Death of the Newsroom?

Many Say the Internet Is Killing the Golden Age of Journalism.
The Real Story Is More Complicated.

By Christopher B. Daly

For anyone interested in discovering how the business model for American journalism has changed over time, here is a thought exercise. Consider the following institutions:

—CBS News Radio, the House of Murrow, the leading source of breaking news for Americans by the end of World War II.

—*New York Herald Tribune*, the finest paper in the United States for much of the twentieth century (yes, a smarter and better written paper than the *New York Times*), and the home base for the indispensable Walter Lippmann, the most influential columnist of the century.

—*Saturday Evening Post*, which featured the work of the country's greatest illustrator, Norman Rockwell, and presented its millions of readers with news, views, and diversions.

—*LIFE* magazine, a pillar of the vaunted Time Inc. media empire and the most important showcase for the skills of photojournalism.

Next, let's pick a historical moment. Somewhat arbitrarily, let's go back fifty years and look at 1964. If you asked any educated, engaged American adult who paid attention to world and national affairs in 1964, that person would have agreed that all four of those journalistic institutions were indispensable. It would have been hard to imagine American society without them.

▷ *New York Times* publisher Arthur Ochs Sulzberger defending publication of the Pentagon Papers, June 16, 1971, New York. *Barton Silverman/New York Times*

Within a few years, though, all would be gone (or so diminished that they were mere shadows of themselves). The rise of television news hollowed out CBS Radio and ultimately killed off *LIFE* as we knew it. A printer's strike finished off the *Herald Tribune*, leaving the quality newspaper field to the *Times* alone. Corporate ownership pulled the plug


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on the *Saturday Evening Post* when tastes changed and the magazine started racking up annual losses in the millions.

Now, let's jump ahead to 1989, halfway to the present from 1964. The lineup of indispensable media would look different.

—The *Times* had not only outlived the *Trib* by then, but had surpassed it in almost every respect.

—National Public Radio, and its television sibling, Public Broadcasting Service, brought intelligent, original reporting to the airwaves and won the loyalty of millions.

—CNN, the brainchild of billboard businessman Ted Turner, established the 24-hour news cycle by putting journalism on television round the clock and across the globe.

—Bloomberg, the business news service, was not even founded until 1982 but burst on the scene and soon became an essential tool for traders and later, as a general business news service for readers worldwide.

Thus, at quarter-century intervals, we can see the phenomenon known to economists as "creative destruction" at work, with a vengeance. The older media, despite their eminence in the journalism establishment and their deep ties into the lives of their audiences, were swept aside and replaced, often by upstarts less than a decade old.

And all that happened even before the Internet came along to "change everything." In light of such a turbulent history, it behooves us to look deeply into the history of news organizations. Where did they come from? How did they pay the bills in earlier periods? Is there anything to learn from the days before the *Huffington Post*, YouTube, and social media?

Nowadays, it is commonplace to refer to the news media that predates the Internet as "legacy media." Just what is that legacy?

Printers and Pamphleteers

In America, the history of selling the news can be said to have begun in 1704, when John Campbell, the postmaster in Boston, got tired of writing his longhand weekly summary of interesting developments for his friends. So, copying the model of news journals in London, he went to a nearby "job printer" and launched something never seen before in North America: a printed weekly newspaper. The world took little notice, but Campbell's new venture, titled *The Boston News-Letter*, began the long rise of "big media" to the pinnacle of power and profit that it reached in the late twentieth century, just before going through a near-death experience in the last fifteen years. Over the course of those three centuries, news has been carried in many different kinds of vehicles. In broad terms, the news business has also operated under a succession of prevailing business models. And each time the business model changed, a new philosophy of journalism was needed. Repeatedly, journalism has evolved slowly over decades, only to face a crisis or some external shock in which innovators could flourish.

