Why Journalism Matters

A Media Standards Trust series

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These are the best of times and the worst of times if you happen to be a journalist, especially if you are a business journalist. The best, because our profession has a once-in-a-lifetime opportunity to report, analyse and comment on the most serious financial crisis since the Great Crash of 1929. The worst of times, because the news business is suffering from the cyclical shock of a deep recession and the structural change driven by the internet revolution.

This twin shock has led to a loss of nerve in some quarters, particularly in the newspaper industry. Last week, during a trip to Colorado and Silicon Valley, I was peppered with questions about the health of the Financial Times. The FT was in the pink, I replied, to some surprise. A distinguished New York Times reporter remained unconvinced. “We’re all in the same boat,” he said,”but at least we’re all going down together.”

My task tonight is not to preside over a wake, but to make the case for journalism, to explain why a free press and media have a vital role to play in an open democratic society. I would also like to offer some pointers for the future, highlighting the challenges facing what we now call the mainstream media and making some modest suggestions on how good journalism can not only survive but thrive in the digital age.

Let me begin on a personal note. My father Frank Barber was a journalist for 51 years. He left school at 15 with no qualifications other than a fierce desire for self-improvement. He started at the Leeds Weekly Citizen as a copy boy. From there he worked his way up from the Yorkshire Evening News, to the News Chronicle in London, the Sunday Times and the BBC World Service, as a sub editor, foreign correspondent and commentator. His passion for journalism must have rubbed off: Just over 30 years ago, I started as a cub reporter on the Scotsman in Edinburgh; my younger brother followed suit four years later, joining Reuters as a trainee in London and then New York.

Now before this speech descends into sentimental nostalgia, I should stress there was little room for theorising about journalism in the Barber household. Anyone asking the question “Why does journalism matter?” would have been looked upon with astonishment, if not contempt. The case for journalism and the printed word was instinctive, not calculated. As Frank would have said: I write, therefore I am.

Thirty years on, as the Media Standards Trust has recognised, we must go back to first principles and make the case for journalism. This is partly because the recession and the internet are undermining the business model that has sustained news gathering since the late 19th century. The worldwide web has disrupted revenue

streams and dramatically lowered the barriers to entry to the news business. As the Economist noted: “The business of selling words to readers and selling readers to advertisers, which has sustained their role in society, is falling apart.”

Even more important, the internet is challenging our conceptions about the practice of journalism itself. To some, the digital revolution represents freedom: a decisive break away from the old media oligopoly into a world which is more democratic, more innovative, and invites more civic participation. To others, this revolution will fundamentally change the way that people relate to the news. It threatens to undermine the role of mainstream media as a trusted intermediary or gatekeeper between the public and the authorities which has long been part of our democratic society. This is a theme I intend to explore tonight.

Democracy

LORD NORTHCLIFFE, the British publishing magnate and owner of the Times and Daily Mail, among many other titles, once declared that “news is what somebody, somewhere wants to suppress; all the rest is advertising.” There is more than a grain of truth in this proposition, but we should be careful not to romanticise the news business. We need to be aware of its limitations as well as its inherent value.

As Walter Lippmann, the American essayist, wrote in his seminal work “Public Opinion”, newspapers do not try to keep an eye on all mankind. By its nature, news is selective, dependent on editors’ as well as readers’ tastes. As Lippmann observed: “The press is like the beam of a searchlight that moves restlessly about, bringing one episode and then another out of the darkness into vision.” In other words, because of its very selectiveness - literally its partiality - news and truth are not necessarily the same thing.

Democracy and journalism are not synonymous either. There was no journalism in ancient Greece. British journalism evolved under a constitutional monarchy. American journalism, operating under a monarchical, colonial power, preceded American democracy. But as Michael Schudson has observed in his excellent book Why Democracies need an Unlovable Press, “Where there is democracy, or where there are forces prepared to bring it about, journalism can provide a number of different services to help establish or sustain representative government.”

What are those services and why do they matter? Once again, I am indebted to Schudson for setting out some easily comprehensible categories. First, there is the function of informing the citizenry. This is primarily educational, enabling the public to make political choices and participate in self-government. So, to recast Lippmann’s earlier image in a more positive light: “news tells us things that we would not otherwise know.”

