

ISOJ 2020: Day 5, Brunch Workshop

Seeking New Ideas to Fund Public Interest Media in the U.S. and Globally

Chair: [Anya Schiffrin](#), senior lecturer, Columbia University

- [Sarabeth Berman](#), CEO, American Journalism Project
 - [Elizabeth Green](#), founder and CEO of Chalkbeat, co-founder and co-chair of the board, American Journalism Project
 - [Nishant Lalwani](#), managing director, Luminate, United Kingdom
 - [Dele Olojede](#), founder and host, Africa In the World, South Africa
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Mallary Tenore Hi, everyone, welcome. I'm Mallary Tenore from the Knight Center for Journalism in the Americas, and I'm delighted that you're here today for the last day of ISOJ online. I'm very excited to be introducing this workshop.

Now, before we do, I just want to share a few housekeeping notes. One is that we are going to be interpreting this workshop into Spanish. So if you want to tune in to the Spanish, you can just click that little interpretation globe in the meeting options below and click the Spanish channel, and you'll be able to hear it in Spanish. I also want to remind you that we are going to be streaming this on to YouTube, both in English and in Spanish. So we'll close the links to those YouTube channels in the chat feature of Zoom. So if at any point you have any technical issues with Zoom, you can always tune in to the YouTube stream. And lastly, I just want to encourage you to use the hashtag #ISOJ2020 to share highlights from this workshop. And you can also post questions for the workshop speakers in the chat feature in Zoom. So we encourage you to post as many questions as you like, and we'll do our best to answer them.

So now it's my pleasure to introduce this workshop, which I'm really excited about. It's going to be fantastic. And we're going to be exploring new ideas to fund public interest media both in the U.S. and globally. And we have a great lineup of speakers from the American Journalism Project, Luminate, and Africa In The World. So with that said, I would now like to turn it over to Dr. Anya Schiffrin from Columbia University, who will be leading today's discussion.

Anya Schiffrin Mallary, thank you so much, and I'm really grateful. Thanks for the introduction, and I also just want to mention that our first speaker will be Elizabeth Green from Chalkbeat and the American Journalism Project. And I, too, am excited about this panel. And one of the reasons I'm excited is because we're going to hear from speakers around the world who have detailed ideas about how to save journalism financially. I think we all know that the pandemic has shown once again how important information is. Readership and audiences have skyrocketed around the world. People are thirsting for quality information. But we also know how dangerous the financial situation is and how precarious the funding of investigative journalism and local journalism is. So this panel is going to really talk about some of the new projects out there that are addressing how to solve this problem.

So Elizabeth Green will be talking about her experience at Chalkbeat and the American Journalism Foundation. Sarahbeth will also be talking about the American Journalism Project, and what they're doing now. Sarahbeth Berman, who's the CEO of the American Journalism Project. We've got Dele Olojede, who's a famous journalist from both the U.S. and Nigeria who launched his own newspaper and learned firsthand how tough that can be. And Nishant Lalwani, who is now one of the world's major journalism funders, who's has really taken their place along with OSF, where I'm on the board, Gates Foundation, Knight, and other big journalism funders, and is helping launch a new development fund for media around the world.

So I think it's going to be a really interesting session, what we'll be talking about. About what's working, and what people are trying. I personally believe it's a moment where we really need to think big. We need to be super ambitious. I'm in favor of government support for public interest media. Think lots of taxes on the tech companies as well. So we really need to think about the large-scale initiatives and not just the brave global muckrakers who have been funded for years by many of the foundations. So thank you all very much. We'll begin with Elizabeth Green and then we will go on to Sarahbeth Berman, who's the CEO of the American Journalism Project. After that, we'll hear from Dele Olojede and then Nishant Lalwani, and then we'll have plenty of time for questions. Thanks, everybody.

Elizabeth Green Awesome, hi, thank you, Dr. Schiffrin, and I'm so thrilled to be at my first ISOJ. Hello, everyone. My name is Elizabeth Green. I'm the co-founder and CEO of Chalkbeat and the co-founder and co-chair of the American Journalism Project. I'm nervous that I'm somehow disconnected. So if someone could say in the chat that I'm not disconnected. OK, good. You hear me?

I wanted to talk about, and this is a topic I care so much about, how to fund public interest media. And I thought, I'm going to tell my story of how Chalkbeat was formed and how the American Journalism Project was formed, because the through line in both of them is how do we fund the media that matters?

Chalkbeat today is a \$12-million-dollar, 67-person news organization that focuses on covering education and does it from a local-first perspective. So we have seven, soon to be eight bureaus, on the ground in communities in the U.S. that are every day covering the public school infrastructure and their communities. And we are very fortunate to have grown every year of our existence and created one of the largest local newsrooms in the country, sadly, because we're way too small to have that distinction, and one of the fastest growing as well.