Campbell and other colonial-era newspaper editors and printers, including the estimable Benjamin Franklin, all operated in a business world that had several key characteristics. Most producers of newspapers were printers, and they worked in a shop, which was the era's distinctive form of productive activity other than farming and fishing. In the typical eighteenth century shop, whether it was a cooperage or a chandlery, a brewery or a printshop, a "master" presided. A master in any field had two distinguishing features: he had all the skills needed to take the raw materials of his trade and turn them into finished products, and he had enough capital to be able to afford a workplace and the tools and materials needed to get started. As in most other kinds of shops, the master printer was assisted by a journeyman (who had the skills of the trade but lacked the capital—so far—to open his own shop) and an apprentice (who lacked both skills and capital but whose contract with the master entailed a legal right to be taught the mysteries of the trade). Each shop had a small crew, working in a strict hierarchy.

For printers in America, the greatest challenge was to import a press and a set of metal letters from England, which was a major capital outlay. An economist might observe that printing had a higher "barrier to entry" than many other shop-based businesses. The technology imposed further conditions. Presses were operated by hand, and inks were slow to dry, so there was a physical limit on the number of papers a printer could turn out in a week—on the scale of the low hundreds of copies. Most of these newspapers were offered only on a subscription basis, a year at a time, and they were quite expensive. My research indicates that they were priced along the lines of a contemporary investors' newsletter, costing the equivalent of several thousand dollars a year. It is worth noting that the subscribers were paying nearly the full cost of the paper (plus a profit), since there were very few ads in the early papers.

In 1704, as newswriting conventions were just being established, most items in a newspaper read more like letters. They were discursive, they took a lot for granted, and they assumed that the reader would continue reading to the end. Often the contents of a newspaper would include many actual letters, sent to the postmaster-editor or to his friends, and they would be printed because they were so informative. The early papers also contained a regular flow of proclamations from the Crown or the provincial authorities, always conveying a one-way message from those at the top of the social hierarchy to those below. Newspapers in America also aggregated news from Europe. The printer would simply subscribe to one or more papers from England, and when they arrived through the postal service, the American printer would lift items verbatim from the source paper—never minding if the material was weeks or months old. If news of Europe had not reached the colonies, then it was still new to the colonists. Most early newspapers were only a page or two long, and some left blank space for comments.

The "public prints" also carried plenty of information interesting to merchants, ship captains, and others involved in the vast Atlantic trading system, including offers of slaves for sale. In addition, papers routinely carried news about oddities such as lightning strikes, baby goats born with two heads, meteor showers, and the like. Such strange occurrences were often presented for more than their ability to astonish; they were framed as occasions for readers to reflect on how these signs and portents revealed God's providence, and many were explicitly presented as episodes of the wrath of God. Another common type of item involved reports of public executions; these often included descriptions of rather leisurely procedures designed to torture the miscreant before sending him (or her) to meet the Creator. In describing such burnings, hangings, and stranglings, the newspapers were advancing the social purpose of public executions, which was to caution and intimidate the general population against a life of depravity. In addition, newspapers offered a grab bag of poetry, quips, jokes, and whatever else came to the printer's mind. In that sense, dipping into a newspaper 300 years ago was not all that different from doing so today: you never knew what you might find there.

With rising levels of population and economic activity in the colonies, newspapers slowly began to spread and grow. By the 1760s, there were a few dozen titles, mostly in port cities from New Hampshire to South Carolina. They catered to an elite audience of literate white men who needed information and could afford to pay for it. By necessity, they were small-scale, local operations. No printer owned more than a single newspaper. A few copies could be sent to distant places through the postal service (where they enjoyed a special low rate), but they remained overwhelmingly modest, local affairs. The only way that most people of middling ranks could read a newspaper was by finding one in a tavern, where many a barkeep would share his own paper with his customers by hanging it on a post (hence the popularity of the name *Post* in newspaper titles).

The newspaper trade suffered a blow in 1765, when Parliament imposed a tax on paper. The Stamp Act required that all paper products bear a stamp proving that the tax had been paid. The tax fell heaviest on printers, who considered paper their stock in trade, and they felt particularly aggrieved. Several printers went so far as to declare the death of newspapers and printed images of tombstones on their front pages. As it happened, Parliament lifted the tax, and newspapers survived. But the Stamp Tax left a bitter taste among printers, and more of them opened their pages to politics and began sympathizing with the radicals in the patriot movement. A decade later, they would be helping to lead the American Revolution.

