



## The Independent Media Landscape in a Time of Change

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## Executive Summary

An informed populace is key to operating a working democracy. There is greater access to media than ever before, but the access has not necessarily kept citizens as well informed as they deserve and demand.

This report was commissioned by the McKnight Foundation because an informed Minnesota public forms the basis of healthy democratic governance. The work itself is one of independent research.

Given the nature of a fast-evolving media landscape, it's critical to pause and take stock of macro trends affecting McKnight's program goals.

The traditional means of sharing values and ideas are changing—as is the receptiveness of Minnesotans to hearing about those values through traditional means.

This report lays out the landscape of independent media in this changing era. It lays out current citizens' opinions on the media—trust in the media is eroding—fake news, and some of the ownership trends at play in the independent media and social media.

Among the challenges for independent media:

- There is a clear partisan split in how much Minnesotans—and all Americans—trust the news media. Less than 25 percent of Republicans say they have a great deal of trust in the media. Democrats are far more trusting.
- “Fake news”—both made-up stories that masquerade as actual news and accusations of “fake news” to describe accurate reporting—confuses the media understanding of news consumers.

Meanwhile, over the last decades news outlets—particularly newspapers—have experienced financial challenges and revenue declines, but new trends in media ownership, including rich individuals buying major media properties and new nonprofit entities, have changed the face of news.

Against this backdrop, an increasing percentage of citizens say they get their news from social media—which has both risks and rewards for citizens and the news industry.

Given the breadth of the topics, the report also allows readers to dig deeper into the topics through links for further exploration in the endnotes.

## Trust in Media

When Adolph S. Ochs bought the New York Times more than a century ago, he promised that the newspaper would “give the news impartially, without fear or favor, regardless of party, sect, or interests involved.”<sup>1</sup> That mantra is still a motto for independent journalists across the country—but, more than ever, has become a lie in the eyes of many news consumers.

President Donald Trump, long a student and a purveyor of media attention, did not create those doubts but has capitalized on them.

By late 2017 President Trump had insulted the media, generally, and specific news outlets more than 400 times while president,<sup>2</sup> according to a compendium of Twitter insults collected by the New York Times.<sup>3, 4</sup> He even promoted a Republican Party-hosted “Fake News Awards” to call attention to his views.<sup>5</sup>

### ► What the Numbers Say

The president’s bullhorn appears to have deepened Republicans’ lack of trust in the media<sup>6</sup>—and made more Democrats say they have a “great deal or a fair amount of trust and confidence” in the mass media.<sup>7</sup>

“The 14 percent trust among Republicans today ties with 2016 as the low for this party in Gallup’s trend. The gap in trust between the two parties has reached a record-high 58 percentage points,” Gallup found.

The same partisan split appears in Minnesota.

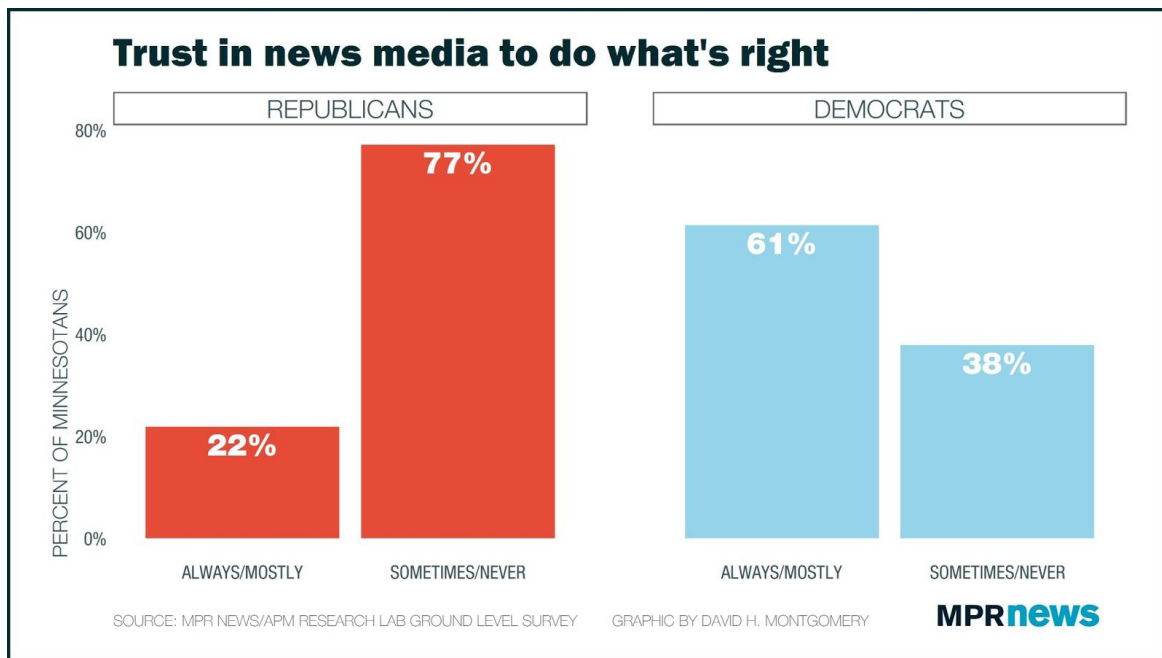
A Minnesota Public Radio poll, released in November 2017 with data collected in August and September found that 88 percent of Minnesotans trusted the news media to “do what’s right” always, most of the time, or sometimes.<sup>8</sup>

In the Minnesota survey, people said they trusted the media about as much as (or a tiny bit more than) as they trusted big business or state government, but far less than they trusted police, religious institutions, the medical system, and schools.<sup>9</sup>

But this high average trust in media is misleading. The poll found 61 percent of Democrats said the news media does what’s right always or most of the time versus only 38 percent of Republicans. On the other hand 77 percent of Republicans said the news media does what’s right only sometimes or never.