How did this start? So I when I started my career, it was because of my high school experience on the high school newspaper. Like so many journalists, I was completely converted to journalism as a profession and vocation. I especially cared about education and covering that topic from day one. And I figured that I had a clear path that I could follow. I talked to different people in the field, understood how everything works. You have to start at a great local paper and then go to a slightly larger local paper and then a slightly larger and keep going. And in the process, you're going to get this amazing knowledge about the beat you're covering and experience covering a good topic. So for me, I was going to go to the Anniston Star in Alabama, and then I was going to go to the Newark Star-Ledger in New Jersey, and then the Chicago Tribune. And then maybe one day I could eventually come back to my hometown and work for The Washington Post, my hometown paper. That was my plan.

I graduated college in 2006 and got my first job, not the Anniston Star, sadly, but at the U.S. News and World Report magazine. I learned pretty quickly that as I arrived there, there had been multiple rounds of layoffs already before I came, and that was only in 2006. And as an intern, I was the only person covering K-12 education. I then moved to New York City to work at the New York Sun newspaper. I was still determined to find the path that I had been told would be the best path to take, local papers. But in 2008, the New York Sun folded during the financial crisis, and it was one of many papers at the time to be affected by the financial crisis in the U.S., and it was just the beginning of a lot of cuts that we have all seen since then. And so as I looked out on the landscape, the path that I thought that I would follow, I could see really just did not exist anymore and certainly was not going to exist in ten years.

And so I challenged myself to say, well, if that's true for me, what does that mean for this mission that I was converted to believing in in high school? It means that we need a new business model to support the mission that we all care about. And that had been clear to me, even in the places where I was able to get a job. The business model was not in support of the mission. So with that intuition, I just set out to create something new. Today that organization is Chalkbeat. It's been a long road.

One of the the moments that I want to mention in trying to build a new business model. The way the way we built Chalkbeat is as a nonprofit. So the commercial business models are, it was clear to me, were not in support of the mission, as I said, and that was increasingly true as advertising dollars depleted from the news business with the rise of platforms. And so we needed to seek another way to pay for it. And initially, setting up as a nonprofit was really, again, just an intuition, not a theory of the case about a business model. It was just the best way to get mission-oriented money is not going to be to raise money commercially. It's going to be to raise money non-commercially.

So we set up a nonprofit and started taking donations from a small number of individuals. And we're fortunate to be able to do that and to start building something very scrappy but the did the day in and day out journalism covering the New York City school system that I wanted to do and believed in. Early on, one of our donors, this is the pivotal moment I want to underscore, said to me when I was talking to him about what business model we're going to have going forward, he said, "Put that out of your head. Don't worry about the business model. Just do the work. Somebody else will figure out the business model. Our job is just to do the work until they find the business model. Once they do, once this mysterious savior figures out the business model, we can just plug into that business model, and it'll support the work. But for now, focus on doing the good work."

Well, I sort of disagreed at the time, I also agreed with that statement. I figured somebody else would figure this out, this business model problem, not me, a journalist. And so I kept going about my business while raising enough money to keep the operation going. But along the way, it increasingly became clear that nobody else was figuring out the business model. More and more papers across the country were closing their doors, start up efforts to create commercial revenue models to support local news were unsuccessful. And there was not going to be a silver bullet commercial model, even these new digital start ups with commercial revenue streams folded.

So there wasn't going to be a business model that was going to save us, that started to become increasingly clear. And yet here we were, started out just in New York City, as we were successful in making a big impact in our city, other cities around the country said, "We want you to do what you're doing in New York City in our city." And we started

growing, and we built the organization that exists today. We built more and more journalistic impact, and we were able to keep paying for it and paying for it with our particular approach to creating high-impact journalism that the community who cares about it wants to support.

Oh, my goodness, I am so sorry. I feel like I'm going to have to walk all of you guys around the world in to let my dad into my house right now. I am going to have to do that. I'm so sorry. So, OK, we're taking a walk together. I can't even see myself, hopefully you can see me the. It's really hot where I live in Washington. It's not nice people outside there. You're welcome.

So the point is that we realized that we had the business model that we were waiting for and nobody else was going to create it but us. Journalists were going to be the ones to create it, not some commercial news savior. And the model is going to be dependent on the quality of the work, and the quality of the community around us and the relationships that that community had with us.

OK, we're back.