Over the course of the eighteenth century, another form of journalism arose—the pamphlet. These were much cheaper than newspapers and sometimes widely distributed, but the writing, printing, and distribution of pamphlets was not a real business. These were done by amateurs for non-economic motives. Indeed, it has been observed that newspapers were like stores, and pamphleteers were like peddlers. They were hit-and-run efforts—usually political, almost always anonymous (or pseudonymous). The pamphleteers managed to inject a big infusion of politics into American journalism, advancing political arguments that could not be risked by printers of regular newspapers. In some respects, the pamphleteers resemble the bloggers of our times, ranting about political topics not to make a living, but to have an impact.

The pamphleteers engaged in a polemical debate that grew increasingly polarized in the early 1770s over the issue of separating the colonies from Britain. Cautiously at first, the regular newspapers joined in the great debate, and—driven by their readers—they became identified with the Whig or Tory cause.

During the early years of the Republic, papers not only became more political, but they also became more partisan. Indeed, newspapers predated American political parties and provided the first nodes around which the parties grew. Some papers were founded by partisans such as Alexander Hamilton (or, as in the case of his rival Thomas Jefferson, by surrogates), and newspaper editors helped readers figure out which candidates for office supported Hamilton's Federalists and which ones supported Jefferson's Republicans. In return, victorious parties rewarded loyal editors with lucrative government printing contracts and showered benefits like reduced postal rates on the whole industry.

Such then was the kind of journalism that American's founders were familiar with. It was local, small-scale, independent, and highly argumentative. One thing it did not have was much original reporting. Indeed, throughout the first century of journalism in America, there was no one whose job was to gather facts, verify them, and write them up in story form. Opinions were abundant, facts were haphazard.

Hail to the Penny Press

During most of the nineteenth century, the news business was a high-technology, innovative field, often at the forefront of deep changes sweeping through the U.S. economy. It may be hard for us today to think of newspapers as innovators, but they once were, and it may well be that the failure to continue to innovate is a major source of newspapers' current problems.

Beginning in the 1830s, newspapers pioneered in creating the first truly mass medium. Led by Benjamin Day, who founded the *New York Sun*, and his great rival James Gordon Bennett, who founded the *New York Herald*, newspaper editors discovered the simple but powerful truth that there is money to be made in selling down-market. The founders of these "Penny Press" papers brought a profoundly new model to American journalism, based on deep and simultaneous changes in economics, technology, marketing, and philosophy.

First, Day decided to go after an under-served market: the literate from the middling ranks of society. He wrote for tradesmen, clerks, laborers, anyone who could read. His motto for the *Sun* was "It shines for all"—and he meant all. To make his paper affordable, he slashed the price from six cents a copy to a penny. That allowed him to take advantage of simple arithmetic: if you multiply a small number by a very big number, you end up with a pretty darn big number. In his case, the *Sun* began selling many more copies than anyone had before—rather than hundreds a week, he was selling thousands a day. So, his small purchase price was more than offset by his large circulation figures.

To make his paper even more affordable, Day changed the business model in another way: readers no longer had to subscribe for months at a time. They could lay down a penny for the *Sun* today and skip it tomorrow. This put tremendous pressure on Day to meet an entirely new problem: his paper would have to be interesting *every* day. He met that challenge by re-defining news. Instead of old, recycled news from Europe, letters from ship captains, and official proclamations from New York's government, Day discovered the appeal of telling New Yorkers short, breezy stories about the calamities and strange doings of regular people. The *Sun*'s pages were filled with stories about suicides, riots, brawls, and the fires that plagued wooden cities like New York. People loved it, and they voted with their pennies for Benjamin Day's new kind of journalism day after day. Soon, the circulation was soaring and money was rolling in. News was now defined as whatever lots of people found interesting.

Day was also fortunate in his timing, because the decade of the 1830s was a time when inventors were applying a new technology to a host of age-old human problems. That new technology was steam power, which was being applied to such problems as powering ships that could travel upstream and the new-fangled railroads. One of the earliest adaptors of steam power was the printing trade, which had relied since Gutenberg's time on the power of human muscles to raise and lower the heavy platen that pressed paper and ink together. With the introduction of steam-powered presses (and fast-drying inks), it was now physically possible to produce enough copies of a newspaper in a few hours to meet the demands of thousands of ordinary people in a growing city like New York.

