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News Media Industry Study

Final Report
News Media Industry



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ABSTRACT: The fashioning of U.S. national security policies necessarily requires government leaders to interface with a news media industry experiencing a duality of perils and opportunities. This dichotomy is inextricably linked to prevailing themes facing every facet of the industry: (1) diffusion within the various markets due to reduced barriers to entry; (2) the rise of “new media” and the accompanying decline of traditional mediums; (3) rapid globalization of the news media industry; and (4) a paucity of investigative journalism coupled with a commensurate ascendance of not-for-profit news organizations. The Dwight D. Eisenhower School for National Security and Resource Strategy News Media Industry Study research team provides examples of the intersection of this evolving industry with the U.S. government and its potential implications on national security, and offers recommendations to government leaders on coping with the changing media environment.

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PLACES VISITED

Domestic:

ABC This Week with George Stephanopoulos (Washington, DC)
American Society of Magazine Editors (ASME) (New York, NY)
Bloomberg News (New York, NY)
Broadcasting Board of Governors (Washington, DC)
CBS News and *60 Minutes* (New York, NY)
The Colbert Report (New York, NY)
Embassy of the United Kingdom (Washington, DC)
Falls Church News-Press (Falls Church, VA)
Fox 5, “Good Day, New York” (New York, NY)
Fox News Channel (New York, NY)
Hurriyet Daily (Turkey) (Washington, DC)
New York Police Department Public Affairs (New York, NY)
Newseum and The Freedom Forum (Washington, DC)
Nielsen (Oldsmar, FL)
Open Source Center (Reston, VA)
The Poynter Institute (St. Petersburg, FL)
ProPublica (New York, NY)
Radikal Daily (Turkey) (Washington, DC)
SETA Ankara & DC (Washington, DC)
Star Daily (Turkey) (Washington, DC)
Tampa Bay Times (St. Petersburg, FL)
The Washington Post (Washington, DC)
Yeni Safak Daily (Turkey) (Washington, DC)
Zaman Daily (Turkey) (Washington, DC)

International:

Embassy of the United States Public Affairs (London, UK)
Independent Television News (ITN/ITV) (London, UK)
Reuters (London, UK)
Sky News (London, UK)



**The Golden Age of Journalism Confronts an Evolving Industry:
21st Century News Media Realities and the Implications for the United States and
the National Security Enterprise**

“The Best of Times and the Worst of Times”

Richard Tofel, president of the non-profit investigative journalism organization ProPublica, described the current state of the news media industry during a question and answer session with the Eisenhower School industry study team in compelling yet contradictory terms. “In some ways,” Tofel asserted, “this is the golden age of journalism...and yet I am rather bearish about the *business* of journalism. I suppose it is the *best of the times and the worst of times*.”¹ This Dickensian observation highlights the duality of concurrent perils and opportunities that confront the news media industry in the 21st century. Armed with enhanced communication and distribution tools, traditional journalists are simultaneously threatened by reduced compensation packages and diminishing employment opportunities. Supplied by a diverse array of journalists of myriad skillsets and backgrounds along with the unique products they create, editors are nonetheless trapped in a diffuse media landscape. Piercing the echo chamber is increasingly difficult, especially given the clamor of reporting created by a multitude of news sources. Blessed with an expanding population of informed and engaged consumers, news media firms are nevertheless at risk from the rapid collapse of the established business models that have sustained the industry, with minimal deviation, for decades. Indeed, the news media industry of the early 21st century finds itself in a precarious position of *forte and foible*, fascination and folly.

As a result of the challenging media dichotomy, 21st century leaders within the United States’ governmental organizations and national security apparatus must adjust plans and develop diverse communication strategies that incorporate the characteristics of the news media industry as they are, rather than as they wished they were. Accordingly, this study is designed to serve as an industry *primer* for senior leaders in the U.S. Government (USG) who prepare media engagement strategies and interactions. It begins with a discussion on how “news” is defined and examines the health of the industry. The analysis then provides an assessment of the dominant themes of the news media industry that the research team identified during the semester of study: (1) industry diffusion due to reduced barriers to market entry; (2) the rise of “new media” and the accompanying decline of traditional media platforms; (3) rapid globalization of the news media industry; and (4) paucity of investigative journalism in the 21st century coupled with the commensurate ascendance of not-for-profit news organizations. The study proffers differing summary perspectives from individual members of the research team on issues within the news media industry relevant to leaders of government organizations and germane to U.S. national security. The paper then suggests a comprehensive series of recommendations for implementation within the USG, the news media industry, and for the individual news consumer. A summation of findings supports Tofel’s seemingly contradictory assertion and reinforces the contention that despite grave threats to the news media industry, a unique and golden age of journalism awaits those with the vision to capitalize on opportunities resulting from upheaval.