And that was working. Today the philanthropy pays for 85% of profits. Revenue and non-philanthropic money, advertising dollars, corporate sponsorships paid jobs, and ads that rely on the power of the communities' connection to the work, pay for the rest. The noncommercial part is really growing. The philanthropic part is remarkably sustainable. Shockingly to myself from the beginning, who was very reluctant to work with philanthropy, we have been able to completely preserve our editorial independence. In the rare cases when a donor does seek to influence our coverage, we walk away from that donor. Easily the average gift that comes in to be is \$75,000. In the scope of a \$12-million-dollar budget, we can walk away from a donor without worry about being able to continue keeping our doors open. That's a very important element here. I'm happy to talk more about the model, but I want to get to the broader implication, which is when I realized that we were the business model we were searching for, I also realized that we weren't growing fast enough.

We were able to respond to six additional cities beyond New York City, soon to be seven beyond New York. But we had a waiting list of 60 additional places across the country, not to mention friends all across the globe saying, "How do I get Chalkbeat to come to my town?" And we were unable to respond to them quickly because we lacked what I came to see, the name for the thing we lacked was "growth capital." What we did not have access to unrestricted dollars that would allow us to accelerate our ability to serve and scale. And when I looked at other social sectors, I knew that they had solved for this very same problem by creating venture philanthropy. In the education field that I write about, I've seen many venture philanthropy come about that had really fueled the scaling of their sectors. So they step in where markets fail. They fuel social entrepreneurs to solve major problems at scale.

And that is where my inspiration to found the American Journalism Project came from. We are the first venture philanthropy firm dedicated to journalism. And we're really proud that we just brought on our first CEO, Sarahbeth Berman, who I'm handing it over to now to talk to you more about our work.

Sarabeth Berman Thank you, Elizabeth. I'm glad your dad is inside and in the A.C., the air conditioning, I am sitting in Washington, D.C. too, so I am grateful and aware of how

much one needs air conditioning at the moment. Thank you very much to ISOJ for this session. I'm really excited to be here at a really critical moment. Elizabeth did an elegant job of framing up the reason why the American Journalism Project came to be. Where I'll take us now is to this moment that we're in.

We are here in the middle of a global pandemic. I join the many people who have started new jobs via Zoom. Met my team via Zoom and navigating this new world in a new job during a pandemic. But the pandemic has magnified, and this moment in the United States, has magnified two of the central dynamics at the very heart of what the American Journalism Project is trying to do. One is the very perverse irony that at the same moment that people are running to local news websites, the people are desperate for information about their communities, the market has failed. We see thousands of reporters being furloughed, laid off. And as Penny Abernathy put out in a recent report on news deserts across the United States, desertification is increasing. And we are living in the United States through a historic reckoning with the centuries of racial injustices, and the media industry is reckoning too. And that leads us to another starting point for us, which is that we cannot be nostalgic for what was. But as we look ahead, we have an opportunity to build a public interest media that is much more reflective of the diversity of our country.

Those are really two points that are at the heart of what we are trying to do. We are raising a \$50-million-dollar fund, and we are looking to catalyze the nonprofit news industry. It is the bright spot of hope in local news. It's the only part of the industry that's been growing over the past 10 years, and yet it is not growing fast enough to meet the need across the country. So our task at hand is to really step that up. And we're doing that by investing in current nonprofit news organizations and starting new nonprofit news organizations. We are investing not on the editorial side, but on the business side. We're helping these organizations really build not just scrappy newsrooms, but strong, thriving nonprofit organizations. We know it's possible. There are so many examples of thriving civic institutions across our country that are essential to our society. We are investing in the revenue side. So helping them build the revenue teams, the marketing teams that can compellingly explain their mission, their vision, help them really figure out what is a diversified revenue stream of philanthropy and earned revenue that can sustain the reporting that our communities need. We are very focused on models that can scale, like the Chalkbeat model. We're very focused on helping organizations turn into networks of organizations that can expand their reach into new communities.

So just to give you an example of what that looks like, Chalkbeat has seen through this national model that they've created, and Elizabeth can talk about it more, they've been able to capture revenue for news that we never thought was possible. Education donors who see that if I care about what's happening in schools, I care about what's happening in charter schools, I need to worry about whether or not school board meetings are being covered. And so I think it's 80% of the donors, and Elizabeth can confirm, something around 80% of their donors have never given to news before. This is because they're coming at this from the perspective of understanding that this is an important part of the education ecosystem. So we're very interested in that model.