Minnesota Public Radio’s survey also found geographic and demographic differences in Minnesotans’ media trust.<sup>10</sup>

A slim majority of those in Rochester and in the Twin Cities said they usually trust the media to do what’s right, but trust levels dropped significantly in outstate Minnesota. Trust levels were lowest in northern Minnesota, excluding Duluth.<sup>11</sup>



Younger Minnesotans were less likely to trust the media than older Minnesotans—younger Minnesotans were also less likely to trust other institutions as well.<sup>12</sup>

In conversations with Minnesota Republicans, including activists, officials, and others, the lack of trust and perception of bias are borne out.

“An unbiased presentation of news would probably bore everyone to death, and that’s C-SPAN,” state Rep. Jim Nash, a Republican and omnivorous media consumer said. He said in his area of Minnesota—Carver County, one of the most Republican counties in the state—media mistrust is pervasive.

“Everyone gets lumped together—but Fox News,” Nash said.

But there is good news for the media in recent polling.

“Many more Republicans than Democrats believe the news media are not delivering on their core democratic functions, but both party groups still largely agree that many of the media’s roles are important,” found a recent long-term survey from Knight Foundation and Gallup.<sup>13</sup>

### ► **Role of the Media in the Erosion**

Modern journalism has played a role in the mistrust.

The bulk of the national media operates in city centers on the coasts, and its coverage has for years reflected that. Particularly on cable news, opinion and news merge into a single mass in viewers’ minds.<sup>14</sup> Further, there is a lack of political diversity among many news outlet staffs and occasional tone deafness on the perception of their work.<sup>15</sup>

And all kinds of media outlets are making mistakes—sometimes high-profile mistakes on hotly watched political stories—that allow President Trump and other media critics an opening for attacks and help erode faith in the news.

The missteps do not negate the good work many journalists are doing in an uncertain age, but can cement the beliefs of those who are conditioned to mistrust.

## Fake News

The term “fake news” appeared in earnest in the public consciousness in 2016 and has evolved to take on multiple meanings in the massive social media world.

It began as a term to describe deliberately misleading news—spread across social networks—for profit and political aims. It has morphed into an insult used to dismiss any journalism that does not fit within one’s worldview.

### ► Fake News and Money

A diverse group of profit-seekers found they could make a lot of money by making up “news” stories that drew in clicks.

“They only wanted pocket money to pay for things—a car, watches, better cell phones, more drinks at the bar,” reported a *WIRED* profile<sup>16</sup> of fake news purveyors in Macedonia, which, oddly, became a fake news factory during 2016.

Meanwhile, partisan news or “news” sites, sometimes with a thin grasp on facts, have also blossomed. Sites ranging from conspiracy theorist InfoWars to the conservative and virulent Breitbart News Network to the viral left-wing Occupy Democrats have all found powerful niches that attract adherents and drive conversations.

But there are many more less-well-known sites sharing what purports to be news—some with partisan aims and others simply to attract page views.

“Many publish news that exists in a liminal area—akin to “Truthiness”—or present their content on Facebook with a headline or description that poorly represents the actual article,” wrote Melissa Zimdars, Merrimack College assistant professor of communication and media.<sup>17</sup> She gathered and published a list of more than 1,000 “False, Misleading, Clickbait-y, and/or Satirical ‘News’ Sources” online.<sup>18</sup>

With social media, even the appearance of a “news” website is unneeded to share false or biased information. Rumors, conspiracy theories, and purely fictional tales have been spun through a tweet or a Facebook post, making them easy to share with those who want to see them.<sup>19</sup>

There is no universal fact-check system for such streams of information, although major social networks, media organizations,<sup>20</sup> and national and international<sup>21</sup> philanthropic efforts are attempting to account for the falsehoods.<sup>22</sup>



## ► Fake News and Propaganda

During the 2016 election and beyond, there has been another source of documented shared or elevated tales. That source, according to federal indictments,<sup>23</sup> academics, media, and social media companies, was based in Russia, seemingly aimed at divisive propaganda<sup>24</sup> or supporting a conservative or Trumpian future.

Facebook, like Twitter, found the reach of the Internet Research Agency,<sup>25</sup> a Russian organization that spreads online “news” and opinion, through articles, advertisements, and bots, was vast both before and after the 2016 presidential election.