The success of Day and Bennett and the imitators who soon followed in other cities had some powerful unintended consequences. One was a radical new division of labor, which brought about the de-skilling of printer/editors and a radical flattening of the organizational chart. Once, newspapers had been produced by a master printer, assisted by a journeyman (who could expect to become a master one day), and an apprentice (who could in turn expect to become a journeyman one day). But, with the growth in scale of newspapers, the owners forced through a deep restructuring. The new big-city dailies would be run by one person, with the title of publisher. The publisher was the sole proprietor and was responsible for organizing the entire enterprise.

As papers grew, publishers began appointing assistants, along these lines:

—A chief of production to oversee printing (a trade that, thanks to steam power, now involved tending machines rather than the traditional hand skills);

—A head of circulation to make sure all those thousands of copies got distributed every day;

—An advertising director, to run the growing volume of ads, which would soon make up a giant new revenue stream;

—An editor, to preside over the newsroom, where the new job of reporter was spreading and would eventually develop into specialties such as covering crime or sports.

Called by various titles, these four individuals would all see their domains grow in the coming decades, until newspapers were employing hundreds of workers in specialized roles. By the 1840s, it was already dawning on journeymen that they were not going to learn all the skills of this new trade, that they would never accumulate enough capital to go out on their own, and they would never be their own master. They were now doomed to a life of wages.

The rise of popular and profitable newspapers had another profound consequence: publishers like Day and Bennett declared their separation from the parties and became politically independent. Observing that they won an "election" every day—in which the ballots were the readers' pennies—publishers said they would stand apart from the parties and pass judgment on the performance of all office-holders. They would do so in the name of "the people," whom the publishers now claimed to represent. They would act as the people's tribune (hence the popularity of that name in the newspaper trade) and "lash the rascals naked throughout the land."

Near the end of the nineteenth century, all these ideas were taken to their ultimate fulfillment by a later generation of mass-market newspapers, known as the "yellow press." Led by Joseph Pulitzer and his rival, William Randolph Hearst, the yellow papers brought tabloid journalism to new heights. Readers loved it, and by the year 1900, the yellow papers passed the circulation milestone of a million copies a day. (Let's do the math on that: 1 million purchasers x 1 cent = $10,000 a day in income from circulation alone. That's $3.6 million a year. Add a comparable amount of income from advertising, and you have a huge enterprise.) The money surged into these papers, flowing in two broad streams of revenue—one from circulation, both regular subscribers and newsstand sales, and another from advertising, both "display" ads and classified. Readers grew accustomed to paying less than the real cost of the newspaper, because advertising brought in so much money. In another case of good timing, the era of Pulitzer and Hearst coincided with the rise of big-city department stores like Macy's and Gimbels, which regularly bought full-page ads to carry on their rising competition.

Rise and Fall of Corporate Empires

In the early twentieth century, some leading figures in American journalism pushed back against the rise of the tabloid style. They aspired to make journalism into a true profession—along the lines of law and medicine—with a defined canon of knowledge, a set of standard procedures, and a mechanism for certifying new journalists and policing the ranks of practitioners. None other than Joseph Pulitzer himself gave this movement a big lift when he decided to leave a major portion of his huge fortune to Columbia University in order to endow a school of journalism and a set of prizes intended to elevate the practice of journalism by rewarding each year's best work.

Another major supporter of the drive to raise the standards of journalism was Adolph Ochs, the publisher who bought the failing *New York Times* in 1896 and set about trying to turn it into "must reading" for the American establishment. Ochs asserted that his paper would provide all the news that respectable people needed "without fear or favor," regardless of parties, religions, or other interests. Through his involvement on the board of The Associated Press and other industry groups, Ochs strove to get his fellow publishers to produce papers that were serious, responsible, and decent.