We're also really interested in local models that can scale. I'll give you an example. We've invested in an organization in Berkeley, California, called Berkeley Side. We've helped them turn into a nonprofit. We've helped them establish a hub organization called City Side, and helped them launch a new organization called Oakland Side. And through this process, in this model, they're creating something that could really scale because they are creating this hub organization in City Side, where they can have the back office, the nuts

and bolts of running a nonprofit organization. The HR, the finance, the infrastructure for running an excellent development team and revenue team, technology. But then they're reporting. They're building out these micro sites that have reporters that are locally focused, rooted in their communities. And from there, they can continue to expand. So we're really interested in supporting organizations and models that can rapidly expand to meet the growing need.

So what that brings us to is our main focuses. We are raising national philanthropy because we think national philanthropy has a very important role to set up the nonprofit news industry and help unlock much more local funding. We are helping establish organizations that can capture as much revenue as possible and that can grow as quickly as possible. We are really focused on building a movement because underneath all of this is really a seismic shift in how we as citizens, as philanthropists, think of our role in upholding the fourth estate. We can no longer rely on this market transaction of ad revenue to support it. We need to recognize that if this is a companion to our democracy, we need to support it. If you are a philanthropist that cares about climate change, you should worry about whether or not climate is being covered. If you are concerned about health care, you should worry about whether or not your health care systems are being covered. And so we need philanthropists to really see why this is an essential part of their portfolios.

And finally, we are really investing in building leaders, social entrepreneurs across the country who can build these organizations and can learn from each other. So that sums up what the American Journalism Project is up to. But I'm very eager to continue the conversation and take questions. And I will pass this on to my colleague.

Dele Olojede Hi, Dele here. I was expecting. Dr. Anya to jump in and direct us, so I'm sorry that I created that space there. Greetings from the wine lands of the Cape in South Africa. It's night time here. I just wanted to take you very quickly through what we know for certainty now doesn't work.

So I spent many years at Newsday in New York and left at the end of 2004, I was foreign editor at the time, because I was trying to do a project in Nigeria, my country of birth, which was suffering and still is suffering from extreme corruption and high incapacity in the public governance and just general mayhem and disorder. And I had two objectives in mind. One was to do a news project that demonstrated to the country that it was possible to have an oasis that was completely free of corruption and other inducements, and that business could be conducted honestly and decently. The second one was that we wanted to be able to make the country see very clearly what its circumstances were and to strip away magical thinking and other unhelpful customs.

And the basic premise was that we will present factual information to the public, untainted by anything other than the best judgment of the editors, and that the citizens will use this information, having received it, to make better decisions so that their country can progress. It seemed like a very straightforward thing.

I raised money the old way. I had recently won the Pulitzer Prize at that time in the spring of 2005, which, of course, that made me a genius. Right? So therefore, it was easy to raise money. So I called a few friends, some of them wealthy, and they all put money together because they wanted to work with this genius. So the Pulitzer Prize is useful for something. I encourage you to get one. And so I raised this money, equity, to go get this thing started. And one of the things I also wanted to do was to have very high production

values. So we hired Mario Garcia, who is by far the world's most famous newspaper designer, and so on. Our first publishing platform in 2008, ahead of most media organizations was Twitter. We published professionally direct to Twitter first, and subsequently we launched our website. And subsequently we started printing a broadsheet Sunday edition, which in retrospect was a mistake.

So the revenue model was traditional at the time. It was principally supposed to be advertising, like any traditional newspaper. That was how smart I was. And the second one, of course, was from subscription. So this created two obvious problems that wasn't so obvious to us at the time. One was that since we were going to be this extraordinarily detailed and highly professional investigative journalism organization, it stood to reason that the two classes of people in Nigeria that we were going to constantly be butting heads against will be one the political elites and two the economic elites, the financial elites. And actually they were one and the same because the government was so powerful within the economic system, both as regulator and as a participant, that there was no real practical way of separating them. So that created problems instantly for us in the sense that first the advertisers got scared as we began to do heavy-duty investigations about corruption in the oil industry, which is Nigeria's heart of darkness, as well as going after the various financial elites who had become very used to never paying taxes and boasting openly about it. We published stories about the president who was brain dead, but his wife was trying to run things while pretending the guy was still alive and so on. So we became a danger to society, basically, in the eyes of these people. So the advertisers were scared away. We knocked out 70% of our revenue, and then they actively sabotaged our circulation. We were doing very well on the web, but there was no revenue model for the web at that time.

In subsequent years after we shut down, industry, as we all know, began to evolve the advertising model. You didn't need the corrupt governments in Nigeria to put a gun to the heads of advertisers. You only needed Google and Facebook, right. So the advertising model is dead to all intents and purposes. And it meant then largely two things. One, you had to either produce specialized services like the model of Chalkbeat, to focus on local news that people find useful in terms of, you know, the local government, the school system, environmental, sanitation and all of the usual things that make life bearable in your own community. Or you will have to be The New York Times or The Washington Post or the Financial Times and so on with enormous resources that you could corral the entire audience to yourself. So this bifurcation in the new revenue model is creating an obvious weakness in the sense that most news organizations today are unable to survive because news has been commoditized, and the reliance, particularly in the rougher parts of the world, on foundation money is unreliable. It cannot be depended upon.