“We found that 11.4 million people in the U.S. saw at least one ad run by the IRA actors between 2015 and 2017,” Facebook’s general counsel, Colin Stretch, told US senators.<sup>26</sup>

Twitter “identified 36,746 accounts that generated automated, election-related content and had at least one of the characteristics we used to associate an account with Russia,” Twitter’s acting general counsel Sean Edgett told the Senate.<sup>27</sup>

A few months later, after further investigation, the number of Russian-connected accounts Twitter identified only grew,<sup>28</sup> as did Russian-connected efforts to drive US narratives.<sup>29</sup>

## ► Everything Is Fake

The term “fake news” was given weight and attention after Trump’s election—and in turn allowed the president and supporters to convert it to mean news with which he and they disagree.

“Four in 10 Republicans consider accurate news stories that cast a politician or political group in a negative light to always be “fake news,” according to a 2017 Gallup/Knight Foundation Survey on Trust, Media and Democracy.<sup>30</sup>

The phrase “fake news,” further, has become a joke among the social media users to dismiss any “news” they don’t like<sup>31</sup>—from a report of incoming snow to commentary on sports stars’ injuries.

The attention to fake news, the president’s conversion of the term and the political drive to cause doubt about fact-based reports have helped further erode trust in the media.<sup>32</sup>

## The Decline of News

Contributing to the rise of mistrust and allegations of fake news has been the persistent decline of legacy news sources over the past decade.

According to a 2011 report from the Federal Communications Commission:<sup>33</sup>

“Between 2006 and 2009, daily newspapers cut their annual editorial spending \$1.6 billion per year, or more than a quarter, according to the Poynter Institute’s Rick Edmonds.”

“Television network news staffs have declined by half from the late 1980s.”

“Newsmagazine reporting staffs have dropped by almost half since 1985.”

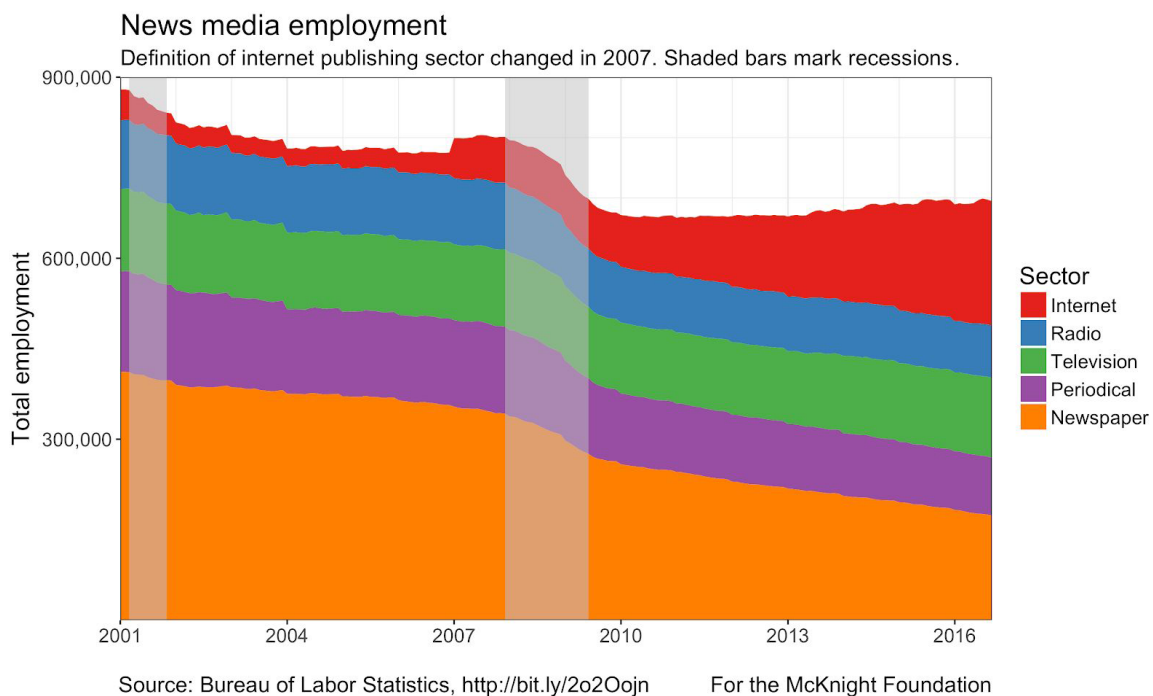
“The number of all-news local radio stations has dropped from 50 in the mid-1980s to 30, which reach a third of the country.”

“33 percent of commercial stations currently offer little or no local news.”

Those numbers have become more bleak in the last six years.

There are 200,000 fewer people involved in dissemination of traditional news, whether it be through newspapers, radio,<sup>34</sup> television, or even the internet, than there were 15 years ago, according to Bureau of Labor Statistics data.<sup>35</sup>

Certainly the newspaper industry, like many others, has become more efficient over the decades, which accounts for some of the loss of jobs. But news gathering is a cost-intensive business whether publishing online <sup>36</sup> or in print.<sup>37</sup>



Although different in structure, local television news has also suffered some viewership declines in recent years.<sup>38</sup> Television news staffing is growing in larger markets, while staffing in smaller markets is not.<sup>39</sup>

The documented decline in news staffing has meant fewer people covering state capitals, local governments, and the environment, and fewer doing local investigative reporting. Similar documented declines in deep coverage and news staffing have occurred in health reporting, religion, education, and business.<sup>40</sup>



Minnesota, despite suffering its own declines in media staffing, still has a hefty contingent of reporters covering major issues.