Understanding “What Is News” and the Current State of News Media

As a threshold matter, it is incumbent for government leaders who interface with the news media to understand and appreciate what constitutes the industry and its component markets, which are generally described as groups of “buyers and sellers of a good or service and the institution or arrangement by which they come together to trade.”² This understanding is necessary to recognizing and dealing with industry motivations, biases, and decisions in how the media portrays the U.S. whole of government and influences policy and opinion.

As the thematic discussion will reveal, the news industry is comprised of a diffuse set of news *producers* – each vying for *consumers* of their respective products. This begs the question – what qualifies as “news?” While some express news as “what [a journalist] tells you it is,”³ a more useful approach is to view news as information that is important to a consumer and from which a benefit is derived. The first criterion of “importance” is met where the news conveys some level of interest, such as its timeliness, effect or impact on the viewer, and prominence. For example, the contemporaneous nature of news holds greater intrinsic value over information that occurred in the past. Moreover, importance can be based on the proximity of the story to the individual – whether it occurs in one’s local community, state, or country – and the impact it has on his or her wellbeing. Finally, information that pertains to public versus private individuals or topics that garner wide social, political, or economic debate carry greater perceived importance.

The product within the various news markets also carries with it a social benefit to consumers, more so if consumers find *value* in the information they receive because their lives will be *influenced* in some manner. For example, the product provided by news outlets has a level of utility by the consumer due to its educational worth or level of enlightenment on information not previously known. This, in turn, shapes perceptions, opinions, or actions such as electoral behavior, or choosing to support or disagree on social issues.

This paper submits that this general definition of what constitutes news applies across the industry, and the generation of news is a function of the medium in which it is produced. The following discussion examines the four key news media markets – (1) print news; (2) broadcast news; (3) cable news; and (4) social media – and offers an assessment of the respective business environments, competitive forces and economic health of each category.

Print News

While large market newspapers continue to set much of the agenda for the national dialogue, the overall health of the newspaper market is declining. The rise of new media is directly threatening the viability of the traditional newspaper platform, requiring even the largest newspapers to shrink their newsrooms and re-think their business models.

As consumers migrate toward digital technologies and print subscriptions decrease, today’s newspapers are compelled to provide local, national and international news in both paper and digital format to remain relevant. Newspapers now find themselves in direct competition with other online news sources, social media and blogs, which are mostly unburdened by traditional market entry threats. This competition has led to an erosion of the print advertising dollars that were once the life-blood of the print media industry. Moreover, online advertising costs less and thus generates far less revenue than print advertising. As a result, since 2003, advertising revenue has fallen more than 52 percent.⁴



To stay viable, newspapers are now competing through differentiation or by defining a new game. For instance, *The Wall Street Journal* and *The New York Times* have invested heavily in their brand, and changed the environment by focusing significant investment on research and development, building subscriber paywalls to protect content, and offering advertisers premier deals. Other well-known newspapers, such as the *Washington Post* and *Tampa Bay Times*, have entrusted their future to external revenue sources (benefactor or non-profit journalism school, respectively) in order to provide long-term stability to their newsrooms. Conversely, smaller market newspapers with much shallower pockets face special challenges, but are finding their niche by focusing on local news and information – an area of journalism largely ignored by “new media.”

Nevertheless, lacking a long-term, sustainable business model that capitalizes on the digital presence, the print media industry will continue to decline. To remain competitive, major newspapers must innovate ways to generate revenue from the new brand of media that is entering the market, while simultaneously eyeing a future transition to an on-line only product.

Broadcast News

“Broadcast” is loosely defined as media literally broadcast over the airwaves to include both radio and television; a delineation that derives from the regulation of broadcast media under Federal Communication Commission (FCC) guidelines. Availability of broadcast bandwidth drove licensing requirements by the FCC and, in turn, obtaining a license drove restrictions on content to include some regulation as to the fairness of delivery.⁵ Broadcast news is available without a subscription and can be received by anyone in the public with access to a device capable of receiving. The “Big 3” networks (ABC, CBS, NBC) grew up under these guidelines and effectively created an oligopoly. In 1986, Fox Network conquered high startup costs, viewership challenges, and high production expenses to enter as another broadcast network competitor.⁶ Even with that emergence, the Big 3 retains the corner on the broadcast news market.

With cable and streaming video as viable alternates, viewership has decreased. This reduced amount of viewing audience, however, has remained consistent and still represents a significant portion of the overall viewing audience. From this stable viewing audience, broadcast news exists as a specific marketplace competing for viewership to deliver timely, accurate and relevant current events to viewers over a broadcast network, obtainable without a subscription service.

Broadcast news competes within the oligopoly of the Big 3, but is also negatively impacted by the influence of substitute products. Overall viewership, though still significant, continues to decline. Furthermore, while profits through advertising remain, they are dwindling. The broadcast news market exists as an oligopoly but the market size is eroded by the movement of viewers to the monopolistic competition of the cable news market and digital media. The longer-term outlook alludes to a transition from broadcast to digital media, elimination of the infrastructure and investment required to sustain broadcast equipment, and eventually the complete merger of two separate markets into one. The market will be redefined when this transition occurs and the successful corporations will find a method to make this transition as profitable as possible along the way.