And so we begin to see now the kinds of models that have the possibility of working, such as the Correspondent, I think out of Holland, which is a membership-based- subscriber-based, supported by the readers. And the other is just to never expect to make money and to depend on other people supporting you. And if that's to be the case, we have to try to remove the the inherent danger of capriciousness from this. In the case that if, say, you were getting money from the Gates Foundation for three years, and they change their minds because the priorities changed, then you are in trouble. So what is to be done, as Lenin famously said. It certainly it's a different age from when I was a newspaperman, and we had virtually unlimited expense accounts and flew around the world doing stories and taking sources to expensive restaurants in Hong Kong and so on. Those days are dead, right? The bureaus have disappeared. And I don't think many news organizations today have something that's called the foreign editor anymore. So to that extent, I'm a dinosaur.

But it was an extraordinary experience that you could actually do the job that you set out to do. The question that we face, and which I think Nishant will speak to to some extent tonight, is how do we fund this long term, so that we do not completely abandon the public square, so that the rich and the powerful politicians are alone, which makes very much for unhealthy societies, as we have seen all around the world, from the Philippines to other parts, including my native country, Nigeria. So I'll just hand it over to Nishant to tell us, since he seems to have found the magic formula about how these things can be funded long term. We've been discussing it for a while, so I won't pretend to be completely blind to it. But Nishant, it's all yours.

Nishant Lalwani Thank you so much, Dele, for sharing your story and to Elizabeth and Sarabeth as well. I certainly don't have any magic formula, but we have been thinking a bit about how to solve this problem. And the problem that seems to be coming up in the talks we've just heard, and in journalism at large, is that there's a market failure. There's a market failure for providing a public good, which is public interest media. And that's a big problem. That's a huge problem, because, as you all know, without public interest media, you have election interference, you have created corruption, you have all sorts of problems and democracy stops working effectively. As Amartya Sen said more than 20 years ago, no democracy with a free press has ever suffered a famine. Because resource allocation at a state level works better when you have public interest media.

And so how do we ensure that we can keep public interest media alive? And we've heard stories from the U.S. We've heard stories from Nigeria as well. The amount of funding in low and middle income countries for public interest media is even lower than the U.S. or in Europe. And the proposal that Luminato and some others, including BBC Media Action, are putting forward is an international fund for public interest media. I hope you can see my screen. I'm just going to take you through a few slides and explain what this concept is.

And now money is not the only problem with journalism. I'll acknowledge that upfront, but it's the theme of this conversation. And it is for many organizations the difference between dying out and surviving and thriving. Pre-COVID estimates were that \$23 billion would be lost in advertising revenue over these four years that we're in. With COVID that could double. Reuters Institute for Journalism estimates that another \$20 billion dollars will be lost in journalism.

Right now just .03% of overseas development assistance goes into funding the media. It's about \$550-million dollars a year from donor governments. While tech companies have supported the media, they're not always the most effective or credible organizations to do so. We've started working on this idea with a number of advisors. You'll see some of them on this screen from all around the world. And the concept is how do we increase the amount of resources going to public interest journalism? We've spoken to the Global Forum for Media Development and have consulted their members. We've worked with the PricewaterhouseCoopers group who've set up a number of other global funds.

And we arrived at this mission statement that there should be an international fund, which has a very sizable amount of resources. We're aiming for a billion dollars a year, which is very ambitious. But this is a big problem, and it's an important problem. There should be an international fund, which is funded by three entities: tech platforms, philanthropic capital, and also government donors, such as the USA and Sweden and so on. And this fund should support the development and the sustainability and the independence of public interest media, particularly in low-income settings. We can spend a long time

defining what public interest media is. I'm happy to talk about that. We have a working definition on this page.

The goal of this fund would be primarily to increase the amount of resources going in to public interest media all over the world. I mentioned the \$550-million that currently comes from government. That's not .03% of development aid. If we got back to 1%, we'd have that billion dollars a year. What we see in many of these countries is it's Luminate, the Open Society Foundations, or maybe just one or two other foundations, which have a local millionaire that fancies sort of owning a newspaper, which is a really, really mixed blessing. Having an independent, credible, multilateral global fund like this would ensure that while we work through these turbulent times, while we figure out new business models, while we figure out new pathways to sustainability, that we won't have independent media dying at all over the world. We won't allow authoritarianism and the lack of accountability to keep rising.