According to Pew Research numbers in 2014,<sup>41</sup> Minnesota had about 40 reporters covering the Capitol. Although those numbers have declined in the last three years, the state still has one of the larger statehouse contingents, by state population, in the country. In Minnesota, there is about one Capitol/political reporter per 140,000 residents—more per capita than California or Illinois. In recent years, however, both California<sup>42</sup> and Illinois<sup>43</sup> have seen new independent media outlets rise up to supplement legacy media.<sup>44</sup>

In Minnesota, many reporters have more responsibilities than they did a decade ago. They tweet, shoot photos, design stories, write newsletters, and try to keep up with a news-hungry public around the clock.

“We are in the midst of a profound technological revolution,” said WCCO-TV’s Pat Kessler, who has been covering Minnesota politics for three decades.<sup>45</sup> “What used to be a daily deadline to put out newscast on the hour has become hourly.... There are more time pressures, and we are required to do multiple stories a day.”

Despite the pressures, Kessler is also optimistic about the future of news, given the drive of new reporters and digital advancements.

“We are about to embark on a Golden Age of communication,” he said.

## Ownership

The change in news dissemination is also rooted in a dramatic change in news ownership and financing, particularly in newspapers. Revenue decline and coming industry consolidation continue to impact the media landscape across the nation. In Minnesota, investment ownership, billionaire owners, and the rise of nonprofit news outlets have had local impact.

### ► Investment Ownership

Over the last decade and a half many newspapers—which make up the dominant local news source in many markets—have swapped ownership from public and private chains (which owned 90 percent of all newspapers in 2000) to investment groups, according to an two-year, in-depth report from the Center for Innovation and Sustainability in Local Media at the University of North Carolina.<sup>46</sup>

“Private equity funds, hedge funds and other newly formed investment partnerships have swooped in to buy—and actively manage—newspapers all over the country,” the report found. “Their mission is to make money for their investors.”

In 2004, 20 percent of newspapers were owned by investment entities. A decade later, that number had ballooned to 47 percent.

Anecdotal reporting suggests the percentage has increased in the last three years.<sup>47</sup>

The *St. Paul Pioneer Press*, Minnesota’s oldest daily newspaper, is largely controlled by an investment group. It has reduced expenses in many ways, including reducing its news-gathering staff.<sup>48</sup>

Dave Orrick<sup>49</sup>, a reporter who has worked for the *Pioneer Press* for a dozen years and a union activist, said the *Pioneer Press* had already reduced its staff before it became wedded to investment ownership in recent years.

“All this downsizing and all this cutting is happening right when the *Pioneer Press* is figuring out what works and what doesn’t work in the modern age,” Orrick said.<sup>50</sup>

### ► Nonprofit News

Given this current era—and the challenges—Marcia Parker believes now is the time for nonprofit news to flourish.<sup>51</sup>

Parker, the publisher and chief operating officer of nonprofit CalNews, a news aggregation website, said nonprofit news in some ways is following a model long established by artists and their benefactors. Art is a public good and needs philanthropic support, many believe. Perhaps news needs that same long-term support, given the public good it creates.

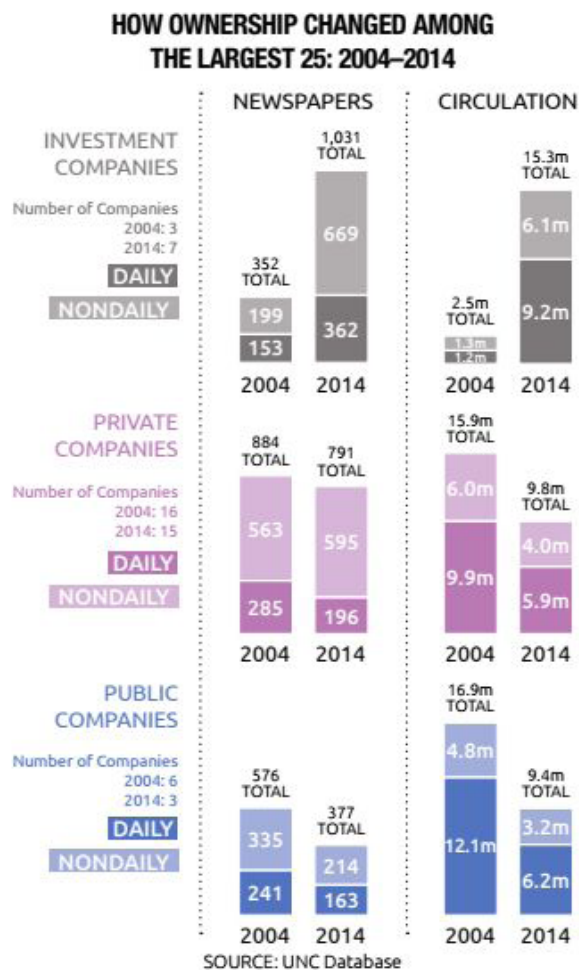
### ► Growth of Nonprofits

The Institute for Nonprofit News reports it has at least 140 member newsrooms, with membership in nearly every state. Its membership is growing, and not all nonprofit news outlets are members.<sup>52</sup>

“In 2018, more nonprofit newsrooms will be launched than North Korean test missiles,” said Bill Keller,<sup>53</sup> the former executive editor of the *New York Times* who now runs the nonprofit Marshall Project.

