

LESS NEWS IS BAD NEWS

The Media Crisis and New Jersey's News Deficit

*A Report from New Jersey Policy Perspective
and the Sandra Starr Foundation*

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INTRODUCTION

On July 23, 2009, the Federal Bureau of Investigation announced the arrests of 44 people, including half a dozen New Jersey public officeholders, on charges ranging from political corruption to trafficking in human organs. The massive corruption sweep ran on network and cable news and grabbed headlines in the next day's papers across the country. If New Jerseyans were surprised, it was only by the scale of the operation. In an October, 2007 poll, nearly two-thirds of those asked had agreed that New Jersey has "a lot" of political corruption.¹

New Jersey has a notorious and well-deserved reputation for corrupt government. What explains the persistence and prevalence of corruption in the state? Recent studies analyzing rates of political corruption in different countries and through history identify the extent of independent, information-oriented news media as a critical factor inhibiting corrupt practices.² New Jersey's problem may in part be due to the inadequacies of journalism in the state, particularly in relation to the number of governmental units. New Jersey is distinctive in both respects. The state has 566 municipalities and 593 operating school districts, each with its own governing body and budget, and because of the state's tradition of home rule, local officials handle a lot of money. But the state is also distinctive in having

an electorate that receives little local news coverage and has relatively little knowledge of local and state politics. To make matters worse, the number of professional reporters in the state has fallen in recent years.

New Jersey has faced a chronic news deficit because of peculiarities of its geography and economic development. From the time of the nation's founding, the state has developed in the shadow of the two great cities across its borders, New York and Philadelphia, and failed to develop a major urban center of its own. Today, New Jersey's largest city, Newark, is home to just 3.2 percent of the state's population, and rather than serving as an independent media center, Newark falls within the larger New York media market. So instead of watching local newscasts devoted to New Jersey issues, people in the northern part of the state watch TV news oriented to New York City, while southern New Jerseyans watch stations based in Philadelphia. Many New Jersey residents also listen to out-of-state radio stations and read out-of-state newspapers. As a result, they know less about their own state's news than citizens of other states know about theirs.

New Jersey's local daily and weekly newspapers have partially compensated for the underprovision of local New Jersey coverage in other venues. But because of declining circulation and

advertising revenue, the state's papers—like others across the United States—have had to make sharp cutbacks in their newsrooms.

Recent expansions in cable news and online news devoted to New Jersey show some promise, but these developments alone will not remedy all of the underlying problems in the state. Like New Jersey's public broadcasting stations, the cable channels and online sites offering New Jersey news attract a relatively small audience. Moreover, local online news sites are developing primarily in the more prosperous, highly educated communities, where the state's best local newspapers are concentrated. As a result, there is little, if any, journalistic oversight of local government in many of the state's poorer, less educated communities.

To serve their full public mission, whether in deterring corruption or in providing citizens the information they need to vote, the news media must not only produce news, but the news they produce must reach the wider public throughout the state. As newspapers decline, it's not clear that any other medium with New Jersey news will have that reach.

I. THE TELEVISION NEWS DEFICIT

New Jersey's television news deficit is largely the result of a long history of neglect by commercial stations in New York and Philadelphia and the state government's delay and stinginess in developing public television. From 1961 until the early 1980s, no VHF station was located within the state. When the Federal Communications Commission finally gave a license to a broadcaster in New Jersey (WOR in Newark), the station behaved as if it were in New York City and devoted little time to New Jersey news. After decades of delay, New Jersey finally established a public television network, but its reach was hampered by poor reception in parts of the state. The expansion of cable television has alleviated this problem, and much of the state receives additional New Jersey news coverage on cable, but few New Jerseyans watch New Jersey news on either the public broadcasting or cable channels.

Commercial Broadcast Television

In 1961, the owners of New Jersey's only commercial VHF station, Newark-based Channel 13, sold its license to a non-profit group that converted it to a regional educational station—

today's WNET.³ During the 1970s, the New Jersey Coalition for Fair Broadcasting—a diverse group of politicians, organizations, and interest groups dedicated to improving broadcast news in New Jersey—commissioned three studies to track coverage of New Jersey on local broadcast stations in New York and Philadelphia. In all three studies, none of the stations devoted more than one-fifth of their local newscasts to New Jersey news. Even during the last week before a hotly contested gubernatorial primary in 1977, the four major New York networks plus Channel 11 (WPIX) spent less than 20 minutes out of 22 ½ hours covering the race.⁴ In the last, most extensive study, covering the period from October 1979 to June 1980, only three stations spent more than five minutes per day on New Jersey news, and no station spent more than six.⁵

After the first study, the coalition petitioned the FCC to create new rules to ensure more coverage of New Jersey on broadcast television. The commission rejected the coalition's proposals and instead implemented a much weaker set of rules, which quickly proved inadequate. Proponents of VHF service in New Jersey soon turned their attention to Congress. In 1982, following a long dispute over relicensing of New York-based Channel 9, Congress passed and President Ronald Reagan signed a bill that let the current licensee, RKO General, keep Channel 9 if it agreed to move the station to New Jersey.⁶ Shortly thereafter, RKO agreed to relocate Channel 9/WOR in Newark.

Although New Jersey finally had its VHF station, the expected news coverage did not follow. WOR has been "New Jersey" in name only. It has never had a full-time Trenton correspondent, and its evening news show is indistinguishable from those of the New York stations in its regional scope.⁷ In 1995, WOR news director Will Wright, who had taken significant steps to increase coverage of New Jersey on the station's nightly newscast, told the *New York Times*, "It's important that we cover New York and Connecticut with the same level of competence as our competitors. We don't want someone to say, 'Gee, I'm not going to watch Channel 9 because all they do is cover New Jersey.'"⁸ A study of media coverage of the 2005 election showed that although WOR's nightly news stories on the New Jersey election tended to be longer than those of New York stations, WOR aired just ten stories on the New Jersey race in the entire month before the election.⁹ Between 1999 and 2006, WOR covered New Jersey news stories at a rate of not quite one story every other day.¹⁰

New York and Philadelphia VHF stations have not significantly improved their New Jersey coverage in recent years. Although Philadelphia stations may have done a better job covering New Jersey news in the late 1970s, an Eagleton Institute study of television coverage during the last month of the 2005 election suggests that they may now be doing worse than their New York counterparts. The study found that of all out-of-state VHF stations, only New York-based WNBC provided something that approached adequate coverage. Nonetheless, all New York stations, including WNBC, ran more stories on the New York City mayor's race than on the New Jersey gubernatorial race that year, even though the New Jersey election was a closer contest, according to election polls.

WNBC's coverage of the 2005 campaign should be regarded as an exception to the general rule that out-of-state local broadcast news devotes little attention to New Jersey. New York and Philadelphia stations have never provided their New Jersey audience with adequate local public-affairs news coverage, and this is not likely to change in the near future. The fundamental problem is that they do not have the commercial incentive to do so because their ratings depend chiefly on their success in attracting viewers from their primary audiences in New York or Pennsylvania.

Public Television

The major public television stations serving New Jersey are also based outside the state: WNET Channel 13 in New York and WHYY Channel 12 in Philadelphia. WNET offers more New Jersey coverage than the commercial networks do, airing a nightly New Jersey news broadcast produced by the publicly funded New Jersey Network (NJN) as well as a weekly New Jersey public affairs show. Philadelphia-based WHYY Channel 12 offers no news or public affairs programming with a specific focus on New Jersey.