So what would be the other benefits of this fund other than more money? Well, you have improved legitimacy. If you set up a credible governance structure, which I'll talk through in a minute, then you would ensure that, for example, local billionaires are not influencing the news in those countries. You'd reduce transaction costs. There are a lot of donors, from my experience in working at philanthropy, there are a lot of donors who find investing in the media risky, and difficult, costly and having a central way of doing this would provide an economy of scale. You'd ensure that you have a unit that focuses on learning about what works. We hope to encourage experimentation. Membership models like Dele mentioned. We hope to replicate ideas like the American Journalism Project in different parts of the world. And if that's working and you can conduct research and allocate resources to research around what's working, then that provides a huge benefit for the field. And all of those things lead to greater impact.

Governance is key for something like this because it's critical that any of the funding that goes to the media does not result in any kind of editorial influence. At Illuminate, we have a strong policy that we will never advise portfolio organizations on their editorial strategy. We will never interfere. We'll never even comment whether we like or don't like articles. And it's really important that that kind of policy is carried through so that the newsrooms themselves can decide on what's most important to cover.

With that in mind, we have regional offices that have a lot of autonomy that can provide capital to the newsrooms that they see fit. Donors will not sit on the board, for the large part. Certainly there'll be a very small minority, but still with no control from financiers, as it were, over where money is directed to specific organizations. The executive board will be an independent one, largely consisting of the great and the good from journalism, from the academic community, from financial experts. And they'll be an advisory council as well, which brings in members of the governments of the countries this fund hopes to benefit. It'll bring in members of the UN system and of representatives from freedom of expression and investigative journalism communities as well.

This is an ambitious project. It's going to take some time to set up, but we're underway. Right now, we're in the start up phase. We're raising \$1.5 million dollars, which would enable us to hire an executive director to begin fundraising and to put the legal framework in place for a fund like this. Illuminate has financed this, so has the MacArthur Foundation. Huge thanks to them. We're talking to a number of other kind of philanthropic funders who may have the risk appetite to do this now. If you have leads, please do send them to me. We hope to then to raise a minimum of \$60 to \$100-million dollars, which is the kind of

minimum viable product to try out something like that. We hope to do that by mid to late next year, and that's when grant deployment will start. We've also begun hiring an executive director. We've asked Russell Reynolds, which is an executive search firm to do that for us. So hopefully you'll see that job description coming out soon, and you can send us ideas, maybe even apply yourself.

Thanks. And I'll hand back to Anya.

Anya Schiffrin So really interesting presentations and tons of great questions coming in the chat, so I'm sort of dividing them into groups. And I think I'll take the liberty to even answer a couple of them, if that's OK, because some of the questions speak to the research that we did at Columbia on startups in the Global South. And I just want to refer everyone to our reports, which are called "Publishing for Peanuts" and "Fighting for Survival," where we followed about 30 startups in the global south over several years to see how they were managing. And we actually made a taxonomy of ideas of ways to raise funding locally. And what we found was most founders started with some money from family and some of their savings. They tended to have worked for legacy or mainstream media outlets and then left because they wanted some kind of freedom to do more investigative reporting or do more local reporting. And then they did a whole lot of different things to raise money. So maybe a little bit from donors, a little bit from events, a little bit from selling services, subscription and a teeny bit of advertising. And most raised under a couple hundred thousand dollars a year of revenues. A lot of these newsrooms have a lot of volunteers, and they don't tend to grow very much.

So I think for some of you who were asking, how do you start niche outlets or startups in the Global South, I would say that that would be the scenario that we've often seen. It might be great if Dele could address this question about niche digital platforms. And I was wondering if you have thoughts on that. I can imagine a lot of topics for niche digital platforms, including, for example, oil and gas, which is a key subject to many countries, and underreported. Dele, do you have thoughts about how you might get funding for something for niche digital platform?

Dele Olojede Well, so in my case, which was peculiar, so it wouldn't necessarily help other people. I had a very big global network. And as I said in 2005, I had just won the Pulitzer Prize, which made me, you know, 15 seconds of fame. So everybody wanted to throw money at me. So that's not usual for most people. Most people would harass Nishant at Luminata to give them a couple hundred thousand dollars and, you know, call up the rich uncle and so on, and cobble something together.

The problem with this is it tends to remain fairly small, and their own way is not long enough for them to find an ultimate revenue model. Because for your first three years, sometimes five years, you're just trying many different things and trying to figure out what would work in your particular environment. And a number of these things actually don't travel very well from place to place. So that's one of the things that I have found across Africa and to some degree in Southeast Asia and Latin America. The kind of challenges that Rappler face in the Philippines is different from Malaysiakini. And it will be different from the kind of challenges that people are facing in Guatemala and in that particular part of the world.