Pulitzer, Ochs, and other reformers thought their biggest problem was achieving real independence. That was the foremost quality they associated with professionalism (and interestingly, not "objectivity"), and they understood journalistic independence not just in political terms. Yes, they believed that newspapers should, of course, stand apart from the political parties. They should not carry water for either side in their news coverage, and they should editorialize freely in a non-partisan manner in favor of the best candidates and policies. But they also had a deeper concern: they wanted to liberate the nation's newsrooms from the pernicious effects of hucksterism, ballyhoo, and puffery. They wanted to stamp out the influence of the emerging field of press agentry, to get their own staff reporters to stop taking bribes for favorable stories, and to assert the inviolability of the newsroom. The goal was to create a wall of separation between "church and state," between the newsroom and the advertising side of the paper. As newspapers became big businesses, the professionalizers hoped to insulate reporters and editors from the imperatives of making money.

As businessmen themselves, most publishers did not see the greater threat to professionalism that they actually faced—the growing transformation of the news industry from stand-alone, family-run small businesses to the corporate form of ownership that would sweep almost the entire field in the coming decades. It was the new business model, dominated by the for-profit, publicly traded corporation that transformed journalism in the mid- to late-twentieth century and left it vulnerable to collapse.

It was often great fun while it lasted. One of the pioneers in building the big media companies was William Randolph Hearst. Heir to an enormous fortune, Hearst had the means to build the first major media empire. Keeping his family-owned newspaper in San Francisco, Hearst bought a failing paper in New York City in 1895. And he did an unusual thing: he kept the *Examiner*, so he now owned two newspapers. Later, he founded new newspapers—in Los Angeles, Chicago, Boston, and elsewhere—and kept ownership of all of them in his hands, thus dictating their editorials and giving the Hearst press an increasingly conservative, isolationist outlook that mirrored his own views. But he did not stop there. He also bought magazines, including the muckraking *Cosmopolitan*, then ventured into new fields as they came along—newsreels, radio, television. By the time of his death in 1951, the Hearst Corporation was a mighty media monolith.

In the 1920s, radio manufacturers like the Radio Corporation of America (RCA) and Westinghouse—which were already large, profitable, publicly traded corporations—became darlings of Wall Street when they figured out how to make money in radio not just by building the receivers that people craved, but by broadcasting programming as well. In short order, companies like RCA's new subsidiary NBC (National Broadcasting Corporation) began adding to the corporation's bottom line by creating "content" for a growing audience and then renting that audience out to advertisers and commercial sponsors. In the new era, RCA could make money on both the hardware of radio and the programming. All that remained was to build the network of affiliated radio stations across the country, which allowed NBC to profit many times over from the same content. In that setting, the cost of putting a little news on the air—to satisfy the broadcast regulators' requirement that radio operate in "the public interest"—was a tiny cost for running a very lucrative enterprise.

The emerging broadcasting powerhouses of NBC and CBS (Columbia Broadcasting System) were highly profitable entertainment companies that ran their news divisions for decades as "loss leaders." The vaunted CBS Radio News operation, run by the Tiffany Network, the home of Edward R. Murrow and the other pioneers of radio news, was paid for by the jokes of Jack Benny, and his sponsors—Chevrolet, Jell-O, Grape Nuts, and Lucky Strike. When television came out of the laboratory after World War II and entered consumers' homes in the 1950s and 1960s, the same corporate and regulatory scheme that dominated radio took over the new medium, and television news grew up almost entirely in the corporate domain overseen by NBC's David Sarnoff and CBS's William Paley, whose first commitment was to make money for their stockholders.

And make it they did. In the process, they became almost entirely dependent on advertisers. Their industry depended on sending signals through the airwaves to consumers who pulled those signals in through an antenna. At the time, no one could figure out a practical scheme for charging them to receive the signals, so broadcasting was originally founded on a free model. NBC and CBS—and their rivals and affiliates—gave their content away for free in order to assemble the largest possible audience, so they could sell that audience to advertisers. Like the big automakers, a small number of sellers—including, eventually, ABC (American Broadcasting Company)—dominated the market. Although each one was big, they all wanted to be bigger. The logic of the situation was simple: if some viewers or listeners are good, more are better. Best of all would be to rope in every single radio listener and television watcher. To do that, of course, broadcasters would have to cater to mass taste and shun partisan politics. As a result, the news divisions in corporate broadcasting needed to acquire a "cloak of invisibility"—an ethos of factuality and detachment that would avoid offending Democrats and Republicans, or anyone else for that matter.

