

Community News Is the Key

Steven Waldman

The collapse of local newspapers and the decline in the number of local journalists is associated with a variety of democratic ills, including more corruption, fewer candidates running for office, less knowledgeable voters, less participation in civic associations, and increased polarization. In addition, the vacuum left by local news has been filled by national media institutions and social media, concentrating the control of information in a few powerful hands and deepening public mistrust of the media. It will take a combination of creative public policy, philanthropic support, social entrepreneurship, and business model innovation to counter these trends. But perhaps above all else, we need a sufficient number of local reporters on the ground in communities.

The shifts in the civic information environment have been seismic. We've gone from a time when almost no one could broadly disseminate their views to one in which almost anyone can. From a time when misinformation could sometimes spread despite resistance from the big media systems to one in which it spreads at warp speed with the assistance of media systems. From a time when capturing moving images was the province of specialists to one when it's easier than reading or writing. From a time when the main costs were printing and distribution to one in which the main cost is labor. And from a time when technology did computations for us to one in which it writes, designs, ideates, codes, conjures, creates, and thinks on our behalf.

In the face of this collection of such mind-bending transformations, it may seem odd to say that one of the most important things for us to do is reverse the collapse of local news. Countering once-in-a-millennia technological shifts by requesting more people cover school board meetings may seem like a solution not quite up to the challenge. But Ethan Zuckerman is dead right in highlighting that as a key area of scrutiny: reviving community news is one of the best ways to counter the negative effects of the revolution in how people get information.¹ It's why, before the 2020 presidential election, historian Timothy Snyder said the collapse of local news was "the essential problem of our republic."²

First, let's understand the scale of the collapse. We have seen about a 75 percent drop in the number of local journalists since 2002, according to a 2025 study by Muck Rack and Rebuild Local News.³ This jibes with a different study from Northwestern University's Medill School of Journalism and with data from the Bureau

of Labor Statistics.⁴ That means that in 2002, there were roughly forty journalists per one hundred thousand residents. Now there are about eight.

Thousands of newspapers have closed and those that remain are unlikely to provide local coverage of depth. Between 1999 and 2017, coverage of local politics dropped by 56 percent, according to a 2021 study of 121 newspapers by political scientists Danny Hayes and Jennifer Lawless.⁵ It's gotten worse since then. The collapse of newspapers has debilitated the entire local news system as television and radio have tended to rely on newspaper reporters for much original reporting, especially when it comes to turning over rocks or explaining things that institutional leaders would rather leave unsaid.

Research indicates that the collapse is associated with or causes more corruption, more voter ignorance, fewer candidates running for office, less volunteering with local associations like the PTA, and less split-ticket voting. One landmark study showed that the loss of local news correlated with lower bond ratings and higher tax rates.⁶

Just as important, there is impressive evidence that less local information exacerbates polarization.⁷ The reason: the contraction of local news leaves an information vacuum that is filled by social media (which is polarizing and more likely to include falsehoods) and national news (which is more likely to be partisan). People are focused on national topics (or view local controversies through a national lens) and are less likely to build strange-bedfellow alliances on local issues.

After looking at a variety of civic measures, Hayes and Lawless concluded that “the most dramatic change in the civic life U.S. communities have experienced in the last 20 years [is] the decimation of the local news media.”⁸

More recently, we have seen the neutering and co-opting of key national media institutions. A few decades ago, “corporate news media” could be fairly described as a mixed bag. It inserted subtle biases of a certain class of people, but it provided journalists with a sense of clout with which to challenge power. Now, corporate media is more fragile than small media because officials can threaten company executives through other nonmedia business interests. Donald Trump got to Jeff Bezos not by threatening *The Washington Post* but by endangering his technology companies Blue Origin and Amazon.

Just as important, the new media establishment – TikTok, X, Facebook, YouTube – concentrates power in just a few hands, increasingly aligned with one political party. When the digital revolution began last century, it seemed like a one-way trip toward more dispersed information. Now, in many ways, control is more concentrated than ever.

Local news – at least when it's in local hands – needs to grow to counter the concentration of national media. Thousands of flowers, not a few mighty tree trunks. There are three parts of the drive to revive local news: business model innovation, philanthropy, and public policy.

We have seen a flowering of social entrepreneurship on the community level: at least five hundred new local startups in the last fifteen years.⁹ Many are trying new approaches, including distribution by text message, holding in-person events, and forging grand collaborations among media outlets. They are still too small, but if more capital came into the system, many of these could scale and substantially improve conditions on the ground.

