

A world without newspapers?

Newspapers have been in trouble for some time. But the current economic downturn, and the drop in advertising expenditure that came with it, have speeded things up dramatically.

At Independent News and Media, they have retrenched a dozen sub-editors as they merge all the production operations of all 14 of their newspaper titles into one sub-room (*The Star*, *Cape Argus*, *Cape Times*, *Mercury*, *Daily News*, *Isolezwe*, *Business Report*, *Diamond Field Advertiser*).

At Media24, they are merging the four newsrooms of their 'serious' Afrikaans newspapers (*Die Beeld*, *Burger*, *Rapport*, *Volksblad*) into one multimedia operation which will provide the material to all these papers and their websites.

At the *Mail&Guardian*, they are examining whether they can avoid retrenching about 12 of their 102 staff by cutting work hours and pay.

Business Day is slashing its editorial budgets, with editor Peter Bruce saying he is trying desperately to avoid retrenching in this process, though it is by no means certain he can.

It is clear that across the industry, newsrooms which were already under pressure, and many of which had shrunk significantly in recent years, are going to get even smaller.

WHY IS THIS HAPPENING?

In the US and Europe, it has been clear for some time that newspapers as we have known them for about 150 years were in terminal decline. It started with the

Retrenchments in the newspaper industry have escalated recently. But as **Anton Harber** explains this was a global trend even before the current financial crisis. Why is this the case and what does it mean for the information industry?

growth of media outlets a few decades ago, and the resultant fragmentation of the advertising market.

Newspapers, which had always had a big piece of the advertising market, found themselves having to share it with more and more media outlets. They had to adjust to receiving a smaller piece of the pie.

This was accelerated with the advent of the Internet, which offered so much information so much quicker and cheaper than newspapers could ever offer.

In the US, newspaper penetration in 1950 was 120% per household (that is, more than one newspaper per day per house on average), and it is now well under 50%. The average age of an American newspaper reader is 55, and going up every year. On the other hand, the Internet has now overtaken all other media as the first source of news for most people in the northern hemisphere.

The decline of newspapers accelerated with the current economic crisis. According to *The Nation* magazine, a number of the US's most prestigious papers are in

bankruptcy – the *Chicago Tribune*, the *Los Angeles Times*, the *Minneapolis Star Tribune*, and the *Philadelphia Inquirer*. Already closed down are *Denver's Rocky Mountain News* and the *San Francisco Chronicle*.

Others are reported to be close to closure: in Seattle (*The Times*), Chicago (*The Sun-Times*) and Newark (*The Star-Ledger*). The 101-year-old non-profit, *Christian Science Monitor* has folded its daily print edition and the *Seattle Post-Intelligencer* scrapped its print edition and reduced from a news staff of 165 to about 20 for its online-only edition. The *New York Times* needed an emergency injection of \$250-million.

The Nation also reports that others are cutting jobs – 300 at the *Los Angeles Times*, 205 at the *Miami Herald*, 156 at the *Atlanta Journal-Constitution*, 150 at the *Kansas City Star*, 128 at the *Sacramento Bee*, 100 at the *Providence Journal*, 100 at the *Hartford Courant*, 90 at the *San Diego Union-Tribune*, 30 at the *Wall Street Journal*...

The problem can be stated very simply. The Internet has in many



The Newsroom of the Newark Star Ledger is close to closure.

cases increased these newspapers' audiences, in the case of the *New York Times*, ten times more, but this is not enough revenue to pay for the newsroom.

Traditional advertising does not work well on the Internet, and attempts to charge audiences for internet subscriptions, as is done with the newspaper itself, have fallen flat. There is resistance to paying because so much information is free online.

In France, things are so rough that the government last month put together a Euro600-million aid package for the newspaper industry, including giving free subscriptions to anyone under 18.

DIFFERENT IN SA

In South Africa, the problem is somewhat different. Only about 7% of the country uses the Internet, so it has not yet presented the threat to newspapers that we have seen in places with cheap and fast connectivity. In fact, our total newspaper sales have been going up in the last few years (as it has in other developing countries like China and India).