In the world of print journalism too, publishers and investors kept moving in the direction of the corporate model. One pace-setter was tycoon Henry Luce (to use an epithet that he brought into news vocabulary). Along with sidekick Briton Hadden, Luce invented the weekly news magazine in 1923, and *TIME* quickly caught on with American readers, making it the profitable cornerstone of the Time & Life empire. Time Inc. launched *Fortune*, *Sports Illustrated*, *People*, and dozens of other titles before merging with the movie and music giant Warner Communications Inc. Most recently, the company orphaned its original magazine businesses and sent them out to fend for themselves, while morphing the remaining film and television properties into a global entertainment conglomerate made up now mainly of "video content providers."

Through the middle and later decades of the twentieth century, the corporate model eventually came calling even on the now long-established and no-longer-innovative newspaper industry. As newspapers folded and merged, a smaller number of papers remained standing as monopolies (or near-monopolies) in most of the big and medium-large cities of the United States. That meant that they could practically print money on their presses, since anyone who wanted to advertise (either display or classified) in their domain had to pay the newspaper for the privilege. Many of the monopoly papers were lucrative enough to become takeover targets for the emerging chains like Gannett and Knight-Ridder. As they sold out to the chains, those papers left the control of their long-standing family owners (the Chandlers, the Binghams, the Coxes, and the like) and became small parts in the portfolio of big, remote corporations with no civic or sentimental ties to the areas those papers served.

For a while, it all sort of worked. In the decades after World War II, the big media that arose in the new corporate order seemed to have it made. They were (mostly) earning buckets of money, which allowed them to pursue the professional goals so admired in the newsroom. Editors could tell the business side to buzz off. Editors could open new bureaus in Washington and overseas. A correspondent like Morley Safer could spend CBS's money to shoot film of American soldiers burning Vietnamese villages. Publishers like Arthur Ochs Sulzberger (grandson of Adolph Ochs) at the *Times* and Katherine Graham at the *Post* could bet the house on bold reporting—such as the Pentagon Papers and Watergate—that directly challenged the power of government. It was an era of rising salaries, rising standards, and rising expectations. The journalism that was originally enshrined in the Constitution—small, local, independent, opinionated—had been changed beyond recognition.

Then it all went bust. It is tempting to say that the Internet was to blame for everything, and many people in journalism (especially those of a certain age) really do believe this. It's easy to see what happened in journalism as an episode of "technological determinism"—that is, the new technology of the personal computer and the Internet combined to form a superhuman force that destroyed everything. But the real story is more complicated and gives a bigger role to the agency of the people (in and out of journalism) who made the decisions that brought about the big crack-up.

One issue that is often overlooked is the threat to journalism posed by corporate ownership itself. Take NBC News, for example. The news division was a small part of NBC, which was first and foremost an entertainment company. NBC was, in turn, a small part of its parent company, General Electric (GE), which was a globe-straddling conglomerate of industrial and financial interests. NBC News was a small tail on a mighty big dog. Managers at GE gave profit targets to all divisions with simple instructions: meet your numbers or face being spun off. But the pressure to make a profit was not the only problem in this regime. There were also inherent conflicts of interest that journalists could not escape. How could NBC News report on GE's role as, say, a supplier of jet engines to the Pentagon? Or as a builder of nuclear power plants? Or, at ABC News, after the The Walt Disney Company bought ABC, how could a film reviewer for ABC's *Good Morning America* show critically evaluate a new film from Walt Disney Studios?

As more and more of these journalism operations got folded into bigger and bigger corporations, they lost something else—their ability to rock the boat. Large corporations, especially ones that sell products to the U.S. government or face regulation by the U.S. government or need favors from the U.S. government, are not in the habit of blowing the whistle on government waste. Large corporations do not have it in their DNA to pick fights with powerful institutions like the Catholic Church or the Democratic Party or the professional sports establishment. Yet, the dictates of journalism sometimes lead reporters to fight those fights. My point is that the news business had serious, systemic problems before anyone tried to read a newspaper on a computer. The golden era that is so often lamented turned out to be more of a gilded age. In any case, it can now be seen in the rear view mirror as a distinct historical period—one that is over.

