their

newsrooms, the investment community, and the public—more effectively than they have in the past. The challenge now is not so much the business pressures versus the journalistic pressures as it is determining what will ultimately define quality and success in this new era.

With so many pressures and so much competition for the scarce attention of consumers, media businesses are constantly confronted with the question of how to stand out. Based on their comments at the conference, participants offered the following guidance:

- Invest in the long-term quality of your journalism. This means recruiting, training, and retaining talented journalists, but it also means finding and supporting skilled professionals who can develop the business models that will sustain journalism over the next generation. It may also mean investing more dollars in research and development to develop new services and capture new audiences as society and individual communities continue to change. Most of all, during this time of transition, it means creating environments in which everyone can focus on these issues.
- Pay attention to your company's performance in the trust market. Just as the stock market is an important indicator of performance, the trust market, with its imperfect metrics, can be another useful indicator for performance. Assess where you fall on the trust scale in each of the communities in which you operate. Engage the public, talk to people about what you do and why you do it, and make the process of doing journalism and the motivations behind it more transparent.
- Engage in good, hard reporting about your own company and your industry. Self-coverage is a useful benchmark for journalistic independence in the evolving media marketplace. Provide the same kind of coverage of competitors in the marketplace.
- Establish a common culture and a fully articulated set of corporate values. Communicate these values throughout all levels of the organization.
- Use all of your resources to solve problems. Engage people on financial issues through dialogue, group problem solving, and

employee ownership plans where feasible, so that everyone has a stake in determining the direction of the business. Deal with problems constructively, in a way that preserves the humanity and culture of the newsroom.

- Educate the market and each other by engaging in continuing discussions across the media industry—among peers, the public, and the investment community—about the important distinctions between journalism and other forms of information. Make the business case for quality journalism as a viable long-term investment strategy.
- Consider succession within the organization with as much care as you would your long-term business plan because it is as important as that plan in determining the ultimate success in sustaining quality journalism. Take advantage of existing opportunities or create new opportunities for the likely successors to become steeped in the values of the journalism profession. Consider a broader calibration, beyond strictly business criteria, for what a CEO should be.
- Lead by example.
- Engage in forums such as this one to raise the consciousness of media managers, especially corporate CEOs, about the connection of quality journalism to profitability and business success.

Participants in the fifth annual Aspen Institute Conference on Journalism and Society generally believed that providing a quality news product, one that not only serves the narrow interests of various audiences but also sustains the higher moral purpose that journalism serves in a democracy, is one way to succeed in the current marketplace. Clearly, not everyone will take this path, but to the extent that leaders in the media industry set an example by their own leadership, the prospects for journalism and democracy will be brighter for it.

Notes

1. See "Internet Sapping Broadcast News Audience," Pew Research Center Biennial News Consumption Survey, Pew Center for The People and The Press, June 11, 2000.
2. Joseph Pulitzer, "Selections from the College of Journalism," in *Killing the Messenger*, ed. Tom Goldstein (New York: Columbia University Press, 1989), 196.
3. Howard Gardner, Mihaly Csikszentmihalyi, and William Damon, *Good Work: When Excellence and Ethics Meet* (New York: Basic Books, 2001).

APPENDIX

The Fifth Annual Aspen Institute
Conference on Journalism and Society

June 14-16, 2001
Queenstown, Maryland

List of Conference Participants

Frank A. Bennack, Jr.

President and Chief Executive
Officer
The Hearst Corporation

Louis D. Boccardi

President and Chief Executive
Officer
The Associated Press

Hodding Carter III

President and Chief Executive
Officer
The John S. and James L. Knight
Foundation

Jerry Ceppos

Vice President
News
Knight Ridder

Robert Decherd

Chairman, President, and
Chief Executive Officer
Belo Corp

Charles M. Firestone

Executive Director
Communications and Society
Program
The Aspen Institute

Jack W. Fuller

President
Tribune Publishing Company

Michael Getler

Ombudsman
The Washington Post

George B. Irish

President
Hearst Newspapers

Boisfeuillet Jones, Jr.