Such “informative journalism” takes many different forms: it could be an interview with a businessman or a politician; a report of a court hearing or a House of Commons debate; or even a dispatch from the front-line of a war. The essential point here is that informative journalism enables citizens to have indirect contact with

people of power or institutions of the state, to better understand how society works, both to their advantage and to their disadvantage.

Reporting of criminal court cases, for example, strengthens public awareness of the state's capacity to protect its citizens through the justice system. Such reporting is intrinsic to civil society. And that, incidentally, is why we should be so worried about the demise of local newspapers which have traditionally spent so much time and space covering local courts of justice and, indeed, local government.

The second function of journalism in a democracy is that of watchdog. Investigative – as opposed to informative – journalism is by its nature confrontational. Its goal is to prevent abuses of power, to expose immoral, unethical or illegal behaviour by agencies or individuals. The investigative tradition goes back as least as far as the early 20th century, when the so-called muckrakers exposed social iniquities and corruption in the big cities in America. The investigative journalist is the self-styled professional truth-teller, intrepid in the face of official censure and dedicated to the proposition that citizens in a democratic society are entitled to hold powerful people to account.

By far the most famous example of investigative journalism was, of course, the Watergate scandal. It was exposed by, among others, two Washington Post reporters, Bob Woodward and Carl Bernstein, and ended in the resignation of President Richard Nixon. In retrospect, Watergate may have been a curse as well as a blessing for American journalism. The Watergate-inspired movie "All the President's Men" made celebrity a goal to which many journalists now aspire. It may also have bred a generation of cynics with little or no faith in American political institutions. But that's another story.

Expenses

Closer to home, the most recent example of successful investigative journalism has been the Daily Telegraph's exposure of systematic abuse in parliamentary expense claims. Here I tip my hat to the Telegraph and its editor Will Lewis, a former FT colleague, for their courageous and diligent pursuit of a groundbreaking story. Many of the damning details of MPs claims, down to the duck house and the rural moat, would never have come to light had disclosure been left to the discretion of our elected representatives in the House of Commons. Even though the material, in this case a computer disk, was acquired in exchange for money, there can be little doubt that publication of the story was in the public interest.

By contrast, revelations about phone-hacking by the News of the World raise serious questions about the practice of journalism and the public interest. News International, which owns the News of the World, as well as the Sun, Times, Sunday Times and the Wall Street Journal, continues to cast the practice as an isolated operation, albeit one which led to the jailing of one of its former royal correspondents. But the Guardian's story that News International secretly paid at least one victim of phone hacking £700,000 in compensation is troubling.

As the Guardian rightly observed, the press cannot expect to be immune from public concerns about access to databases and personal information, whether it be CCTV, medical records, ID cards or mobile phones. More important, the press needs to be very careful before appearing to put itself above the law – in this case, the Regulation of Investigatory Powers Act 2000 (under which the News of the World reporter was jailed) or the Data Protection Act 1998. The latter act does contain a public interest defence which can be pleaded in court, but such a defence will cut little ice with juries if the public comes to assume that all news organisations are running rogue operations guilty of gross intrusion into privacy. Moreover, the balance between privacy and the protections afforded by libel laws - arguably a more serious obstacle to serious investigative journalism – need to be reviewed.

The third function of journalism is to provide analysis, to explain a complicated event or process in a comprehensible narrative. Without wishing to turn this lecture into an advertisement for the Financial Times, I must say that we at the FT have long prided ourselves on the analytical form - and the global financial crisis has given us a great showcase for our journalism.

The financial crisis started as a highly technical story which went mainstream. It required a sophisticated understanding of the credit markets and the risks inherent in financial leverage, the use of debt to supplement investment. Thanks to path-breaking reporting by Gillian Tett, our capital markets editor, the FT held first-mover advantage on the story. We also benefited from our global network of correspondents, able to report and analyse events as they unfolded. These ranged from the fall of the oligarchs in Russia, the unprecedented monetary interventions by the Fed, Bank of England and European Central Bank, the bail-out of Dubai in the Gulf, and the precipitous decline in economic growth in China. The point to bear in mind, of course, is that analytical reporting, particularly on a global story, costs serious money.