New Jersey policymakers took a long time to get a system of public television up and running. In 1952, the FCC set aside six UHF assignments for non-commercial educational stations in New Jersey. By 1967, the state's allotment had fallen to four, and the next year a commission declared that New Jersey was "lagging far behind most of the states in the nation" in establishing a system of public broadcasting.¹¹ Finally, on April 5, 1971, WNJT began broadcasting on UHF Channel 52 from

Trenton.¹² By 1973, three more stations had been established in Camden, Montclair, and New Brunswick, and today NJN's signal reaches almost all of the state.¹³ Weak broadcast signals have limited NJN's audience, though the spread of cable TV has reduced this problem.¹⁴

With its nightly newscast, NJN covers New Jersey political and government affairs news far more thoroughly than any commercial broadcast stations do. As of 2007, an estimated 108,000 viewers watch NJN News on NJN and WNET combined.¹⁵ The Eagleton survey of the 2005 election found that NJN's nightly newscast provided by far the most comprehensive coverage of the state's elections.¹⁶ In addition to its nightly newscast, NJN also produces four weekly half-hour programs with extensive news and public affairs content. The network covers some live events from the statehouse, including budget hearings and the governor's State of the State address.

State funding for NJN, however, has plunged in the past 20 years and especially in the last decade. In the late 1980s, NJN received \$11.3 million from the state, but today, just \$4 million of its \$20 million budget comes from the state. In the last eight years, the state has cut funding by an average of 8 percent per year. In response to the proposed cuts in the FY2009 budget, NJN executives asked the state to allow it to transfer its licenses from the state's New Jersey Public Broadcasting Authority to the private nonprofit Foundation for New Jersey Public Broadcasting, which has raised money for NJN.¹⁷ The plan was opposed by state lawmakers and the unions and soon scuttled.

Cable Television

New Jersey has long ranked among the nation's top states in cable television coverage and subscription rates.¹⁸ But New Jersey-focused news programming did not develop until two cable companies entered the arena in the mid-1990s. The regional Comcast-operated channel CN8 has recently folded, but News 12 New Jersey, a 24-hour New Jersey news channel started as a joint venture between Cablevision and the parent company of the *Star-Ledger*, reaches some 1.8 million New Jersey households.¹⁹ With its round-the-clock news on weekdays and more varied programming during the weekend—including an hour-long talk show called *New Jersey Power and Politics*—News 12 New Jersey has proven itself a worthy competitor to NJN. During the last month of the 2005 election,

News 12 ran the greatest number of stories of any station, including seven stories on down-ballot races and seven on that year's ballot questions, although the stories were usually very short (just 43 seconds on average).²⁰ News 12 New Jersey is available to cable subscribers in the New York metropolitan area, but it is unavailable to Verizon FiOS customers and those who live in the Philadelphia media market. Verizon has launched its own local news channel, FiOS 1, so it may be some time before News 12 reaches FiOS customers. Like most broadcast media outlets, News 12 does substantially less investigative and original reporting than print media publications.

As of 2009, more than 85 percent of U.S. households subscribe to some multichannel video programming distributor,²¹ and that percentage may be even higher in New Jersey. Technology has made more New Jersey news available to TV viewers, but few of them are tuning in. NJN and News 12 New Jersey are not reaching enough of the citizens in the state to make much of an improvement in the overall level of civic literacy.

II. NEW JERSEY'S NEWSPAPERS IN CRISIS

Because television news programs have failed either to cover New Jersey or to reach a wide audience, New Jerseyans have historically been especially dependent on newspapers for news about state politics and government.

Eagleton surveys have generally found that at least half of the state's residents say they get most of their news about state politics from newspapers, while around a third say they rely on television. In May 2003, for example, 54 percent of respondents reported getting most of their information about New Jersey issues from newspapers and 31 percent reported relying on television.²² In contrast, in a nationwide poll taken in May, 2006, 39 percent of respondents reported getting most of their "information about the actions and activities of state and local government" from television, compared to just 37 percent for newspapers.²³

Newspaper reading is also correlated with higher levels of political interest and knowledge in New Jersey, as it is elsewhere. In a February 1998 poll, 68 percent of regular political news followers say they relied on newspapers, but just 46 percent of others did. In that same poll, just 15 percent of newspaper readers were unable to give Governor Christine Todd Whitman's political party affiliation, but 32 percent of those who said they relied on television for political news failed to identify her as a Republican.²⁴ The 2003 poll found that being able to correctly identify the party in control of the state Assembly is strongly correlated with regularly reading a newspaper but not with regularly watching local news on television. These correlations may reflect other differences between newspaper readers and television viewers; for example, newspaper readers tend to have more education. But considering the lack of New Jersey coverage on the TV stations New Jerseyans watch, it hardly seems surprising that those who rely on TV should know less about politics in the state.

Because of their reliance on newspapers for state and local news, New Jerseyans may be affected more than citizens in other states by declining circulation and cutbacks in newspaper journalism. Throughout the United States, newspaper readership is down sharply, especially among 18-to-34 year-olds, and even older people are reading newspapers less than they were ten years ago.²⁵ Craigslist, Monster.com, Zillow, and similar sites have drawn advertising away from newspapers, and a general glut of advertising space online has made it impossible for newspapers to keep up their advertising rates and generate the revenue that they expected from online traffic. These problems, which were simmering under the surface when the economy was strong, have boiled to the surface in the recession. Measures to increase efficiency in production and distribution have proven insufficient, and most papers have been forced to cut staff in the newsroom, sometimes by more than 50 percent. That is exactly what has been happening in New Jersey.

Table 1: Recent Staff Reductions at New Jersey Newspapers

Star-Ledger	Of newsroom staff of 334, 151 were granted buyouts in October 2008.
Trenton Times	Newsroom staff has fallen from approximately 90 to 30 in the last three years.
The Record	The 2009 ASNE census found that the number of newsroom employees fell from 274 at the beginning of 2008 to approximately 220 at the end of the year.
Jersey Journal	In 2002, 17 newsroom employees were laid off, and by 2006 the size of the Journal’s editorial department had fallen to 28 from over 40 earlier in the decade. Another round of layoffs and buyouts earlier this year has reduced the editorial staff to just 14.
Gannett Papers	In the last year and a half, at least 469 jobs have been eliminated at Gannett’s six New Jersey newspapers. In May, 2008, 83 employees took buyouts, and the following month, 55 more were laid off. In December, 2008, the company cut 206 jobs at its New Jersey papers, and this past July, another 106 full-time and 19 part-time jobs were eliminated.
Daily Record	The editorial department had 65 employees as of 2006. The 2009 ASNE newsroom census counted 51 full-time newsroom employees.
Home News Tribune	Newsroom size has fallen from at least 67 in 1998, shortly after Gannett purchase, to just 35 in the most recent ASNE census.
Press of Atlantic City	In November, 2008, the paper cut 15 jobs.
NJN Publishing	In January, 2009, 25 of 142 employees at the Hunterdon County Democrat and the group’s other weekly papers were laid off.
Burlington County Times	Number of full-time reporters at paper has fallen from approximately 19 to 14 over the past eight years.

Note: The American Society of News Editors newsroom census for the years 2006-2009 provides percentages of four different minority groups on newsroom staff of all participating papers, but does not publish the size of newsroom staff at each paper. However, because these figures are reported to tenths of a percent precision, it is sometimes possible to restrict the set of possible newsroom sizes of a particular paper to a few—and sometimes even one—reasonable possibility. As many of the links in the ASNE website are broken, including those to the relevant tables, the information was obtained from a Google cache of the specific pages in question.