Publisher and Chief Executive
Officer
The Washington Post

Bill Kovach

Chairman
Committee of Concerned Journalists

Jim Lehrer

Executive Editor and Anchor
The NewsHour with Jim Lehrer

Gerald M. Levin

Chief Executive Officer
AOL Time Warner

Russell T. Lewis

President and Chief Executive
Officer
The New York Times Company

Note: Titles and affiliations are as of the date of the conference.

Ken Lowe

President and Chief Executive
Officer
The E. W. Scripps Company

John W. Madigan

Chairman, President,
and Chief Executive Officer
Tribune Company

Nancy Hicks Maynard

President
Maynard Partners Incorporated

Robert W. Mong, Jr.

President and General Manager
The Dallas Morning News

Norman Pearlstine

Editor in Chief
Time, Inc.

Steve Rattner

Managing Principal
Quadrangle Group, LLC

Johnathan Rodgers

President
Discovery Networks, U.S.

George P. Rodrigue

Vice President
Belo Capital Bureau

Bernard Shaw

Former Anchor
Inside Politics
CNN

William Dean Singleton

Vice Chairman and
Chief Executive Officer
MediaNews Group Inc.

Arthur Sulzberger, Jr.

Chairman
The New York Times Company

David Talbot

Founder, Chairman,
and Editor in Chief
Salon Internet

Joan Walsh

Vice President and News Editor
Salon Internet

Jonathan P. Wolman

Vice President and
Executive Editor
The Associated Press

Observer:

Eric Newton

Director of Journalism Initiatives
The John S. and James L. Knight
Foundation

Staff:

Lisa Dauernheim

Program Coordinator
Communications and Society
Program
The Aspen Institute

Amy Korzick Garmer

Director of Journalism Projects
Communications and Society
Program
The Aspen Institute

Note: Titles and affiliations are as of the date of the conference.

About the Author

Amy Korzick Garmer is director of Journalism Projects of the Aspen Institute Communications and Society Program. She has been with the Aspen Institute for over seven years, including two years as Associate Director of the Communications and Society Program. Ms. Garmer's other publications for the Aspen Institute include the edited volume *Investing in Diversity: Advancing Opportunities for Minorities and the Media; Digital Broadcasting and the Public Interest*, co-edited with Charles M. Firestone; and *Creating a Learning Society: Initiatives for Education and Technology*, co-authored with Charles M. Firestone. Previously, she served on the staff of U.S. Senator Sam Nunn. Ms. Garmer holds degrees from the University of Virginia and the University of Texas at Austin.

The Aspen Institute Communications and Society Program

www.aspeninstitute.org/c&s

The Communications and Society Program is a global forum for leveraging the power of leaders and experts from business, government and the non-profit sector in the communications and information fields for the benefit of society. Its roundtable forums and other projects aim to improve democratic societies and diverse organizations through innovative, multi-disciplinary, values-based policy-making. They promote constructive inquiry and dialogue, and the development and dissemination of new models and options for informed and wise policy decisions.

In particular, the Program provides an active venue for global leaders and experts from a variety of disciplines and backgrounds to exchange and gain new knowledge and insights on the societal impact of advances in digital technology and network communications. The Program also creates a multi-disciplinary space in the communications policy-making world where veteran and emerging decision-makers can explore new concepts, find personal growth and insight, and develop new networks for the betterment of the policy-making process and society.

The Program's projects fall into one or more of three categories: communications and media policy, communications technology and the democratic process, and information technology and social change. Ongoing activities of the Communications and Society Program include annual roundtables on journalism and society, international journalism, telecommunications policy, internet policy, information technology, and diversity and the media. The Program also convenes the Aspen Institute Forum on Communications and Society, in which CEOs of business, government and the non-profit sector examine issues relating to the new technologies and lifelong learning.