But it is only the tabloid newspapers, the new ones which target the working class, which are growing (most notably the *Daily Sun*), as well as the *Mail&Guardian*. South Africa's traditional, older newspapers have been in gradual and steady decline for decades.

The Star, for example, is selling fewer newspapers than it did 50 years ago, when its audience was only about 3 million whites. The same is true of every single newspaper in the Independent group.

Nevertheless, at least some of our newspapers have been making stupendous profits. *The Sunday Times* is a veritable money-machine, with some of the highest margins in the world of newspapers.

Independent's newspapers are the most profitable in the global group, with margins of over 20%. They contributed Euro26-million to the international group's profits last year, an increase of more than 30% over the previous year. But from October 2008, advertising revenue plummeted suddenly, forcing

cutbacks in already depleted newsrooms.

Many of the publishers are using the opportunity to adapt their newsrooms to the demands of new media. They are not just cutting, they are reshaping to prepare for the impact when the Internet becomes as fast and cheap as it is in many countries, as it inevitably will.

At Media24, and at the *Mail&Guardian*, they are explicit about it. As they cut staff, they are remodelling themselves into multimedia operations, integrating their online and newspaper staff and preparing for the shift in audience.

IMPACT OF DECLINE

The cuts have highlighted that South African journalists are not organised. The SA Union of Journalists and Mwasu (Media Workers Association of South Africa), both of which looked after journalists' interests during the 1980s, have closed down. Sanef is an editors' forum, and does not represent journalists on workplace issues. Journalists are by and large

negotiating their retrenchment packages as individuals.

There is a plan afoot to launch a new professional body, but this is at the moment no more than a thought in the minds of a few concerned individuals.

The impact of the decline in the newspaper industry has wide social and political implications. Smaller newsrooms means each journalist having less time for each story, and having to mass produce more in the same time.

The result is more stenography – the simple reproduction of press releases, announcements and events – and less probing, investigating and verifying. This means less accuracy, less depth and less authority in the reporting and writing.

Tighter budgets mean that editors are more vulnerable to pressure and therefore often more cautious, with their eye on the bottom line and their desire to keep their own and their staff's jobs. It means fewer specialist writers, which means more people writing about complex subjects they know little about. It

usually means fewer experienced and skilled reporters, who cost more, and more younger and more cost-effective reporters.

The merger of newsrooms and production processes of different newspapers within a group, such as is happening at Media24 and the Independent group, means these titles will become even more alike and homogenous than they are. Essentially, they will become regional editions of a single, national product. There will be less diversity and less choice for readers.

Medi24 publishers will argue that they in fact can invest more into specialist and investigative reporters because they are pooling resources. So instead of each paper having an occasional or part-time health or education reporter, and under threat of losing such a specialist, they can pool costs and have the best of them serving all their papers. It will be interesting to see if this is the case.

This is the short term effect.

In the long term, we have to face up to the reality that newspapers as we know them are dying, and with

them the model of journalism which has kept us more or less informed and carried our national debates, disputes, arguments and controversies for decades.

But the new is not yet born. Nobody really knows how journalism will be funded in the years to come. It seems obvious that consumers will have to pay for information they want and need, but all attempts so far to make that happen on the Internet have failed.

The blogosphere is filled with doomsayers of democracy, saying that public accountability will die with newspapers.

Others are more hopeful. We may lose newspapers as we know them, but a new form of online news will replace them, and might even prove more useful. The Internet, they argue, allows for a much more diverse, citizen-based conversation about news, and not the top-down news agenda of the past. It is newspapers in trouble, they argue, not journalism.

Of course, the debate about the future of newspapers is taking place largely on the Internet, probably the clearest indication that the struggle for newspaper survival has already been lost.

We have often been critical of the job our journalists have done. They have sometimes plummeted the depths, and occasionally, all too occasionally, soared to great heights. We have fought and argued over the extent to which our news media has been playing its rightful role in a young and developmental democracy.

Suddenly, we have to look into the abyss, and wonder what it would be like without newspapers. LB

Anton Harber is Caxton Professor of Journalism at the University of the Witwatersrand.



The buzz of the newsroom in the fifties.