So fundraising typically locally, if you are not going to go to the big foundations and other media funders, will be you hit up the wealthier people in your community, which creates its own inherent danger. Because in the case of NEXT, as big as we were relative to others

and as famous as I was at the time before I got old, my chairman, who was also a friend and the first investor in NEXT, eventually came up to me one day and said, "Look, Dele, I can't do this anymore. They're calling me a persona non grata." Because he has interests in the oil business and in banking and in telecoms. Right. So there are ways to squeeze wealthy people in a lot of these countries, but that is not the right way to go. Neutral money gives them a better chance of survival. So that will be money from Rockefeller, from Luminata, from, you know, the people of that nature, and institutions of that nature that are not particularly vested in this area, other than to see public goods delivered in particular parts of the world. So I would say that neutral money has to be the focus. If you get money from rich local guys, it will probably bite you in the ass in a couple of years. I apologize for the language.

Anya Schiffrin I think also what's clear is that there's many places where there just isn't a market. One of the things we looked at in our report was all the failures, and there were places where the only advertising was government advertising. And as you say, Dele, if you're going against the government, you're just not going to get it. One paper I read coauthored by Sarah Stonbely found that the biggest predictor of success was the income level of the area where the outlet opened. So in places with money, they can afford to support local news.

Sarabeth, if it's OK, I have a few questions for you. One question that came from the floor is where do you get your funding? And then I also think people want to apply to you for funding. So I was curious to know what is the process by which people can apply, and how big are your grants? And I wasn't sure whether you actually give out cash or whether it's in kind, for example, hiring a bookkeeper or hiring a consultant.

Sarabeth Berman Yeah, great. Thank you. So in terms of our current funders, so the folks that have come together to make our fund possible, we have several funders, many of whom are really the kind of pillars of journalism funding in the United States right now. Emerson Collective Knight was our foundational funder and has made the largest commitment to AJP. And Arnold Ventures, Craig Newmark, Democracy Fund are some of our funders.

I'll just say one note about that, which is that I think a lot of the folks that have really cared about media for a long time and been pioneers in journalism funders got very excited about the American Journalism Project very early on because they understood the role that it had to play. Where I think the movement that we're trying to build needs to head is this next tier of donors who care a lot about the future of our democracy but haven't yet found their way to why this is an essential component of democracy funding. And then the frontier after that is what I mentioned in my remarks, which is we really believe every philanthropy needs to be prioritizing this as part of their portfolio. We think in the United States the vast majority of philanthropy is place based, so people focused on their locality. Those funders have a huge role to play in making sure their community has the information they need to be engaged in their communities. So that's a little bit about AJP's funding right now and the future of it. I should just say that we think that the place-based funder's should be focused on their communities, and they should be partnering with us. They shouldn't be giving it to us. They should be giving it to the community, to the news organization in their communities, and we'd love to come alongside that.

In terms of how to get funding and what our funding is for. So we've been giving multiyear gifts to organizations for the most part, three-year gifts. Our average grant is close to a million dollars over the three years. That funding goes to the business side of the

organization. So we restrict it to non-editorial currently. So that's going to pay for new hires, for development roles, marketing roles, business roles to help them build up. A lot of these organizations, you get a few pennies, and you want to spend it on the reporters. But the vicious cycle there is that you're not able to create the model that will fuel it sustainability if you're only funding the editorial side. You have to fund the business side to be able to create the engine that can continue to fund the editorial side. So that's a strong perspective of ours.

And then finally, our website, it's www.AJP.org. You can contact us there. We don't have a formal application process. But we take inquiries, and we monitor it extremely closely. We want to know about you if you're out there. And we take that in, and we do a lot of research. We have a lot of conversations, and then we go forward.

Anya Schiffrin Thank you so much. A couple of questions I want to give Elizabeth the chance to answer. We got a couple minutes. But also some people are asking for advice. How do you get advice as to how to start your own startup? And I just want to say there's a lot out there. Groups like Global Investigative Journalism Network, the internet, the ICFJ, Reuters, a lot of people have a lot of advice, UNESCO, on starting your startup. And again, if you go to some of my reports, "Fighting for Survival" and "Publishing for Peanuts," which are online, we have plenty of reading lists. So there's quite a lot out there already. And I strongly recommend conferences like this because they're a great place to learn about some of these things.