Conference reports and other materials are distributed to key policy-makers and opinion leaders within the United States and around the world. They are also available to the public at large through the World Wide Web.

Previous Publications from the Aspen Institute Conference on Journalism and Society

Old Values, New World: Harnessing the Legacy of Independent Journalism for the Future

Peter C. Goldmark, Jr. and David Bollier

This report features the keynote address to the 2000 conference, "Setting the Testbed for Journalistic Values," by Peter C. Goldmark, chairman and CEO of the *International Herald Tribune*, and the conference report, "The Evolution of Journalism in a Changing Market Ecology," by David Bollier.

2001, 57 pages, ISBN Paper: 0-89843-315.

Values For the Digital Age: The Legacy of Henry Luce

Gerald M. Levin and David Bollier

This report features the keynote address to the 1999 conference, "Values For the Digital Age: The Legacy of Henry Luce," by Gerald M. Levin, chairman and CEO of Time Warner Inc., and a report of the third annual Aspen Institute Conference on Journalism and Society, "Disruption and Disorientation: American Journalism in Transition," by David Bollier.

2000, 63 pages, ISBN Paper: 0-89843-284-7.

Media Madness: The Revolution So Far

Max Frankel and David Bollier

The report features the keynote address to the 1998 conference, "Media Madness: The Revolution So Far," by Max Frankel, former executive editor of the *New York Times*, and a report of the second annual Aspen Institute Conference on Journalism and Society, "Can Serious Journalism Survive in the New Media Marketplace?" by David Bollier.

1999, 55 pages, ISBN Paper: 0-89843-260-x.

Market Journalism: New Highs, New Lows

Robert MacNeil and David Bollier

The report features the keynote address to the 1997 conference, “Market Journalism: New Highs, New Lows,” by Robert MacNeil, former PBS news anchor, and a report of the first annual Aspen Institute Conference on Journalism and Society, “News Values in the New Multimedia Environment: The Case of Privacy,” by David Bollier.

1997, 74 pages, ISBN Paper: 0-89843-222-7.

What Corporate Leaders and Journalists have had to say at the Aspen Institute Conference on Journalism and Society (1997-2001)

On Public Trust In the News Media

"The collectivity of our judgments within any particular news organization *defines* that news organization over a period of years, and contributes directly to the trust the public has in it—or doesn't have in it."

—Robert MacNeil, author and former anchor of
The MacNeil/Lehrer News Hour (1997)

"I think there's such a thing as a trust market, with the stock market in mind. The trust market rises and falls each day...based on our performance."

—Bernard Shaw, former anchor, CNN (2001)

"Our audiences have become much better informed consumers, which has tended to make them much more critical consumers. They are much more aware of the media's failings."

—Hodding Carter III, president and chief executive officer,
The John S. and James L. Knight Foundation (1999)

"I don't think we should be dismissive about the question of trust. Our relationship with readers, viewers and online users is our single greatest asset.... The confidence and relationship with viewers, readers and users is something that we should not take for granted."

—Robert Decherd, chairman, president and CEO, Belo Corp (2001)

Note: Titles and affiliations are as of the date of the conference.

"The public wants to trust us, but sometimes we make it difficult.... I think we make it harder to trust us when we promote news as entertainment, and entertainment as news, and mix the blood ourselves."

—Louis Boccardi, president and CEO, Associated Press (2001)

"The credibility factor for journalism is greatly diminished when *Hard Copy* can get thrown in the same bin with *60 Minutes* and still be considered journalism."

—Leslies Moonves, president, CBS Television (1999)

"You say what your character is every night—in what you cover and, frequently, in what you don't cover and don't discuss."

—Sandra Mims Rowe, editor, *The Oregonian* (1999)

"We should be in the business of putting the news out there, and trust the discretion of the reader to have some judgment."

—Juan Williams, journalist, *The Washington Post* (1998)

"Competition unregulated by any sense of a philosophical North Star leads you directly to the British press."

