## Testimony before the New Jersey Legislative Task Force on Public Broadcasting Paul Starr<sup>1</sup> September 14, 2010

Thank you for the opportunity to testify.

New Jersey faces not only a budget deficit, but also a second deficit—a news deficit. Geography has been the source of a chronic undersupply of news: for decades people here have watched, listened to, and read media from New York and Philadelphia that pay little attention to New Jersey affairs. And now that the state's newspapers have retrenched and cut back their newsrooms in response to declining circulation and collapsing advertising revenue, New Jersey's chronic news deficit has become an acute problem.<sup>2</sup>

Nationally, newsrooms have declined from a peak of 56,000 to about 40,000 reporters and editors; statehouse reporting has dropped by about one-third. For New Jersey, the trend is particularly dangerous because the state has been especially reliant on newspapers for news coverage and because we have a multitude of local governments, many of them now operating essentially without any of the checks and balances that independent news media provide.

Social-science research suggests that the less independent news media a country or a state has, the more likely its government will be riddled with corruption. Independent news media are our civic alarm systems. And when alarm systems get turned off, it's time to be alarmed.

In many parts of the United States, public radio and television make a tremendous contribution to informing and educating the public. And because they're now also available on the Web, mobile phones, and other platforms, public broadcasting is now best thought of as public media.

Public media could be an important part of the answer to New Jersey's need for independent news about public affairs. But achieving that goal requires a fundamental rethinking of the state's policies under the most difficult circumstances.

When the state established the forerunner of NJN in the 1970s, television dominated the electronic landscape, and New Jersey's leaders understandably sought to redress the failure of commercial TV to cover the state's news.

But in recent decades, the media realities in America have changed. Public television has seen its audience shrink as cable TV has developed. But public radio has gained listeners and become a major source of independent journalism as commercial radio stations have abandoned news. Nonetheless, NJN has repeatedly failed to take advantage of opportunities to develop a statewide public radio network. Similarly, as the Internet has developed, NJN has also failed to adjust to the new online environment, continuing instead to invest its resources in an evening TV newscast with a tiny share of the state's viewers.

Furthermore, while other news media have played a critical role in exposing corruption in New Jersey, NJN has been too dependent on political sources of funding to bite the hands that feed it. Jim Willse, the former managing editor of the *Star-Ledger*, says that when he arrived in New Jersey in the 1990s, he felt like a hunter coming to a game preserve. Yet despite being in a target-rich environment, NJN has not done a lot of hunting.

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<sup>&</sup>lt;sup>2</sup> Scott Weingart, "Less News is Bad News: The Media Crisis and New Jersey's News Deficit" (New Jersey Policy Perspective, 2009), available at http://www.njpp.org/rpt mediacrisis.html.

<sup>&</sup>lt;sup>3</sup> Jim Willse, remarks, Conference on "The Newspaper Crisis," Dodds Auditorium, Princeton University, May 1, 2009.

Still, if the state merely cuts back NJN, those cuts will just compound the losses in news coverage by the state's newspapers. But the crisis could also become a moment of opportunity—if the state's policymakers, working with other groups, have a broad enough vision of what needs to be done and allow NJN's assets to be deployed in new ways to accomplish the original objective of providing independent journalism about the state's affairs.

The report I've written with two of my students, "A Future for Public Media in New Jersey," reviews the options for achieving that objective. We believe that the people of this state would be better served if NJN were converted into a private community nonprofit, independent of the state government and dedicated to producing nonpartisan journalism and programming about and for New Jersey to be distributed through both traditional media outlets and new media. That should be the objective.

But we also doubt that this can be accomplished responsibly by January 1 of next year. So we recommend that for a transitional period to last no more than two years, NJN be converted to a public corporation, with a single, merged board from the NJN Foundation and New Jersey Public Broadcasting Authority. To facilitate the transition to community ownership and to treat NJN's employees fairly, the report recommends that the state transfer NJN's broadcast licenses to the temporary public corporation and allow it to sell either the radio licenses or one of the four television licenses to create a "transition fund" of at least \$5 million for employee severance, early retirement, and retraining.

Ultimately, broadcast licenses will be unnecessary for public television distribution. Most TV viewers today do not receive the over-the-air signal at all; 90 percent watch television via cable or satellite. Many also watch TV via the Internet or cable whenever they want, rather than being constrained by a TV schedule. Universal, high-speed broadband will make over-the-air TV broadcasting entirely obsolete and allow more viewing on demand rather than by appointment.

As a result, much of the value of NJN's TV licenses may lie in their eventual use not for broadcast television but for broadband. In the long run, instead of remaining in the TV distribution business—mostly retransmitting PBS programs and producing only a little of its own—NJN should convert its licenses into an endowment, restructure itself into a production organization focused on New Jersey news, public affairs, and cultural life, and distribute its work in multiple formats via the Web, cable, mobile platforms, and other media.

Because of the budgetary crisis, the interest in zeroing out expenditures on NJN has dominated the discussion about its future. But it would be folly to let those short-term considerations overshadow the larger, long-run stakes. At a time when newspapers and other commercial news media are shrinking, adopting a plan that would necessitate a further shrinkage of news coverage in the state would do more damage to the voters' ability to keep an eye on government. It's crucial to keep in mind the purpose for which NJN was established, and for which it received its broadcast licenses—to inform and educate the people of New Jersey. That still must be the governing criterion in deciding what to do with NJN as an organization and with its licenses. It would be particularly unwise for the state to sell off all of NJN's licenses in what would be a distress sale when the value of those licenses could rise considerably in the future. The hour is late to save NJN. But New Jersey still has the opportunity to turn it from an outdated television network into a model for multiplatform public media that fits the conditions of the twenty-first century.

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<sup>&</sup>lt;sup>4</sup> Paul Starr, Scott Weingart, and Micah Joselow, "A Future for Public Media in New Jersey: How to Create a New Basis for Public Radio, TV, and Online Media in One of American Journalism's Worst Covered States," New Jersey Policy Perspective, August 2010.