There has also been a surge of philanthropic support in recent years. Led initially by the Knight Foundation and then by a consortium called Press Forward (instigated partly by the MacArthur Foundation), such organizations have added something like \$100 million–\$200 million per year into the system.¹⁰ (The newspaper industry has lost more than \$40 billion in annual ad revenue since 2000, so we have a ways to go, but technological improvements – especially not needing to print newspapers and deliver them to houses – mean we need \$3 billion annually in new money to cover the loss.)¹¹

Finally, public policy has become more creative and successful. When we think about media policy, our minds may gravitate toward NPR or PBS, but we should think as much about two other models: the postal subsidy that was enacted in 1792 and lasted for about one hundred and fifty years after that, and the tax deduction for charitable contributions enacted in 1917.¹² The postal subsidy gave newspapers cheaper mailing rates; in modern dollars, the value would be about \$50 billion a year offset by the revenue from standard mailing rates. By contrast, the budget for the Corporation for Public Broadcasting (CPB) that funded NPR and PBS hovered around \$500 million, with a sliver of that going toward local news.¹³ The provision of the U.S. tax code allowing individuals to deduct donations to charity massively strengthened America's nonprofit sector, involving \$55 billion–\$82 billion in support at its peak.¹⁴

What these developments have in common is that they do not involve wise men and women sitting around a table making discretionary judgments about worthiness – and, in First Amendment terms, they don't involve government officials making decisions about content. They are entitlements, value-laden incentives embedded deep in the tax code, distributing funds according to relatively objective criteria, on a massive scale.

With those principles in mind, a new generation of public policy ideas has been born, several of which Zuckerman mentions in his *Dædalus* essay. And there has been some progress.

- *Employment subsidies.* Illinois and New York have passed laws to provide refundable tax credits (that is, grants) to newsrooms for the hiring of staff.¹⁵ Illinois's law is targeted specifically at hiring local reporters; New York's at media in general. These subsidies are based on a bill that passed the U.S. House of Representatives that would have provided \$1.7 billion over five

years.¹⁶ This approach aligns behavior incentives in the right direction – toward the hiring of reporters.

- *Support for businesses that advertise in local news.* Lawmakers in Kansas introduced legislation that would create a tax credit for small businesses that advertise in community news. This is based on some experiments on the county level in which governments provided grants to businesses that advertise.¹⁷
- *The Report for America model.* California, New Mexico, and Washington State have launched “fellowship” programs that place scores of reporters into local newsrooms and subsidize their salaries.¹⁸
- *Government advertising shift.* In 2021, New York City passed a law requiring half of its government advertising spending to go to community news. Over five years, this shifted a stunning \$72 million toward local outlets.¹⁹
- *Consumer subsidies.* There have been several approaches to subsidize consumers who want to support local news. Multiple federal bills have proposed providing a tax credit to those who buy subscriptions or donate to nonprofit news. A pending bill in the District of Columbia would provide a voucher.²⁰
- *Community News Investment Funds.* The newest of the ideas, several philanthropic groups are looking at setting loan funds or matching funds.²¹

Six states have enacted laws at the state or local level that will generate \$246 million over five years and about \$80 million in 2026 alone.²² If this movement grows, we could see this generating north of \$1 billion a year in support.

Not surprisingly, the impact of artificial intelligence cuts in multiple directions here. On the positive side, it should enable those remaining journalists to do far more with less, including devising ways of reaching residents who have been missed before. On the other hand, as Zuckerman notes, its first effect will be to further undermine the revenue model of local news by eliminating the need to click through from a search result to an underlying story. Once again, local news outlets will invest in the labor to create new information while someone else – previously a search engine or social media company, now an AI company – will capture most of the monetary value.

We need to decide quickly whether we want a vicious or virtuous circle. Without a critical mass of local reporters, AI will be inaccurate and less useful – and more likely to spread misinformation. Zuckerman writes, “For AI to have a positive role to play in a civic information environment, it needs to be trusted. So far, with AI chatbots that have been trained on pirated materials, that are prone to hallucinations, and that often harvest user data, trust has been hard to find.”²³ With sufficient local reporting, it could be quite effective at informing communities. This is why AI has a deep financial interest in paying for the revival of local news.

So it keeps coming back to there being a sufficient number of living, breathing local reporters. Democracy, communities, and artificial intelligence all need these people. And it is most likely to be humans, not bots – even good ones – that will restore trust in media, which is a goal of democracy in itself.

Obviously having more scruffy reporters sitting at school board meetings should not be the only response to historic, mind-bending shifts in information. But we shouldn't think that all technological revolutions need to be modulated by only technological solutions. In the case of local news, we need about twenty-five thousand new humans on the ground in communities, using new technologies but also old-fashioned techniques (calling people, attending meetings and events, and so on).

On the scale of what's being spent on new technology, this is a cheap date, and it would help strengthen democracy and make life in communities better.

ABOUT THE AUTHOR

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ENDNOTES

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- ²³ Zuckerman, “Civic Information Architecture,” 145.