Anick Jesdanun, “Star Ledger cuts newsroom staff by more than half,” Associated Press, October 24, 2008; Brian Malone, Phone call with author, July, 2009; Jean Rimbach and Karen Mahabir, “Jersey Journal Survives Crisis – Drivers agree to accept layoffs,” The Record, February 3, 2002. (newsbank); Jerome Aumente, From Ink on Paper to the Internet : Past Challenges and Future Transformations for New Jersey’s Newspapers (Morristown: New Jersey Heritage Press, 2007), 277 & 300; Jon Whiten, “The Jersey Journal is Saved but At Least Five Jobs Are Lost,” Jersey City Independent, April 14, 2009 <http://www.jerseycityindependent.com/2009/04/14/the-jersey-journal-is-saved-but-at-least-five-jobs-are-lost/> (accessed September 4, 2009); Erina Lin, “Gannett cuts 55 positions in New Jersey,” Shaping the Future of the Newspaper, <http://www.sfnblog.com/employment/2008/06/gannett-cuts-55-positions-in-nj.php#more> (accessed September 4, 2009); Joe Strupp, “Who’s Covering New Jersey,” New Jersey Monthly, January 15, 2009, <http://njmonthly.com/articles/lifestyle/whos-covering-new-jersey.html> (accessed September 2, 2009); Staff Report, “Gannett Eliminates positions at NJ newspapers,” myCentralJersey.com, July 9, 2009, <http://www.mycentraljersey.com/article/20090709/NEWS/90709038/1022/rss07> (accessed September 2, 2009); Wally Edge, “Press of Atlantic City cuts 15 jobs,” PolitickerNJ, November 6, 2008, <http://www.politickernj.com/wallye/25257/press-atlantic-city-cuts-15-jobs> (accessed September 2, 2009); “Ad slump brings layoffs at Hunterdon Democrat,” Hunterdon County Democrat, January 7, 2009, http://www.nj.com/hunterdon/index.ssf/2009/01/ad_slump_brings_layoff_at_hunt.html (accessed September 2, 2009); Phone call to Burlington County Times, September 3, 2009;

Table 2: Circulation of New Jersey Daily Newspapers, 1993-2009

NEWSPAPER	TOTAL CIRCULATION			CHANGE	
	1993	2001	2009	'93-'09	'01-'09
Star-Ledger	473,558	407,767	287,082	-39%	-30%
The Record	158,654	182,979	168,508	-23%	-8%
The Herald News	60,042	*	*	*	*
Asbury Park Press	166,717	167,336	123,949	-33%	-26%
Ocean County Observer	17,742	*	*	*	*
Press of Atlantic City	83,116	74,100	63,279	-24%	-15%
Courier-Post	89,714	82,135	58,515	-35%	-29%
The Times	83,801	76,870	47,703	-43%	-38%
Home News Tribune	*	65,647	42,243	n/a	-36%
– The Home News	n/a	*	*	*	*
– The News Tribune	54,280	*	*	*	*
Trentonian	76,126	48,220	35,889	-53%	-26%
The Daily Record	56,030	42,850	29,732	-47%	-31%
Burlington County Times	44,393	40,067	29,129	-34%	-27%
The Jersey Journal	64,334	37,991	23,815	-63%	-37%
Courier News	49,891	40,837	22,691	-55%	-44%
Gloucester County Times	28,653	22,217	20,650	-28%	-7%
The Daily Journal	20,348	17,509	15,459	-24%	-12%
The Herald	18,259	16,414	13,258	-27%	-19%
Today's Sunbeam	10,491	10,142	8,870	-15%	-13%
The News of Cumberland County	10,757	7,791	6,691	-38%	-14%
TOTAL Daily	1,568,899	1,342,873	999,472	-36%	-26%
TOTAL Sunday	1,870,005	1,642,904	1,177,479	-37%	-28%

1993 circulation data: New Jersey Press Association, *New Jersey Press Association Membership Directory, 1994* (Trenton: New Jersey Press Association, 1994). Circulation figures for The *Home News* were pending an ABC audit at time of publication.

2001 circulation data: New Jersey Press Association, "Member Newspapers – Dailies,"

http://web.archive.org/web/20031026092532/http://www.njpa.org/njpa/member_newspapers/daily_newspaper_members.html

(accessed September 2, 2009). 2009 circulation data: Audit Bureau of Circulation, *Access ABC: eCirc for Newspapers*, Audit Bureau of Circulation, <http://abcas3.accessabc.com/ecirc/newsform.asp> (accessed September 2, 2009). Circulation averages for October 2008 - March 2009.

Daily In-State Newspapers

With its unusually affluent and highly educated population, New Jersey has provided a fertile environment for newspapers. Yet no newspaper has ever been able to establish itself as a bona fide statewide paper, although two have tried. During the 1950s and 1960s, the *Newark Evening News* was the state's largest paper, selling 300,000 copies daily and 400,000 on Sundays, and was often referred to as "*The New York Times of New Jersey*."²⁶ The *Evening News* began a rapid decline at the time of the Newark riots of July 1967, and by the end of August 1972, its owners had shut it down. Newark's remaining paper, the *Star-Ledger*, expanded its circulation area to encompass most of north and central Jersey. The *Star-Ledger's* circulation climbed to its zenith in the early 1990s, at 483,400 on weekdays and 717,500 on Sundays. The paper has now retreated from its efforts to become a statewide newspaper, but it remains the state's largest, with circulation easily surpassing that of the second and third largest papers combined.

Instead of a single statewide paper or a handful of large metropolitan dailies, an array of medium-sized, suburban dailies has flourished, often thanks to the prescience of their editors, publishers and owners who anticipated the demographic changes that reshaped the state after World War II. New Jersey's economic geography has affected the development of its print media just as it has affected its electronic media. Most suburbanites do not identify with any of the state's relatively small major cities, which alone, with their predominantly low-income populations, provide a limited advertising base for newspapers. As a result, many New Jersey newspapers have dropped the name of their city of origin from their masthead. Only two New Jersey papers, the *Asbury Park Press* and the *Press of Atlantic City*, now explicitly identify their home cities on their mastheads. Furthermore, coverage in the state's dailies has focused more on suburban areas, where affluent readers are likely to live, than on the cities where the poor live.²⁷ Most New Jersey dailies are more aptly described, therefore, as suburban than as metropolitan newspapers.

The history of newspapers in Newark underscores the importance of the suburbs. The *Evening News* remained a true metropolitan newspaper until its demise, but *Star-Ledger* editor Mort Pye reinvented his paper by focusing on the suburbs. Pye opened up bureaus in several suburban counties and increased

statehouse coverage, which has become a staple of the *Star-Ledger*.²⁸ Not long after the Newark riots, the *Star-Ledger* dropped "Newark" from its masthead.²⁹ Pye's successor Jim Willse, who remains the editor, credits Pye with anticipating the suburban growth in the region.