I have a question for Elizabeth. I have a question for Nishant. One thing I'm really interested in is this movement now in the U.S., that I know Steve Waldman is working on and other people, to raise government funding for local news. And I was wondering, Elizabeth, what's your take on that? I know you believe that donor diversity is incredibly important to protect independence. And then if you could just do that in two minutes, because then I can give Nishant a chance to answer a question, too. Is that OK?

Elizabeth Green I'm with you, Anya. I think we should as taxpayers, as a taxpayer, I want to support local news. It's a public good. We have a market failure. It's a very classic example of what collective efforts should be doing. To Dele's point, there is no pure money. There's no purely neutral money like it doesn't exist. It's never existed. That's a rude awakening that I think a lot of journalists had in the last two decades. We should have been the first ones to probably get the joke about that since we cover it all the time. But there is no pure money. And so we just have to create the structures that are the most successful at creating a public square that we can. Government funding means obviously there is a similar problem to the rich person problem, to the institutional foundation problem. I mean, in the U.S. we have a different culture of philanthropy for lots of reasons. But even the most neutral party, you still have to create rules of the road for what they can and can't do because they've given a gift, and you have to create governance structures that protect the core product. It's the same with government funding, and I don't see any reason at all why we shouldn't do it, and a hundred reasons why we should. I just want to say AJP and Chalkbeat are both part of Steve Waldman's coalition work that he's doing, and it's been super exciting.

Anya Schiffrin Can you tell us about that for people who don't know about it?

Elizabeth Green Yes. I mean, it shocked me. We published the first ever article saying what the government should do and asking our readers to write to their congressperson

because we think there are ways to identify tax write offs and potentially even direct subsidies of news organizations that protect their independence.

Anya Schiffrin Yeah, yeah. That's a very old debate. I was cleaning my dad's desk a few years ago, and I found a story from 1965 on the New Republic. And the cover story said, "Why America Needs the BBC."

Nishant, some of us have been following your fabulous project really since the beginning. And I'm just wondering a little bit of a COVID update. I know at some point I think you were hoping, you know, development aid could be diverted to this fund. And I'm wondering, since COVID, what's happening now?

Nishant Lalwani Yeah, thank you. I mean, obviously, we're still witnessing a lot of change. I still think we're in the early part of the pandemic and its aftereffects. So the recession, if it comes next year, could really impact states that have put a certain percentage of their GDP every year aside. The UK puts a percentage of the GDP aside for aid and that could reduce if there is an economic contraction through the year. So it's difficult, but I think that we've seen, and during COVID, that quality information is actually a life or death issue. There's been a huge surge in misinformation, unfortunately, around the pandemic. And if ever you thought the misinformation wasn't a big deal, I hope now you realize how important it is for people's safety, people's mental health and for society's sake as well. So I hope that COVID net will provide sort of a sharp focus about the importance of public interest media and quality information and be able to raise money that way.

Anya Schiffrin Great. I think we just have one more minute left for this panel. I wanted to really pay tribute, obviously, to the great questions from the audience and to the organizers, and I'm really excited that Zoom has allowed me to attend this conference. But I just think that what the panelists are doing is remarkably important. When people who aren't journalists, civilians, you know, ask me "What's happening in your world?" I say, "In my world, everybody has risen to the occasion. The journalists are doing fantastic, important work." And then people like you are thinking about how to preserve it for the future, and how to adapt, and how to innovate. And we don't know if anything will work out. I completely agree with Elizabeth's point about, you know, the fantasy of the business model. But the fact is we're not going down without a fight. And I think what you're doing is unbelievable for the whole world right now. And I just want to express my appreciation to all of you. This was really great. Thank you so much.

Mallory Tenore Thank you so much to each of you. This has been a wonderful conversation, and judging from all of the comments that we received, I think a lot of people got a lot out of it. And it was really fascinating to just hear your own experiences, finding these scalable business models and navigating this tricky terrain of funding and sustainability and hearing more about how Illuminate and the American Journalism Project are providing funding and support in this area. So thank you to each of you for being here today.

So for those of you who are in attendance, I just want to give you a few reminders. We have two more panels coming up this afternoon. And our next one is going to be at 1 p.m. Central. And so we will be looking at some interesting developments around fighting deepfake and cheapfake videos, so that should be a really interesting discussion. And then we'll also be having a panel at 4 p.m. Or rather I'm sorry, 1 p.m. is going to be our panel on discussing how journalists are using artificial intelligence and open source intelligence. And then 4 p.m. we'll be looking at how to fight deepfake and cheapfake

videos. So I hope that you will join us for these great two panels that we have this afternoon. And also a reminder that we will be having a farewell happy hour later today at 5:30 p.m. Central. So tune in to ISOJ.org to find more details about the program. And we look forward to seeing you soon as ISOJ 2020 continues.