In what could serve as an epitaph for that period, here is what journalist Steve Coll (now the dean of the journalism school at Columbia that Pulitzer endowed) said in 2009:

> Uniquely in the history of journalism, the United States witnessed the rise of large, independently owned, constitutionally protected, civil service-imitating newsrooms, particularly after the 1960s. These newsrooms and the culture of independent-minded but professional reporting within them were in many respects an accident of history.

Bottom Lines

Starting in the mid-1990s, people with online access began discovering a part of the Internet known as the World Wide Web. It brought an apparently endless array of visual displays to your computer screen. As with the telegraph and the radio before it, this seemed like a cool invention that delighted hobbyists but did not come with operating instructions on how to make money with it. Most publishers disdained the Web at first, which was a costly human mistake they made, and not the product of technological determinism. Because they tried to stand still, publishers got run over. The mighty dual revenue stream that had paid for all the great journalism in print media suddenly dried up. Display advertising shrank, as more and more ads migrated to the Web. Classified advertising dried up almost overnight, thanks to Craigslist. On the circulation side, subscriptions and newsstand sales both evaporated as readers moved online and expected content to be free.

To make matters worse for the legacy media, the Web posed an existential threat. From the beginning, most newspapers were a grab-bag of various content. They covered politics and government, along with business and crime and sports and fashion and a growing array of features and departments. Early newspapers often included poetry and fiction, too. In every case, the newspaper presented itself to readers on a take-it-or-leave-it basis as a pre-determined bundle of material, ranging from important news to the comics. The Web un-bundled all that content and rearranged it. Online, people who really liked sports could find faster, deeper coverage of sports on a website than they could in their local print newspaper. People who really liked chess could find a higher level of engagement with chess online than in a newspaper's chess column. And so it went for all the elements in the newspaper: there was a superior version online, usually for free, without having to wait for an inky stack of paper to arrive at your doorstep to tell you about things that happened yesterday. It was time to ask: if the newspaper didn't exist, would it make any sense to invent it?

Now, all media are digital.

People who liked the Web and understood it moved rapidly into the digital space, and they are thriving. The founders of *Huffington Post*, *Drudge Report*, *BuzzFeed*, *Vice*, *TMZ*, *Talking Points Memo*, *Politico*, and many more are doing just fine, thank you. News ventures that were "born digital" are not carrying the big fixed costs of legacy media, so they are able to profit in the changed environment.

This is not the future; it's the present. We are in a transitional period, and it is naturally messy. We are in a period of great contingency, with many unsolved problems—notably how to pay for ambitious, expensive, accountability journalism. On the other hand, journalists have better (and cheaper) tools than ever. The "barriers to entry" have fallen, and the field is open to new talent in a way not seen since the early nineteenth century. Journalists have a global reach that earlier generations only dreamed of. I don't believe in historical golden eras, but there's a definite shine on some of these new ventures.

There is a brisk trade in making confident assertions about the future of journalism. I will venture this tentative judgment: if you want to look into the near future, look at the powerful trends now at work. One snapshot of those trends appeared in the *New York Times* last October, in a story about the newspaper's own recent financial performance. The *Times* is the most important institution in American journalism, so its future is a matter of no small concern. It turns out that the paper's latest quarterly numbers were mixed. Overall, the paper lost $9 million, on revenues of $365 million. The main reason for the loss was the cost of buying out about 100 newsroom employees, who were being let go (out of more than 1,300), combined with the continued downward trend in print advertising, which dropped by another 5.3 percent. That is the kind of gloomy news we are used to hearing about the legacy media. But the report also pointed the way forward. During the same three-month period, the *Times* added 44,000 new digital subscribers, and the revenue from digital advertising rose by 16.5 percent. That sounds like a glass that's half full (at least). The news business will survive. That's the headline.