While the *Star-Ledger* began as a metropolitan paper in the state's largest city, the state's next two largest papers come from small towns that never ranked among the state's top 25 largest municipalities. *The Record*, the second largest newspaper in the state, is the paper of record in Bergen as well as Passaic County, where it is printed under the masthead of the *Herald News*.³⁰ When the *Record* was founded in 1895, neighboring Passaic County claimed twice the population of Bergen, but Bergen's rapid growth in the early 1900s allowed the *Record*, rather than one of the metropolitan dailies in Passaic City or Paterson, to emerge as the most important paper in the northeastern corner of the state. The *Record* is a distinctly suburban paper, and indeed it must be, as the largest city in Bergen County, Hackensack, is home to only 43,000 residents while Bergen County as a whole has about 900,000. New Jersey's third largest paper, the *Asbury Park Press*, grew rapidly between the 1960s and 1980s, thanks to the foresight of editor Wayne McMurray and production manager John Plangere, who anticipated the rapid development that the Garden State Parkway would bring to the paper's circulation area. During this era, the paper attracted readers with its "distinctly local" coverage.³¹

Partly because of their interest in expanding readership beyond their home cities, newspapers in New Jersey have exhibited an unusual commitment to statehouse journalism. In 2000, the *American Journalism Review* counted 39 reporters covering the state government in Trenton, giving New Jersey the second largest statehouse corps in the country (only California had more).³² By 2003, however, that number had dropped to 35, and it has plummeted to 15 in the most recent count.³³ The decline reflects a national pattern. According to the most recent *American Journalism Review* survey, the number of statehouse reporters has declined nationally by one-third in the past six years.³⁴ While the cuts have been especially steep in New Jersey, the state still ranks fifth in the number of full-time state house reporters.

The change in statehouse journalism is not only quantitative. The *Star-Ledger* and other papers have let go veteran journalists with

many years of experience, in some cases replacing them with junior reporters at very low salaries. In addition, competition for stories has declined because the *Star-Ledger* and *Record* have merged their statehouse bureaus, and some newspapers no longer compete at all. Earlier this decade, the statehouse corps was more diverse than it is now. Besides the *Star-Ledger*'s 13 statehouse reporters, Gannett and the *Record* employed seven full-time statehouse reporters each. Both Trenton newspapers had their own statehouse bureau, and the *New York Times* and *Philadelphia Inquirer* also had full-time reporters in Trenton. For a time, even the biweekly *Princeton Packet* had its own statehouse reporter. Shortly before the merger, when the *American Journalism Review* finished its count of statehouse reporters, nine of New Jersey's 15 statehouse reporters worked for either the *Ledger* or the *Record*.

The rationale for the merger was that only a larger bureau could cover the state government adequately. "To be minimally effective in Trenton, you need a basic lineup of beats," Willse says, "[including] the governor's office, the legislature, the Supreme Court. . . , the Attorney General and state police, social services like DYFS, [and] various state agencies." Willse also emphasizes the need for at least one and preferably multiple investigative reporters "who read the fine print and follow leads." Statehouse journalism is different in New Jersey than in other states, according to Willse, because of the state's powerful governor, the relative weakness of county government, the absence of any one large city which would draw away reporters, and the proximity of Trenton to the rest of the state.

Out-of-State Daily Newspapers

Six out-of-state papers claim substantial New Jersey circulation. *The New York Times* and *Wall Street Journal* deliver papers to all parts of the state and have substantial newsstand circulation as well. As of 2007, according to the Audit Bureau of Circulation, the *Times*' circulation in New Jersey was 127,101 daily and 182,557 Sunday.³⁵ The *New York Post* and *New York Daily News* also sell a significant number of papers in the northern part of the state. In South Jersey, the *Philadelphia Inquirer* has an average weekday circulation of 64,870 in New Jersey, which jumps to 130,258 on Sundays. The *Express-Times*, based in Easton, Pennsylvania, is the paper of record in most of Warren County as well as northern Hunterdon County.

Like their counterparts on broadcast news, the New York City and Philadelphia papers offer relatively little coverage of New Jersey news. The *Times* has abandoned serious coverage of New Jersey. The paper closed its Trenton bureau in May 2008 and moved its only Trenton reporter, David Chen, to New York's City Hall. The *Times* also eliminated its Sunday New Jersey section this past May. In the first six months of 2009, the *Times* mentioned New York State Assembly Speaker Sheldon Silver more frequently than it has New Jersey Governor Jon Corzine. The *Philadelphia Inquirer*, in contrast, has stepped up its New Jersey statehouse coverage this year. In the first six months of 2009, the *Inquirer* Trenton Bureau has produced 125 articles, more than twice as many as in the previous year. But the *Inquirer* is currently in bankruptcy, and its ability to cover New Jersey in the future is uncertain.

Weekly Newspapers

The state's daily newspapers have been unable to cover local government with the same breadth and depth that they do state government for one simple reason: there are simply too many local governments for them to cover. Each of the state's 566 municipalities and 593 school districts has its own governing body and budget, and there is no way the state's daily newspapers can cover all of them thoroughly and consistently. In many towns, community weeklies, rather than dailies, have filled the role of local watchdog.

Local journalism is especially important in New Jersey because of the state's home rule tradition. New Jersey ranks behind only New Hampshire in share of total state and local taxes represented by local property taxes.³⁶ The local level is not only where most of the governing happens in New Jersey, it is also where most of the corruption happens. The vast majority of New Jersey public officials charged with and convicted of corruption-related offenses in the past decade have been local officials.³⁷

Some daily newspaper publishers in New Jersey have invested in community news by purchasing independent weeklies or starting weeklies of their own. Weeklies and dailies attract different groups of advertisers, and investing in community newspapers gives publishers of dailies access to both of those groups. Advance Publications and North Jersey Media Group have been the most aggressive among the daily newspaper

**Table 3: New Jersey Weekly Newspapers,
Numbers and Circulation, 1993, 2003, 2009**

	1993	2003	2009	% change	
				93-09	03-09
# of Paid Circulation Weeklies	101	102	76	-25%	-25%
Independent	21	12	9	-57%	-25%
Group	80	90	67	-16%	-26%
Circulation 5,000 or greater	34	31	21	-38%	-32%
	Newspapers gaining circulation, '03-'09		12	n/a	n/a
	Newspapers losing circulation, '03-'09		61		
Total Paid Circulation	471,057	517,216	303,917	-35%	-41%
Hunterdon County Democrat	24,362	23,804	21,771	-11%	-9%
The Coast Star (SE Monmouth)	6,518	13,138	13,168	102%	0%
Press Journal (NE Bergen)		7,406	11,107	n/a	50%
The Central Record (Medford)	13,100	11,597	10,021	-24%	-14%
Montclair Times	12,172	10,222	9,148	-25%	-11%
Princeton Packet	13,526	10,530	8,599	-36%	-18%
Ocean City Sentinel		10,500	7,760	n/a	-26%
The Bernardsville News	8,515	8,689	7,072	-17%	-19%
<p>2009 figures: New Jersey Press Association, "NJPA Members," http://www.njpa.org/njpa/member_newspapers/ (accessed September 2, 2009). 2003 figures are taken from Internet Archives of the New Jersey Press Association webpage from late 2003. 1993 figures: New Jersey Press Association, <i>New Jersey Press Association Membership Directory, 1994</i> (Trenton: New Jersey Press Association, 1994).</p>					

publishers in inserting themselves in the weekly newspaper market. North Jersey Media Group has built a dominant presence in the weekly newspaper business in the main circulation area of its dailies. Two other daily newspaper publishers, Gannett and the Journal Register Company, also publish weekly newspapers in the state.