—H. Brandt Ayers, publisher and chairman,
Consolidated Publishing, Inc. (1999)

"As companies become more global and supersede national boundaries, the question of trust and accountability grows in importance because a lot of the old ways that we had for making these companies accountable don't apply. And if corporations don't come up with new forms of accountability, of creating trust, they are highly vulnerable."

—Jay Rosen, chair and professor, Department of Journalism,
New York University (2000)

On the Business and Financial Pressures Facing News Organizations

"Our business will be a prisoner to Wall Street from now on, so we might as well get used to it."

–Dean Singleton, vice chairman and CEO,
MediaNews Group (2001)

"Once you enter the public market, you have to live by that sword."

–Steve Rattner, managing principal, Quadrangle Group (2001)

"All around us we're seeing audience fragmentation; it is the reality. Every one is going for a smaller and smaller piece of the pie.... How do you judge success in that environment? How do you judge quality?"

–Arthur Sulzberger, Jr., chairman, *The New York Times* (2001)

"It's important not only to try to give readers information we think they should read, but that they actually *will* read, so it connects with what they're interested in. So is that marketing? Or is that just being a smart editor?"

–Anthony Ridder, chairman and CEO,
Knight-Ridder (1999)

"I don't see how we can continue to talk about the kinds of reporting that traditionally have been part of newspapers and television as long as we are forced to reduce the resources to produce that kind of journalism."

–John Dotson, publisher, *Akron Beacon-Journal* (2000)

"The challenge is how, with the resources available, we can live up to the things that a lot of us would like to see in our news coverage. We can't shout back the tide of business change."

–Richard Smith, chairman and editor-in-chief, *Newsweek* (2000)

On Defining and Maintaining Quality in Journalism

"Where we have the best product, we are first in the market. Where we have had less than the best product, then we are either not there anymore or wish we weren't."

–Frank Bennack, president and CEO,
Hearst Corporation (2001)

"In terms of journalism, I put more faith in corporate leadership that understands that they have an equally solemn fiduciary obligation arising from their ownership of a news organization; that they hold a public trust that is a vital component of a free society. I put more faith in that than I do in whether the corporation is big or small."

–Peter C. Goldmark, chairman and CEO,
International Herald Tribune (2000)

"By virtue of our internal capital allocation process, we're either investing more money in quality journalism or we're not. That's where you have to look, because that's the biggest force, not just raising money externally."

–Gerald Levin, CEO, AOL Time Warner (2001)

"One measure of quality journalism is a thoughtful consideration of its effect."

–Geneva Overholser, columnist and former ombudsman,
The Washington Post (2000)

"What you need is someone in the trenches, day to day, getting feedback from readers and making sure ethical and other issues are being brought up internally."

–David Talbot, founder and editor-in-chief,
Salon Internet (2000)

On Journalistic Values and the Future of News

"It's the responsibility of the news departments and the business sides of all our organizations to agree on only two things: values and strategies."

—Arthur Sulzberger, Jr., chairman, *The New York Times* (2001)

"I'm convinced the future belongs to those enterprises that are able to articulate and act on the basic values which attract the best talent and which allow these women and men to find meaning and worth in what they do."

—Gerald Levin, CEO, AOL Time Warner (1999)

"The business that journalists have to be in is *meaning*, not news. That's how you will differentiate yourself. Because the news is going to break all day, every day."

—Bill Kovach, chairman,
Committee of Concerned Journalists (2000)

"The media is the most powerful institution on the face of the earth, in many respects. It's an extraordinary responsibility. But without *acknowledging* that responsibility, we can't get beyond that to how we exercise that responsibility."

—Catherine Crier, journalist (1997)

"If you really want to be in the business of journalism, and not just practice journalism as a way of building business, then you have to account to [the journalism profession] by more than the bottom line. In the end, the test is: What are you adding to the sum of human understanding?"

—Max Frankel, former executive editor,
The New York Times (1998)



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