The fourth function of journalism in a democracy is what Schudson defines as social empathy. Good journalism, whether in print, on TV or on the radio, can imbue the citizen with a deeper sense of community. The coverage of education, medicine and religion might be described as high-end social empathy. Coverage of restaurants, cars, celebrities (think of the Michael Jackson memorial service, which was covered in its entirety by all major TV channels in America) could well fit into the lower end. A more telling example – and one which I witnessed first-hand – was the coverage of the September 11 terrorist attacks and their aftermath. Most memorable of all were the New York Times pen portraits of each of the victims in the Twin Towers, under the rubric of “A Nation Challenged.” This was American journalism at its superlative best.

The fifth function of journalism in a democratic society is to serve as a public forum. The most basic form in the mainstream press is the space for letters to the editor. A more recent innovation, starting in the US in the 1970s, was the creation of an “op-ed” page. This page – which usually sits opposite the letters page and the leaders or editorials – is a forum for staff writers but also guest columnists and experts to provide a variety of views on current issues. Radio and television, too, can play a role, though the advent of the “talk show” has not exactly improved the quality of

public discourse. More important, the internet has massively expanded the notion of a public forum, allowing readers to comment on issues without the mediation of the mainstream media. I will return to this theme shortly.

Public opinion

The final function of journalism is to mobilise public opinion, either for non-partisan or partisan reasons. Great press campaigns can change history and shape new laws. The Times under Thomas Barnes campaigned relentlessly for the introduction of the Reform Act which set the country on the road to universal suffrage. The Sunday Times' campaign to bring the perpetrators of the Omagh bombing to justice is a more recent testimony to courage and persistence by editors and reporters alike. Recent tabloid campaigns to ban plastic bags, stop the introduction of ID cards or impose accountability on Haringey social services in the Baby P case have all had a direct influence on British government policy.

Several of the categories I have listed above are either complementary or overlapping. War reporting, for example, can be both informative and investigative. Think of the My Lai massacre or the abuses at Abu Ghraib prison – though remember Philip Knightley's warning that truth can often be the first casualty of war. Investigative journalism can also have a campaigning quality. The Sunday Times' Thalidomide stories come to mind. The value of these different forms of journalism matter becomes even clearer when we take a look at countries where those same activities are either banned or severely curtailed.

For example, for all the impressive economic and social progress made in China in the post-Mao era, there are tangible limits to the freedom of media and the exchange of information. The authorities remain extremely sensitive about coverage of dissent in any form, whether it be the Falun Gong, Tibetan separatists or families complaining about lax building regulations after the Sichuan earthquake. In one instance, the authorities ripped out a 3,500 word profile of President Hu Jintao in the Financial Times without explanation. Only later were we informed that Beijing censors were unhappy about a single reference to Hu's earlier role as party boss in the Tibet Autonomous Region.

Similarly, in Russia, the extension of state control over the broadcast media during the Putin era and the gradual elimination of privately-owned newspapers have created a climate of self-censorship more reminiscent of the Soviet era. Critical journalism has become a life-threatening occupation. Prominent reporters, notably Anna Politokovskya of Novoya Gazeta and Paul Klebnikov of Forbes, have been gunned down in retaliation for their reporting on the war in Chechnya and organised crime. Overall, as the Committee for the Protection of Journalists has noted, some 20 journalists have been killed on the job in Russia since 2000.

To sum up: journalism matters not simply because it is a manifestation of dissent but because it is an expression of plurality. Open societies not only tolerate alternative views; they understand that different poles of opinion are the lifeblood of a healthy democracy based on representative government. By contrast, closed societies wish

to exert control over information channels because they threaten the legitimacy and power of the ruler or ruling party. It is not hard to imagine which model is superior.

Online

I WOULD now like to turn to the internet and examine how it has begun to transform our understanding of journalism. Three changes are worth noting. First, journalists are no longer gatekeepers, gathering the news and deciding what is important and what is not. Thanks to the worldwide web, consumers can increasingly find out what they want from many different sources. The web allows consumers to link together, through social networking sites, to create their own information exchanges, bypassing traditional media.

Second, citizens are becoming their own editors. When we search the internet, we are no longer passive consumers of news. We are not so much reading stories as actively hunting through multiple sources for an answer. And while aggregating tools such as Google and Yahoo are still relatively new, they represent a world of difference between the printed word of the newspaper or the spoken word of the TV screen or radio. Devices such as the mobile phone are the new ears, eyes and skin, able to take pictures, record voices and respond to touch in real time.