Despite their recent acquisitions, daily newspaper publishers still control less than 36 percent of the total paid circulation for weekly newspapers in New Jersey. Three companies that specialize in the community newspaper business—Packet Publications, Recorder Community Newspapers, and Worrall Community Newspapers—are responsible for about 40 percent of the

state's paid weekly newspaper circulation. All three companies operate in compact geographical areas: Packet Publications in the Trenton-Princeton area, Recorder Community Newspapers in Morris County and bordering towns in Essex, Somerset, and Hunterdon, and Worrall Community Newspapers in Essex and Union Counties. In June 2008, Worrall Community Newspapers combined its Union County weeklies to form Union County Local Source.³⁸ Ownership of free circulation weeklies is similarly concentrated. Independent newspapers and smaller chains make up a small proportion of the community newspaper business in New Jersey; they are responsible for less than a quarter of the paid circulation and less than an eighth of the free circulation of weekly newspapers in the state.

The state's paid weeklies have seen the same downward trends in circulation as the state's dailies, though perhaps not to the same degree. Since 2003, circulation of the *Hunterdon Democrat*, the state's largest paid weekly, has declined about 8.5 percent. Circulation at the four largest paid community weekly groups has dropped by more than 16 percent in the same period.

Some weeklies have recently stopped publishing, either because their owners have shut them down, as Advance did with the *Delaware Valley News*, or because two or more local weeklies have been merged to create a paper with a broader geographic base. While weeklies are no doubt struggling, they may not be faring as badly as the state's dailies. North Jersey Media Group President Stephen Borg indicates that the company's weeklies are faring much better than its dailies.³⁹

Perhaps the biggest problem with weekly newspapers in New Jersey is the great disparity in coverage from one municipality to another. Some communities such as the Princetons and Nutley have two weekly newspapers, whereas others such as Hamilton Township and Perth Amboy have none. The quality of coverage varies substantially between newspapers and companies. In 2008 North Jersey Media Group papers took home more than half of the New Jersey Press Association awards for weeklies, and only once in the last ten years has a weekly paper not published by North Jersey Media Group or Packet Publications won an NJPA award for general excellence. The inconsistency of coverage means that local government operates in relative secrecy in much of the state.

In general, the state's more affluent suburbs tend to be better served by local print media than its poorer cities, though there are some exceptions. A notable one is Marlboro Township in Monmouth County, which shares a free weekly newspaper with five other communities in the area with a combined population of some 120,000. The lack of a strong local newspaper allowed corruption to run rampant in the town for much of the last 20 years. Corruption has also found its way into less wealthy, urban communities without effective weekly newspapers, such as Perth Amboy and New Brunswick.

III. THE LIMITS OF OTHER TRADITIONAL MEDIA

Although television newscasts and newspapers have for decades been the principal sources of news in the United States, two other traditional sources of news coverage—magazines and radio—serve important functions.

Some states and cities have magazines that offer significant original reporting on politics and public affairs. Among the examples of state magazines are the *Texas Monthly* and *Texas Observer* and Massachusetts' *CommonWealth* magazine. New Jersey used to have a monthly that reported on politics and public affairs in the state. Published monthly by the Center for Analysis of Public Issues until 2001 and then as a quarterly for several years, *New Jersey Reporter* had a circulation of only 2,000 to 3,000 and ultimately lost the nonprofit support that had sustained it.⁴⁰ *New Jersey Monthly* is a consumer magazine with minimal public-affairs content, and none of the state's cities has the kind of lively, originally reported political magazines that can be found in cities elsewhere in the country.

While broadcast television has largely bypassed New Jersey, radio has found a home in the state in the last two decades. Partly because of traffic and commuting delays, New Jerseyans spend a lot of time in their cars listening to radio, and the state's compact size and population density allow a radio station with a strong signal to reach a large share of the state's people. Prior to the 1990s, however, New Jerseyans interested in talk radio listened mostly to New York and Philadelphia stations, which largely ignored New Jersey. In March 1990, a Trenton-based radio station, WKXW, switched from adult contemporary to a news talk format, and program director Jay Sorensen saw a market for New Jersey-focused programming. Rebranded New Jersey 101.5, the station quickly found a niche mixing conservative talk with New Jersey news. The station grew rapidly in its first few months, gaining influence and audience by attacking Governor Jim Florio on the issues of taxes and gun control and playing a role in the Republican takeover of the state legislature in 1991.⁴¹ While the station lost some of its audience after Florio's defeat in 1993, it has continued to be an influential player in New Jersey's political arena.⁴² New Jersey 101.5 has a small news staff of less than twenty people, but its capacity to do original and investigative reporting falls far short of newspapers.⁴³

New Jersey also has 13 stations affiliated with National Public Radio. Four of these are music stations, while nine are class A stations owned by NJN. Most of NJN's stations, however, are located in less populated areas of the state, and because of its limited budget, NJN relies largely on shows syndicated by NPR or other public radio stations. The most listened-to public radio station in New Jersey—and indeed the nation⁴⁴—is WNYC. Although based in New York, WNYC includes New Jersey stories in its local news coverage, and its local news-talk

program, the *Brian Lehrer Show*, does occasionally discuss New Jersey issues. Philadelphia’s largest public radio station, WHYY 90.9 FM, actually ranks higher in the Philadelphia market than WNYC does in New York⁴⁵ The station broadcasts its local news/talk show, *Radio Times* with Marty Moss-Coane, during the same 10 a.m. to noon time slot as WNYC’s *Brian Lehrer Show*, but it gives significantly less attention to New Jersey news and issues.⁴⁶

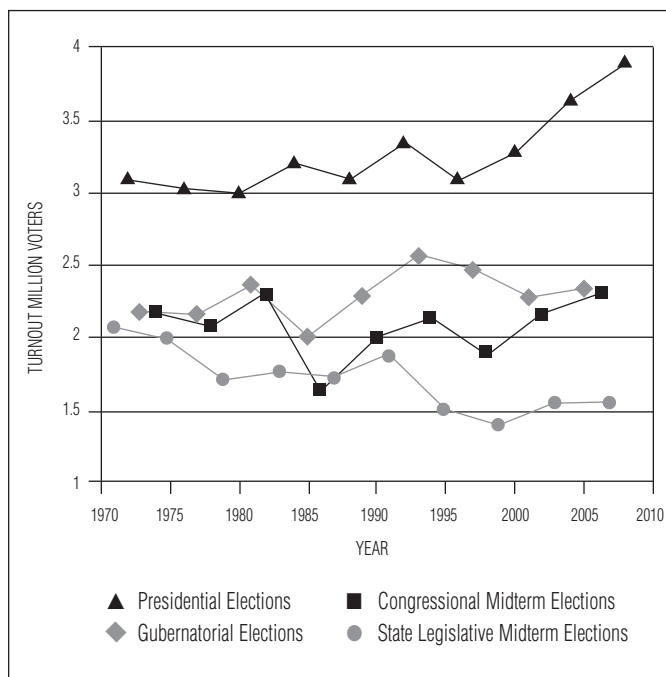
IV. THE NEWS DEFICIT AND CIVIC LITERACY IN NEW JERSEY

New Jersey usually ranks second or third in per capita income among states, and its population is relatively well educated. If income and education were the sole determinants of civic literacy, New Jersey voters should rank near the top in the United States. But its voters tend to be both less informed about and less interested in state issues than voters in other states. Barely one-third of those polled in an April 1978 Eagleton Poll were able to correctly identify at least one of the state’s U.S. senators, even though Clifford Case and Harrison Williams had served in that body for at least three terms.⁴⁷ In 2004, just 12 percent of respondents could name both members of the state’s Senate delegation, and 70 percent were unable to name either.⁴⁸ National surveys have found that roughly half of Americans can name one of their senators and about one-quarter can name two.⁴⁹ A study done in the 1980s found that while New Jerseyans show similar levels of interest in national politics to citizens of other states, they tend to be a lot less interested in state and local politics.⁵⁰ This lack of interest in state and local public affairs may contribute to residents’ often fatalistic attitude about corruption.