A review of a sampling shows the cost to donors<sup>54</sup> and the differing profiles of nonprofit news outlets:

- *MinnPost*, the Minnesota-based model nonprofit news outlet, received nearly \$6 million in support, the vast majority coming from gifts, grants, contributions and membership between 2011 and 2015. In 2015, it took in \$1.5 million: \$442,000 from advertising, \$169,000 in fundraising events (almost all through the annual MinnRoast event) and \$937,000 in



donations. *MinnPost* is one of the older nonprofit organizations of the new era, having celebrated its 10-year anniversary in 2017.

- ProPublica, an online national investigative journalism outlet, had received about \$62 million in funding between 2011 and 2015. In 2017, it has boosted its staffing and reach, including an innovative program in 2018 that supports local and regional outlets' investigative work in seven states.<sup>55</sup> (It received 239 applications for those seven spots.)
- The Texas Tribune began in late 2009 and now boasts it has the largest Capitol reporting staff in Texas and is “the only member-supported, digital-first, nonpartisan media organization that informs Texans—and engages with them—about public policy, politics, government and statewide issues.” Since 2010, it has taken in about \$20 million in grants and contributions and significant program revenue.
- Another model for nonprofit news is to take a point of view on the issues they cover.
- In Minnesota, Alpha News, which has ties to conservative political donors and Republicans, says its mission is to cover “engage the public in the civic process by educating them on what is happening in their communities, specifically focusing on local issues that are not covered by major papers.” In 2016, the young nonprofit reported that it had raised \$164,000, all through donations.
- Energy News Network covers energy news in the Midwest. Director Ken Paulman said that “the only position we take is climate change is real and we need to do something about it.”<sup>56</sup> The network started out of Fresh Energy with Midwest Energy News in 2010 and is expanding its outlets, in part because of a \$1.5 million grant in 2017 from the MacArthur Foundation.<sup>57</sup> Paulman said their reporters work on a contract basis and produce about 300 stories a year. The work is nonpartisan and not advocacy-focused, which attracts readers across the energy space, Paulman said.

Despite the growth, nonprofit news is not without threats.<sup>58</sup>

### ► **Nonprofits Fill Gaps, Leave Gaps**

Like many other nonprofits, Energy News focuses on filling in the gaps left by legacy, commercial media.

“As soon as a viable for-profit business model steps in to do this work, then we become obsolete,” Paulman said.<sup>59</sup>

Although nonprofit news outlets produce distinctive news, many rose up in reaction to the holes founders saw elsewhere. But nonprofit news outlets cannot—and many purposely do not— fill all the gaps.

“We’re not going to try to do everything. We can’t,” Marcia Parker of CalNews said.<sup>60</sup>

CalNews, which has an operating budget of about \$2 million (with more significant funding from high-net worth individuals than many news nonprofits), does not concentrate on speedily breaking news. Instead, according to the outlet’s mission statement, it focuses on “explaining how California’s state Capitol works and why it matters.”

*MinnPost* in Minnesota, one of the stronger nonprofit news outlets in the country, simply doesn’t cover everything legacy media does—or did. It breaks stories and does enterprise reporting that others do not but has not replaced daily coverage provided by other outlets.

That focused attitude, shared by many of the nonprofits reviewed, succeeds in filling specific niches left by traditional media. But it does not answer all the needs that readers and viewers may have for news—and many readers and viewers outside of those niches may not even know they exist. Further, nonprofit outlets tend to exist online and in larger cities.<sup>61</sup>

Minnesota was early on the nonprofit news bandwagon. It has established nonprofit news outlets including *MinnPost* and the *UpTake*,<sup>62</sup> (which live-streams legislative hearings and other political events) both, of which are about a decade old. More recently, an outpost of Unicorn Riot <sup>63</sup>, a nonprofit that live-streams and covers news from, began working in Minnesota.

But, unlike in some other states, the Minnesota media landscape has not seen a surge of new nonprofit news outlets in recent years.

### ► **Billionaire Owners**

A separate trend in news ownership is that of billionaires buying into legacy media or making other personal investments. The Minneapolis-based *Star Tribune*, the *Boston Globe*, the *Washington Post*, the *Las Vegas Review-Journal*, the *Salt Lake Tribune*, among others, have all been purchased by wealthy individuals in recent years.

The trend appears to be working for the *Star Tribune*. The state’s largest newspaper, with a daily circulation around 300,000, has seen its share of turmoil in the last two decades.

After a series of ownership changes, the *Star Tribune* filed for bankruptcy in January 2009.

During the next four-and-a-half years, the newspaper restructured.<sup>64</sup> The newspaper’s revenue moved from “advertising focused to consumer focused,” Mike Sweeney, who was board chair at that time, said. When he left the paper in 2014, he said, advertisers and consumers—readers—each brought in about half of the newspaper’s revenue.<sup>65</sup>

“The actual work itself was to help design a new business model,” he said.

The work also involved finding a buyer for the newspaper, to allow the creditors to exit. In June of 2014, they found that owner in billionaire Glen Taylor.