Third, the internet has challenged the idea of journalism as narrative or simple story-telling, in the words of Tom Brokaw, the American TV anchor. Thanks to the unlimited space on the internet, news websites can provide consumers with documents, backgrounders, time-lines, slide-shows, raw video and many other forms of information still to be invented. The consumer experience is richer, deeper and faster – and it has vastly expanded the knowledge base around the world.

This new digital world poses a threat but also an enormous opportunity to established news organisations. At the Financial Times, where we have pioneered the concept of the integrated newsroom, journalists work seamlessly in print and online. We segment and package our global news in both media simultaneously, 24 hours around the clock. We see the web as an essential complement to our traditional print business.

But we also know that the new journalism is not without its weaknesses. We are also aware of the risks of blurring the distinction between what might be described as “crafted” and “raw” journalism. By crafted, I mean news gathering which is properly sourced and which has passed through a revise function for the purpose of accuracy, good taste, and legality.

Raw journalism is very different because it is largely based on opinion rather than established fact. It could take the form of Twitter “tweets” and Facebook messages on the streets of Teheran, the first early warning signs of a news story. More significantly, raw journalism is found among the community of bloggers around the world which are becoming increasingly influential in setting the news agenda.

Let me issue a health warning at this point. Bloggers have broken important stories and will continue to do so. Think of Mayhill Fowler who revealed Barack Obama’s

controversial guns and religion remarks during last year's presidential election. Closer to home, we witnessed a big scoop by Guido Fawkes, the Westminster blogger, who revealed that Damien McBride, a top aide to Prime Minister Gordon Brown, had dispatched emails proposing an organised campaign to spread slurs about the Conservative party leadership.

On the other hand, most bloggers do not operate according to the same standards as those who aspire to and practise crafted journalism. They are often happy to report rumour as fact, arguing that readers or fellow networkers can step in to correct those "facts" if they turn out to be wrong. They are rarely engaged in the pursuit of original news: their bread and butter is opinion and comment. Their web-driven culture of immediacy means they are more often consumed by the need to be first than right. And there is a good reason for that. In the words of Michael Arrington, the influential tech blogger in California, "first is cheap, right is expensive."

Once again, I do not wish to sound precious. British journalism has always put a premium on the scoop and it has long blurred the distinction between news and comment. The rise of bloggers may simply signal the last gasp of the age of deference, not just in politics but also in general social mores in Britain, America and elsewhere. Nor does it follow that the worldwide web has dumbed down journalism. On the contrary: it has created opportunities to "smarten up". News organisations with specialist skills and knowledge have the opportunity to thrive. The mediocre middle is much more at risk.

Rethinking the model

Overall, however, it is vital that traditional news organisations harness the powers of new media to ensure that crafted or quality journalism can thrive. This requires a mastery of technology – not necessarily a strength among newspapers or other legacy news businesses. And it requires a willingness to radically rethink the business model which has sustained such journalism for the past century or more.

Rethinking that model can lead news organisations into perilous territory. The Washington Post landed itself in trouble over a half-baked idea to offer lobbyists access to administration officials in return for a hefty fee, sugared by the fact that the proposed salon would be held in the house of the proprietor and in the presence of the editor and other senior journalists. The plan has now been abandoned, but only after some damage to the Post's brand and its reputation as an independent news organisation rather than an influence-broker.

A far better path forward is for news organisations to focus on what makes their brand different from the rest. It could be sports or celebrity coverage or simply a long-standing reputation for standing up for the common man – or woman. Figuring out what is special, distinctive and original is the vital first step. The second is to establish an online platform capable of charging for content, whether on a payment per article basis or a package subscription.

The FT has pioneered the concept of a frequency model, whereby a limited number of articles on the web are offered as free "tasters" before users are asked to

subscribe. We are seeing sustained and growing revenue as a result of our strategy of premium pricing for quality, niche global content – crucial at a time of weakening advertising. Many news organisations are following suit in charging, latterly the New York Times which had previously come down in favour of free access to its own content. How these online payment models work and how much revenue they can generate is still up in the air; but I confidently predict that within the next 12 months, almost all news organisations will be charging for content.

Without new revenue streams, quality journalism will wither. We should be under no illusions about the price we would pay as a result. It would not be measured in terms of jobs alone, but something more enduring and valuable. Journalism forms part of the lifeblood of free societies Journalism is not perfect, nor was it ever meant to be. By its nature, it is often uncomfortable, especially for those in positions of power. But it matters - and I will defend it to the last.