Turnout in off-year state elections has decreased in recent decades even when the entire Assembly (and sometimes the Senate) is up for re-election. In the six off-year elections between 1971 and 1991, total turnout varied from 1.71 million to 2.06 million, but in the last four off-year elections, turnout has not exceeded 1.55 million. Lately, in contrast, turnout in New Jersey in presidential elections has grown, setting records in four of the last seven cycles and surpassing 3.91 million in 2008.

The low level of information among the New Jersey electorate has had a significant effect on how campaigns are run in the state. Salmore contends that “almost all New Jersey political contests begin with an electorate that knows little about the candidates.”⁵¹ As a result, television advertisements are especially

Voter Turnout in New Jersey Elections 1971-2008



important for gaining name recognition. But to broadcast their message to voters across the state, candidates must buy ads in the largest and fourth-largest media markets in the country, making the campaigns both expensive and inefficient. Nearly three of four advertisements are wasted on viewers in New York, Pennsylvania, Connecticut, and Delaware. As a result of the cost, it’s hardly surprising that New Jersey tends to produce more than its share of millionaire candidates and officeholders.⁵² The dependence on election advertising is the flip side of the news deficit in New Jersey. The lack of news coverage makes it difficult for political leaders to *earn* recognition in the state. Instead, they have to buy it.

V. ONLINE NEWS IN NEW JERSEY

Many observers hold out hope that the Internet can remedy the problems that have afflicted political communication in the age of mass media, and indeed, there is no doubt that the Internet is revolutionizing the news. As newspaper circulation drops, more people than ever are getting their news on the Internet. A new cluster of online-only news sites has developed; and they run the gamut from national to local, from hard news and opinion to gossip, and from aggregating other sites’ content to producing original content of their own.

New Jersey's daily newspapers dominate its online news media. Advance Publication's website, NJ.com, claims more than 3 million unique visitors each month.⁵³ Some weekly newspapers also fare well. The Cape May County Herald's site and the new Packet Publications website Centraljersey.com reach from 40,000 to 70,000 unique visitors each month, according to the web traffic ranking services Quantcast and Compete.com. Web-only media outlets have also emerged at both the statewide and local level. These sites can react quickly to breaking news and are often able to scoop other news media. They also tend to be less expensive to produce than newspapers because they do not have the overhead associated with print.

State News on the Internet

Two online-only news sites cover politics and public affairs in New Jersey. PolitickerNJ, nearly a decade old, is a specialized political news outlet with a proven business model, while NewJerseyNewsroom is a new general-interest online newspaper with an uncertain future. So far, neither site has made significant progress toward reversing the downward trend in news consumption in the state.

PoliticsNJ was founded in 2000 by a political insider who uses the pseudonym "Wally Edge". Since then it has carved out a small niche in the state's media environment, churning out a mixture of news, insider gossip, and commentary.⁵⁴ In 2007, hoping to build a chain of state news sites, 26-year old millionaire Jared Kushner's Observer Media Group bought PoliticsNJ and changed its name to PolitickerNJ.⁵⁵ The site currently claims 60,000 unique monthly visitors and employs two full-time writers, Max Pizarro and Matt Friedman, who write several stories a day. Edge provides historical commentary and insider rumors, and the site also carries opinion pieces from a handful of political figures who are listed as "columnists." PolitickerNJ has broken some important political news—in 2001 it played a role in the withdrawal of Acting Governor Donald DiFrancesco from the Republican gubernatorial primary⁵⁶—but its small size limits the reporting that it can do. The site has built readership by covering local campaigns that newspapers often ignore, such as the recent Hillside mayoral race and a 2008 special election for an Assembly seat in Union County. By targeting communities that are either served inadequately or not served at all by daily and local weekly newspapers, PolitickerNJ mitigates some of the variations in local news production between towns, although it is ultimately far too small to smooth out such variations across the state.

NewJerseyNewsroom.com is a journalist-owned website founded at a meeting of about 40 former *Star Ledger* reporters in January 2009.⁵⁷ Living off the one year's buyout pay they received from the *Star-Ledger*, the reporters are not yet receiving income from the site. Although they have applied for some grants, advertising was the only source of revenue for the site as of late July. Unlike similar sites in Minneapolis and San Diego, NewJerseyNewsroom has no plans to sign up "members" and raise money on the model of public radio.

The majority of the site's stories come from its staff writers, but it also carries content from ProPublica and VOANews, as well as opinion columns from politicians and others involved in policymaking and advocacy. The site's strengths include the long experience of its reporters and its ability to scoop newspapers on big stories. Among the reporters deeply involved in the site is former *Star-Ledger* reporter Tom Hester, who covers the statehouse for the website. Sportswriter Matt Romanoski says that the participating reporters' "names, experience and rolodexes" give them an advantage over the part-timers and interns that newspapers are hiring to replace veterans.⁵⁸ Hester says a "key factor" in the site's growth has been its ability to get stories up before the competition; the site broke the news that GM was closing several dealerships in New Jersey. For the most part, however, investigative reporting has been placed on the back burner, though Romanoski points to several in-depth articles by Joe Tyrell on the Milford paper mill Superfund site.

Since it has 40 writers rather than just two, NewJerseyNewsroom needs to attract a much larger audience than PolitickerNJ to be sustainable. At this point, it has far too little traffic to be self-sustaining.

Local News Sites and Citizen Journalism

Many local news sites have also emerged in New Jersey, chiefly in highly educated, affluent, and densely populated communities. This section will focus on the local media environments in two such areas—suburban Essex and Union counties. Most of these towns have a fairly strong paid weekly newspaper, yet they also support at least one and as many as four community news and opinion websites.

Baristanet in Montclair has served as model for community websites elsewhere in New Jersey. Launched in 2004, Baristanet is currently run by Liz George and former *New York Times* columnist Debbie Galant and claims some 80,000

unique visitors per month, even though the communities of Montclair and Glen Ridge that it serves are home to fewer than 45,000 people. In the summer of 2007, the *American Journalism Review* called the site “scrappy, snarky” and the “shining star” of local online journalism.⁵⁹ It has found success not just by exploiting the common advantages of online media—namely, relatively low overhead and the ability to break news 24 hours a day—but also by giving its readers a vehicle to create and define the news themselves. According to George, Baristanet started turning a profit in just 18 months, though the profit has not been so large as to allow her to leave her day job as an editor at the *New York Daily News*.⁶⁰ The site currently employs four part-time workers and a full-time editor and designer.

Trying to replicate Baristanet’s success, three new projects have entered the local news scene in Essex and Union counties in the past year. These new ventures illustrate the diversity of formats and business models possible in local online media.