The *Star Tribune* is now hailed in the news industry as a paper that is doing it right.<sup>66</sup>

The *Washington Post* is similarly lauded.

In 2013, Jeff Bezos, the founder of retail behemoth Amazon, bought the *Washington Post* from the Graham family, which had long owned it, for \$250 million.<sup>67</sup>

Bezos has demanded experimentation from the paper, as well as smart investment and cost cutting, but recently said, “If you can focus on readers advertisers will come” and, according to a report on his words at a newspaper conference, “You can’t shrink your way to relevance.”<sup>68</sup>

Bezos has also made clear he did not buy the newspaper as a charitable venture. The newspaper has made profits in recent years, and according to insiders and outsiders, it has produced some of its best journalism.

But billionaire owners are not necessarily the panacea for gaps in news coverage.

In November, billionaire owner Joe Ricketts shut down DNAinfo, which focused on New York City and Chicago local news, and Gothamist, websites devoted to local news in New York, Chicago, Los Angeles, San Francisco, and Washington.

Ricketts, who shuttered the businesses after workers voted to unionize, said his eight-year-old decision to start DNAinfo was not paying off.<sup>69</sup>

## Social and Digital Media

In the modern era, if you want to keep on top of the news you are as likely to grab your phone as your newspaper. A March 2017 survey found that only 15 percent of Americans said they never get news online.<sup>70</sup>

According to the Pew Research Center,<sup>71</sup> two-thirds of Americans get some of their news from social media, and nearly half get their news through those channels often or sometimes. Those numbers are growing, “driven by more substantial increases among Americans who are older, less educated, and nonwhite.”

The growth of social media as a news source does not necessarily mean that people are turning away from traditional, independent news sources. Social media allows traditional news organizations—and individual reporters—to expand their audiences, sources, and diversity of offerings, as well as to promote their work.

The literature and studies researched for this report blurred the line between digital news from legacy outlets experienced on social media, on the one hand, and the use of social media for news on the other. The two—legacy news and social media—may be more wedded than it first appears.

Younger people—those 18 to 25 years old—are far less likely to say they get their news from television, radio, and newspapers than older people.<sup>72</sup> But a 2015 poll found that 85 percent of millennials surveyed said that keeping up with news was at least “somewhat” important to them.<sup>73</sup> They just do it online, research says.

Indeed, a recent international poll found that an overwhelming number of people in the U.S. said they follow the national and local news closely<sup>74</sup>—and although those numbers dropped for younger people, even they said they have an interest in the news. Seventy-three percent of people ages 18 to 29 in the United States said they closely follow local news.<sup>75</sup>

### ► Risks of Social and Digital News

That nexus of traditional and social media does not mean, of course, that news from social media is risk-free.

Social media can spread false information, whether the falsehoods are simple mistakes or deliberately misleading. A Facebook message or tweet can be shared long after it has been corrected, and even if it is deleted, many viewers can be left with false impressions—and act on them.<sup>76</sup> And social media gives strength to what scholars term the “alternative media ecosystem,” which feeds into both the alt-right and the alt-left.<sup>77</sup>

Although polling finds that people in the U.S. are increasingly dependent on social media outlets for news, it also finds that news consumers don’t trust the news they get from social media very much.

Social and digital outlets—Twitter, Facebook<sup>78</sup>, Google<sup>79</sup> and the like—are making efforts to give users guides to news literacy. Facebook, the social network with the deepest news reach, recently announced it would give more weight to posts from people’s friends and less to media and business postings.<sup>80</sup>

The changes at and dominance of those social media organizations also highlight the dependence legacy media organizations have on those outside entities. That dependence is both a risk and a boon to spreading—and financing—news.<sup>81</sup>

Meanwhile, both nonprofit and for-profit entities are stepping up to help people sort through what’s real and not in news online.<sup>82</sup>

But those efforts are incomplete.<sup>83</sup>

## Conclusion

The media landscape is quickly evolving. The news products delivered and the perception of news have been changing nearly as swiftly as the news itself.

Traditional news outlets often struggle with financial sustainability. This means fewer news professionals covering the local issues, policy matters, communities, and democracy. At the same time, more people are getting their news online and through social media. Start up news outlets are emerging, and while these often serve limited audiences, they also speak specifically to segments of society that rarely see their stories in the mainstream news.<sup>84</sup>



In this landscape, those who care about the health of democracy and civil engagement also need to shift their strategies. Delivering a message, changing a mind-set, and supporting an informed populace come with new challenges—and require new solutions.

Funders, nonprofit organizations, and news producers are increasingly tuning in to these changes. They are changing the ways they interact with, and fund, independent news. If done correctly, and thoughtfully, the result could be a new Golden Age of journalism and a reawakening of civic engagement that could shape our communities for years to come.

## Notes

1. *New York Times*, [Without Fear or Favor](#)
2. [President Trump's insults to the news media.](#)
3. *New York Times*, [The 394 People, Places and Things Donald Trump Has Insulted on Twitter: A Complete List](#)
4. "To many, the president's attack on the media is more than just blowing the media-bashing dog-whistle for his supporters. If this is who we are or who we are becoming, I have wasted 40 years of my life. Until now it was not possible for me to conceive of an American President capable of such an outrageous assault on truth, a free press or the first amendment." Gen. [Michael Hayden](#), former CIA and National Security Administration director, tweeted in response to Trump.
5. Republican National Committee, [The Highly-Anticipated 2017 Fake News Awards](#). (Note: Several of the "fakes" the president highlighted involved media mistakes that were corrected by news organizations. The website hosting the awards also did not work for hours after it was announced.)
6. In personal interviews, Republicans have told me the presidential attention has made rank-and-file Republicans more "aware" of the GOP issues with the media.
7. *Gallup News*, [Democrats' Confidence in Mass Media Rises Sharply From 2016](#).
8. Minnesota Public Radio, [Ground Level: Unfit to print? Minnesotans deeply skeptical of mainstream media.](#)
9. American Public Media, [Topline Results, 2017 Ground Level Survey Of Minnesotans](#).
10. American Public Media, [Topline Results, 2017 Ground Level Survey Of Minnesotans](#).
11. A personal theory on the geographic differences: There may be more local coverage of Rochester, the Twin Cities, and Duluth than there is of outstate Minnesota, given the media markets in those places. People may be more likely to trust the media that most covers them—with trust levels dropping among Minnesotans who are less likely to have local reflections of their lives.
12. RAND Corporation's ["Truth Decay"](#) report also reflects this generational divide in trust on many issues.
13. Gallup/ Knight Foundation Survey, [American Views: Trust, Media And Democracy](#)
14. See RAND Corporation's ["Truth Decay"](#) report, pp. 27-31, for more on this blurring, which has also been confirmed by my personal interactions in Minnesota.
15. Personal observation: It is hard work to understand not just the words but the mind-set of those you do not understand on a visceral level. It takes time and experience and effort. In reduced

newsrooms, those factors are often missing.

16. *WIRED*, [The Macedonian teens who mastered fake news.](#)
17. *Washington Post*, [My “fake news list” went viral. But made-up stories are only part of the problem.](#)
18. Melissa Zimdars, [False, Misleading, Clickbait-y, and/or Satirical “News” Sources.](#)
19. *New York Times*, [How Fiction Becomes Fact on Social Media](#)
20. Associated Press, [Bringing AP Fact Checks to Twitter](#)
21. European Foundation Centre, [Trust & Truth in Times of Fake News: What can philanthropy do?](#)
22. *USA Today*, [Facebook, Google, Twitter and media outlets fight hoaxes with “trust indicators”](#)
23. 13 Russians [indicted](#) in February 2018 for criminally interfering with the 2016 election.
24. *New York Times*, [How Russia Harvested American Rage to Reshape U.S. Politics](#)
25. Read more about the Internet Research Agency in this *New York Times* piece, [The Agency.](#)
26. United States Senate Committee on the Judiciary, Subcommittee on Crime and Terrorism, [Testimony of Colin Stretch, General Counsel, Facebook](#)
27. United States Senate Committee on the Judiciary, Subcommittee on Crime and Terrorism, [Testimony of Sean J. Edgett, acting general counsel, Twitter, Inc.](#)
28. Twitter, [Update on Twitter’s Review of the 2016 U.S. Election](#)
29. Alliance for Securing Democracy, [Tracking Russian influence operations on Twitter](#)
30. Gallup/ Knight Foundation Survey, [American Views: Trust, Media and Democracy](#)
31. Manoel Horta Ribeiro, Pedro H. Calais, Virgílio A. F. Almeida, Wagner Meira Jr, [“Everything I Disagree With Is #FakeNews”: Correlating Political Polarization and Spread of Misinformation](#)
32. Philanthropic, industry, and journalism efforts have risen this year to combat “fake news” and better equip citizens to spot it. For a glimpse of some of the major foundation efforts, read [“Philanthropy’s Fight Against Fake News Is Just Getting Underway”](#)
33. Federal Communications Commission, [Information Needs of Communities](#)
34. Radio news is particularly important in rural Minnesota; personal interviews.
35. For purposes of this tracking, I included Bureau of Labor Statistics data on newspaper publishers, periodical publishers, radio broadcasting, television broadcasting, internet publishing and broadcasting and internet publishing and web search portals. The federal government tracked “internet publishing and broadcasting” between 2001 and 2007, then changed its tracking to “internet publishing and web search portals” and used a slightly different definition.