Last October, New Providence lawyer Michael Shapiro relaunched his blog Alternative Press as “New Jersey’s first all-online daily local newspaper.”⁶¹ Shapiro says his site, which now covers ten towns in Union, Essex and Morris Counties, had 60,000 unique visitors in May. Alternative Press is a larger operation than Baristanet, with over 100 paid part-time and freelance writers and three sales professionals.⁶²

A second startup, Patch, capitalized by Google executive Tim Armstrong in 2007, has started websites in several communities in the New York metropolitan area. When Armstrong became CEO of AOL earlier this year, he promptly had AOL purchase Patch for \$10 million.⁶³ Patch has launched sites for six communities, with three more expected to follow; most of the communities can be fairly described as upper middle class or upper class. In tone and content, both Patch and the Alternative Press resemble newspapers more than blogs.

In April, the *New York Times* established a series of community blogs in New Jersey modeled after existing ones in neighborhoods in Brooklyn. Called The Local, The *Times*’ blogs began serving two communities—Maplewood/South Orange and Millburn/Short Hills. Tina Kelley, who runs the New Jersey Local sites, is the only contributor who is paid; all the other (approximately 20) writers are volunteers. Many of them were already blogging about local affairs, events, and issues when The Local offered them “more exposure and the Times byline.” The site’s format, tone, and content resemble that of a blog rather than a newspaper.

While the sites themselves may differ, the communities that support local websites fit a definite profile. All of them are urban or relatively densely populated communities with a sizeable population of well-educated, affluent young-to-middle-aged people who spend a lot of time on the Internet. Indeed, there is considerable overlap in the coverage areas of Patch, The Local, and Alternative Press. Kelley says that the relationship among these sites is complementary rather than competitive. Alternative Press editor Mike Shapiro agrees, adding that he is “pleasantly surprised” by the increase in traffic that *Patch* and the *Local* have generated for his site.⁶⁴ Kelley hopes that sites like The Local do not put community weeklies out of business, adding that she often finds stories in the *News-Record* that were not on The Local or any of the community’s other blogs. Kelley sees The Local as one part of “a giant multi-pronged effort to see how best journalism can be supported in the future.”⁶⁵

It is an open question whether online sites can achieve the same level of success in less affluent, working-class suburbs. If not, local online media will do little to reduce the great variations in local news coverage between communities, as many of the state’s wealthiest communities already support strong local weekly newspapers.

VI. RESPONSES TO THE NEWSPAPER CRISIS

In New Jersey, as elsewhere, newspapers and others responsible for the creation of news can respond to declining revenues in three ways. They can produce less content, they can produce content more cheaply, and they can find new sources of money or try to find ways to compete successfully for advertising dollars. The first response, which has manifested itself in staff cuts and the reduction in the size of the news hole, deepens the chronic news deficit in the state. Producing content more cheaply may be just as pernicious.

Cutting Costs: The Changing Nature of Journalism as a Career

Newspapers can employ several strategies to reduce average labor costs, including replacing long-term salaried reporters with entry-level staff or short-term interns who are paid little or nothing for their work. Amid the buyouts and furloughs, the *Star Ledger* is offering more \$17-an-hour internships.⁶⁶ Other newspapers are asking student interns to work for free or, in the case of the *Philadelphia Inquirer*, asking journalism schools to pay for them.⁶⁷ The rise of unpaid internships is hardly a trend

unique to the newspaper industry, and it is one that raises serious ethical and public policy questions.⁶⁸ With the shift to online news, it may become increasingly less common for a journalist to earn a yearly salary and solid benefits, while more journalists may be paid by the piece. Whether young people can go into journalism in New Jersey, expecting to earn a decent wage is an open question.

The shift toward low pay and piece work is likely to lead to higher turnover in the field. Without a steady salary, health insurance, or pension at stake, reporters will have little incentive to stay in the same job. Many of the staff who took buyouts at the *Star Ledger* had more than two decades of experience. But with less experience, reporters are unlikely to be able to produce work of comparable quality. Romanoski of NewJerseyNewsroom.com emphasizes the importance of the trust that experienced reporters have built with their sources: “I don’t care how good of a writer you are, if you don’t have those contacts, you’re not going to be able to write the same kind of story.”⁶⁹

Cutting Costs: Consolidation in the Newspaper Industry

During the 1990s, newspaper companies pursued a strategy called “clustering,” which involved purchasing newspapers in the same geographic area. For example, MediaNews, one of the leading practitioners of the strategy, bought three papers in southern New Jersey—the *Gloucester County Times*, *Today’s Sunbeam* of Salem County, and the *Bridgeton News*.⁷⁰ Clustering has allowed newspapers to combine administrative and printing operations, to share local stories of mutual interest, and to gain leverage in negotiating advertising rates with chain stores.⁷¹

Clustering continues to be attractive to media enterprises. Recently, some companies have combined operations and content at sister papers to such an extent that the two papers have been considered as one for circulation purposes. This is what happened with the *Record* and *Herald News* and with the *Ocean County Observer* and *Asbury Park Press* (until the *Observer* went weekly earlier this year). Occasionally companies have merged two newspapers entirely, as the New Jersey Press did with the *Home News* and *News Tribune* in Middlesex County. A direct consequence of clustering is reduced competition between newspapers. Today, in twelve of New Jersey’s twenty-one counties, the only serious competition for the main local newspaper publisher comes from a paper in New York or Philadelphia.

In recent years, financial difficulties in the newspaper industry have hastened the pace of consolidation and other cost-cutting measures. The *Trenton Times* has eliminated its full-time presence at the statehouse, and it now relies heavily on the *Star-Ledger* for state government news. In 2006, the *Times* and *Star-Ledger*, not exactly next-door neighbors, combined printing and other operations. Earlier this year, the *Record* closed its Hackensack office. Newspapers in New Jersey are also relying more on the Associated Press for stories their staff used to write.

In the last two years, the trend toward consolidation has taken another form: content-sharing agreements between rival newspapers. Motivated by what they consider unreasonable costs associated with the subscriptions to the Associated Press, a group of Ohio newspapers started sharing content in early 2008.⁷² Three competing papers in South Florida—the *Miami Herald*, the *Sun Sentinel*, and the *Palm Beach Post*—began sharing content in July, 2008.⁷³ Since then, a number of content-sharing agreements have been established between papers in several other states.⁷⁴ Earlier this year, New Jersey papers got into the act, announcing the formation of the Northeast Consortium, a content-sharing agreement among five newspapers across two states, including the *Star-Ledger* and the *Record*, with a total combined daily circulation of more than 1.3 million. It was at this point that the *Star Ledger* and *Record* agreed to combine their statehouse bureaus.

The practical consequence of this trend is that whereas in the past, five reporters from five different papers might write about the same event or issue, today all five papers may carry the same story from a single reporter. Indeed, at newspapers where staff cutbacks have seriously reduced editorial capacities, this is the intended effect. The publishers of the *Star-Ledger* and the *Record* argue that the merger and content-sharing agreement allow them to “coordinate assignments to avoid certain agencies not being covered at all and other agencies receiving duplicate coverage.”⁷⁵ *Star Ledger* editor Willse remarks that the merger “proceeds from a belief that together we can continue to do the kind of public service reporting we need to do.”⁷⁶

Neither Willse nor *Record* publisher Stephen Borg see any significant problems arising from the agreement.⁷⁷ But not everyone in the industry shares this view. Alan Mutter, a former top editor at the *San Francisco Chronicle*, dubs the Florida content-sharing agreement “skinflint journalism” and declares it to be “journalistically and commercially dangerous.” Some other

experts have also expressed concern about the reduced number of journalists covering important stories.⁷⁸

Cooperation between newspapers reduces the competition for stories. If two papers each have a reporter on the same beat, the editors will probably encourage the reporters to take more risks in pursuit of bigger stories. In contrast, when two competing newspapers share content, they have less to gain by pursuing a more risky, time-consuming story. Whatever story one publication uncovers, its rival will also be able to publish. In addition, with fewer editors making decisions about what should and shouldn't be covered, the likelihood increases that a potentially important story will be overlooked, even though the breadth of coverage may be increased in the short term.