36. The founder of BuzzFeed, which publishes news and more in a web-native space, recently published a memo declaring “media is in crisis.” The memo came a month after a Wall Street Journal article said that BuzzFeed would miss its revenue targets for the year.
37. According to estimates from a regional newspaper editor, about 75 percent of a newspaper budget goes to advertising, circulation, and newsprint costs. About 25 percent of expenses pays for the newsroom, administration and office space. Personal interview.
38. Pew Research Center, Local TV News Fact Sheet
39. RTDNA Research: Newsroom staffing
40. For a scientific discussion of news media spurring people’s stands on issues, view: “How the news media activate public expression and influence national agendas,” from *Science* magazine, which concludes that small and mid sized news outlets have an impact.
41. Pew Research Center, America’s Shifting Statehouse Press
42. See information on CalNews in the Nonprofit News section for one example.
43. Online outlet Politico established a beachhead in Illinois and nonprofit ProPublica has a regional base in Chicago doing investigative work. A report last year said other nonprofits were also looking at Illinois as a place to fund news efforts.
44. Unlike California and Illinois, Minnesota has not seen a rise in new for-profit or nonprofit news efforts in recent years. The state has established nonprofit news outlets, but in the statehouse—which tends to touch on all statewide policy and political issues—the corps is strong but not growing.
45. Personal interview
46. UNC School of Media and Journalism Center for Innovation and Sustainability in Local Media, The Rise of a New Media Baron and the Emerging Threat of News Deserts
47. *WIRED*, Don’t Stop the Presses! When Local News Struggles, Democracy Withers
48. The *Pioneer Press* newsroom has about a quarter of the staff it had a decade ago, Dave Orrick, union activist and reporter said. Some of the work has been moved to centralized, company-wide locations; personal observation.
49. Personal interview
50. *Los Angeles Times*, OC Register and other Digital First Media newspapers face ‘significant’ layoffs
51. For the purposes of this report, we are not including public broadcasting and radio or the Associated Press in our studies. Those have different issues, funding, and longevity that make them separate from the discussion of the rise of nonprofit outlets, which have been largely online-only.

52. INN has membership standards that may leave out some organizations. In Minnesota, it lists membership of six nonprofit outlets, including Midwest Energy News and *MinnPost*, but does not include Alpha News. A Pew Research Center report in 2013 found there were 172 nonprofit news outlets nationwide.
53. Neiman Lab: Predictions for Journalism 2018, A growing turn to philanthropy
54. Numbers based on a review of IRS returns.
55. ProPublica, ProPublica Local Reporting Network Selects Seven Newsrooms Across U.S.
56. Personal interview
57. MacArthur Foundation, grantee profile.
58. Pew Research Center, The Road Ahead for Nonprofit Journalism
59. Personal interview
60. Personal interview
61. UNC School of Media and Journalism Center for Innovation and Sustainability in Local Media, The Rise of a New Media Baron and the Emerging Threat of News Deserts
62. The UpTake's about page
63. Unicorn Riot's Minnesota page
64. Personal interview.
65. The New York Times similarly now relies more on reader revenue than advertising.
66. Poynter Institute, At the Minneapolis *Star Tribune*, a newsroom that's gone from surviving to thriving
67. The *Washington Post* was sold for just over half of what the smaller *Star Tribune* was sold for four years before.
68. National Public Radio, Big Newspapers are Booming: *Washington Post* to Add 60 Newsroom Jobs
69. Letter from Joe Ricketts on the closure of DNAinfo and the Gothamist
70. Pew Research Center, 2017 Pew Research Center's American Trends Panel
71. Pew Research Center, News Use Across Social Media Platforms 2017
72. Pew Research Center, How Americans get their news 2016
73. Media Insight Project, How Millennials Get News: Inside the habits of America's first digital generation
74. Pew Research Center, Publics around the world follow national and local news more closely than international

75. Pew Research Center, [Older adults tend to follow local news more than the young](#)
76. See Snopes' discussion of "Pizzagate," [Chuck E. Sleaze](#)
77. [Examining the Alternative Media Ecosystem through the Production of Alternative Narratives of Mass Shooting Events on Twitter](#)
78. PolitiFact, [We started fact-checking in partnership with Facebook a year ago today. Here's what we've learned](#)
79. Google, [Learn more about publishers on Google](#)
80. Mark Zuckerberg, [Facebook](#)
81. NiemanLab, ["If Facebook stops putting news in front of readers, will readers bother to go looking for it?"](#); Australian Competition & Consumer Commission, ACCC commences inquiry into digital platforms; *The Guardian*, 'Downright Orwellian': journalists decry Facebook experiment's impact on democracy; DigiDay, Collateral damage from Facebook's news-feed changes begins to pile up
82. A few examples: The Street, [Brill-Crovitz Start-Up News Guard Will Take Aim at Fake News](#); The Associated Press has a weekly ["Not Real News"](#) feature; The American Press Institute has a four-year-old [Fact-checking and accountability journalism project](#)
83. Reuters Institute, University of Oxford, [2018 Journalism, Media, and Technology Trends and Predictions](#), pp. 16-19
84. *MinnPost*, [Growing number of Somali media outlets in Minnesota aim to shed positive light on community](#)



## **ABOUT THE REPORT**

The McKnight Foundation commissioned this report to inform our program strategies and share knowledge with others working in this field. The research and opinions presented in this report are those of the author and do not necessarily reflect the official policy or position of the McKnight Foundation.

Because we foster a culture of inquiry and constantly monitor external trends as part of our work, we have had several internal conversations across program areas about how our goals and strategies connect to the public information system. McKnight does not have a designated media and democracy program, and our media funding is limited to supporting a few of our home state's major independent public media institutions.

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## **ABOUT THE McKNIGHT FOUNDATION**

The McKnight Foundation, a Minnesota-based family foundation, seeks to improve the quality of life for present and future generations. Program interests include regional economic and community development, Minnesota's arts and artists, education equity, youth engagement, Midwest climate and energy, Mississippi River water quality, neuroscience research, international crop research, and rural livelihoods. Founded in 1953 and independently endowed by William and Maude McKnight, the Foundation has assets of approximately \$2.3 billion and grants about \$90 million a year.