Content sharing and consolidation may also tend to encourage more generalized news rather than stories specific to particular communities. This could be more of a problem for the *Record* than for the *Star-Ledger*, whose statehouse bureau always focused more on breadth than on local specificity. If the combined statehouse bureau now produces stories that are just as relevant to Edison as they are to Englewood, the *Record* may lose some of the local focus its statehouse coverage once had.

Alternative Sources of Revenue

The cost of making news can be reduced by only so much before the quality of journalism begins to deteriorate, but where will the money now come from? Joel Kramer, founder of MinnPost.com, and Dunstan McNichol, statehouse reporter for Bloomberg and previously the *Star-Ledger*,⁷⁹ are among the many in the news media who believe that online advertising will not cover the costs of good journalism at the state and local level. But if advertising isn't sufficient, other sources of revenue become critical.

These sources generally fall into two categories. Subscription and pay-per-content models pass the cost directly to the consumer of the news, while nonprofit models usually depend on high-dollar philanthropy or smaller voluntary donations from readers, though they could also be sustained by public funds. Each approach has its advantages and disadvantages.

Today, aside from the *Wall Street Journal* and some specialty publications, most online news is free. For most publications, including suburban papers, switching entirely to a paid-content

model right now would be suicidal. Customers would stop relying on those publications for any content they could get elsewhere, and other sources such as broadcast news web sites would likely provide at least the top stories. Newspaper ownership is so consolidated in New Jersey that the state's papers may be able to act together effectively to impose a paid-content model, but the strategy would be risky. The underlying problem is that the demand for public-affairs journalism has never been that strong. Newspapers have attracted readers with many other features and effectively subsidized stories about public issues out of the revenue from advertising. Whether readers will pay enough for public-affairs reporting to sustain it is uncertain.

Despite the difficulties, some in the industry think that paid content is the only viable long-term model. ProPublica's Stephen Engelberg believes that charging for content is inevitable, and MinnPost's Joel Kramer argued at a recent Princeton University forum on the newspaper crisis, "If news isn't worth \$5 to people, they're not going to get it."⁸⁰

But even if the implementation problems can be overcome, it is difficult to see how a pay-for-content model could avoid further depressing news consumption. Because newspapers have been able to subsidize public-affairs reporting with advertising revenue, their readers have paid only a small portion of the true cost—or, in the case of online-only readers, none of the cost. Asking them to pay now will almost certainly mean a diminished audience. In New Jersey, where the news deficit is already serious enough, this solution to the newspaper's financial problems may lead to an even less-informed public.

Models that rely on charitable or government assistance do not expect the consumer to pay more. Instead, they replace the advertiser subsidy with a subsidy of another kind—a philanthropic grant, governmental aid, or voluntary micropayments from readers. Some of these models are already in place today. The Knight Foundation has provided millions of dollars in grants to online journalism projects. Public broadcasting depends heavily on grants and voluntary reader subscriptions. A new online micropayment service, Kachingle, allows readers to sign up for a fixed monthly payment which is distributed among that reader's favorite content providers.

With the possible exception of voluntary micropayments, most of these approaches seem to require a non-profit business model. Earlier this year, U.S. Senator Ben Cardin of Maryland

introduced a bill that would allow newspaper companies to operate as nonprofits.⁸¹ But whether philanthropy can come up with substantial funds to support journalism is uncertain, especially because of the recent fall in the value of the endowments of many foundations.

VII. CONCLUSION

New Jersey faces a growing crisis in coverage of news and public affairs. Because of peculiarities in its geography and economic development, the state has long had a chronic news deficit, and the financial crisis of newspapers is now aggravating that problem. The evidence indicates that as a result of the state's chronic news deficit, the people of New Jersey know less about their state than people elsewhere in the country know about theirs. Lower levels of knowledge about politics have distorted campaigns and elections in the state and may be a factor in the endemic problem of political corruption.

There does not appear to be an easy answer to both the state's longstanding news deficit and the recent newspaper crisis. While the end of the recession may arrest the fall of newspaper advertising and circulation revenue, it seems unlikely that they will recover to the levels of earlier in this decade. Although there are promising developments online, the Internet has not yet offered an answer to the newspaper crisis that addresses both the immediate economic challenges of news production and the long-term problems of news consumption and civic illiteracy. Measures to cut costs in the news media, though unavoidable, have their own drawbacks.

Whether people get their news from a newspaper or the Internet, those who produce it must find new sources of revenue. Although charging customers for content threatens to depress readership further, a nonprofit news production model avoids that problem. In fact, it may be easier to sell journalism as a public service worthy of charitable donation than it is to sell state and local news stories to individual readers. Nationally, nonprofit institutions, including universities as well as foundations, are becoming increasingly important for the production of public-service journalism. Foundations are supporting investigative journalism through such organizations as ProPublica. In some states, schools of journalism and various kinds of university-based centers have taken on new roles in covering state and local government. New Jersey's institutions of higher

education could play a positive role of that kind, and both state and community foundations could help to finance public-service news that otherwise would disappear. The state itself could also contribute to stronger news production by restoring NJN's budget to the level of the 1980s.

The state could also facilitate news coverage by increasing transparency in state, county, and local government. In 2007, a working group of open-government advocates, meeting in Sebastopol, California, developed a set of eight principles for transparency, stipulating that government data should be 1) complete, 2) primary, 3) timely, 4) accessible, 5) machine-processable, 6) non-discriminatory, 7) non-proprietary, and 8) license-free.⁸² New Jersey's state government has a long way to go in meeting these criteria. The state does not produce a tax expenditure budget, and there has been no comparative budget analysis for local governments since 1995. Local government websites generally provide little information that would help citizens judge governmental performance. Even if they had the will, most of the state's more than 1,000 municipalities and school districts lack the technical resources to make their operations transparent. Regionalizing services and moving some responsibilities from the local to the county level could be helpful in this regard. Higher-level governments are more likely to have the resources and competence needed for complying with the demands of transparency. And journalists may be able to keep watch on the smaller number of counties than on the myriad local jurisdictions that now control so much of the flow of tax revenue under the state's traditions of home rule.

No doubt New Jersey's laws could be improved in other ways to curb corruption, but laws are not self-enforcing. Indeed, a 2008 study by the Better Government Association, a self-described "independent, non-partisan government watchdog" dedicated to combating "waste, fraud and corruption in government," found that New Jersey already had the strongest anti-corruption laws of any state.⁸³

If New Jersey's experience proves anything, it is this: there is no substitute for a strong and vigilant media. Those who want effective and honest government, regardless of party, should be concerned to remedy New Jersey's chronic news deficit and to respond to the threats to the state's endangered journalistic resources.

ABOUT THE AUTHOR

Scott Weingart is a 2009 graduate of Princeton University. This report was prepared under the editorial direction of Paul Starr, professor of sociology and public affairs at Princeton University.

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