Cable News

The cable news market is comprised of those producers that air news through a paid-for subscription service.⁷ Fox News Channel, CNN and MSNBC are identified as the three main cable news channels in the United States.⁸ For more than a decade, Fox News Channel has dominated the cable news market, and in 2013, it averaged 1.1 million viewers in prime time, with its closest competitor, MSNBC, pulling in a prime time average of 640,000 viewers.⁹

According to the IBIS World Industry Report for Cable Networks in the United States, five companies have 84.2% of the market share in this industry. The five companies listed in order of market share are The Walt Disney Company, Time Warner Inc., NBC Universal, Viacom Inc., and Twenty-First Century Fox Inc.¹⁰ Of those five companies, three have business segments devoted to news, including Time Warner Inc. with CNN, NBC Universal with MSNBC, and Twenty-First Century Fox Inc. with Fox News.¹¹

According to the annual report for Twenty-First Century Fox Incorporated, the company's cable networks, to include Fox News Channel, target different demographics by distributing their content through cable and satellite systems. This, in turn, defines the varying facets of the cable news market and reveals biases in reporting – Fox News Channel catering to conservatives, MSNBC focusing on the left, and CNN maintaining a more centrist view.¹² There has been, however, a shift away from commentary and opinion towards more factual reporting.¹³

The greatest source of competition between the three major cable news providers is vying for the coveted demographic of 25-54 year olds.¹⁴ In 2013, CNN attracted more viewers in this cohort than Fox News, which saw a decrease of 30 percent. For news providers such as Fox News whose success is largely attributable to those over the age of 65, new viewers must be gained in order to fill the void created by the aging demographic. The difficulty facing the cable news market is this “target” demographic receives its news from diverse sources such as new media and the Internet and is straying away from television as a primary source.¹⁵

Given the large number of sources of news for consumers, the bargaining power of buyers is extremely high. For example, if a viewer does not identify with the target audience, the viewer will simply choose not to watch and will instead receive news elsewhere. When coupled with the sky-rocketing costs for cable, this phenomenon negatively impacts the demand side of the cable news market leading the consumer to “cut the cord” and simply not to subscribe. Similarly, cable news providers are facing a class of “cord nevers” within the millennial generation given the presence of substitutes and other mediums; again, making it difficult to attract new viewers.

Social Media

Social media is broadly defined as “a group of Internet [and mobile] based applications that allow the creation and exchange of user-generated content.”¹⁶ Since basic membership on the most widely used sites is free, user-oriented differentiation is the defining feature of this media segment. The social media market is so large and varied that it defies quick categorization and analysis compared to most other markets. However, there are several trends and common structures that one can observe in the study of this market, including accessibility, competition, and growth.

First, social media is about accessibility, connecting people via the Internet or mobile devices and allowing them to share information, ideas, interests, or data. The major social media



sites' content is accessible via a multitude of platforms. These sites provide a heretofore unavailable medium to connect people who often share common interests, objectives, or values. They increasingly allow members to find and share news or information, as well as to purchase goods and services. Social media outlets also allow governments and public figures to keep target audiences abreast of information they deem important. Finally, social media provide businesses another venue to build relationships with consumers or potential consumers.

Second, the social media market is characterized by significant competition amongst a large number of industry players focused on rapid innovation and new product development. With relatively low barriers to entry and a wide spectrum for product differentiation, new entrants continue to surge into the market. Despite the large number of producers, however, a small number of platforms, such as Facebook, Google (via Google+ and YouTube), and Twitter dominate the market.

Social media has also experienced exponential growth, with usage among adults increasing 800 percent over the past eight years.¹⁷ Market analysts estimate industry revenue – primarily generated through advertising – will rise from \$16.2 billion in 2013 to more than \$30 billion by 2017.¹⁸ However, many of the firms in this market have faced challenges monetizing their networks and earning significant revenues, especially the companies that are purely social networking sites and do not provide other services, such as Google.

The social networking, a decade after its inception, continues to enjoy rapid, sustained growth.¹⁹ Social media presence is largely seen as a necessity among major corporations, and the larger firms often have divisions set up specifically to manage their presence in social media. Far from being a mere destination, social networking sites are now drivers of Internet traffic. Nearly half of all Internet users last year used their social networking sites to search the Internet instead of standard search engines; in 2010, only eighteen percent of Internet traffic originated from these sites.²⁰

The exponential growth of social media and broader “new media” outlets has enabled users to access this information on computing and mobile devices anywhere and anytime, and as discussed above, has threatened the traditional business models of print and television for news information. The digital nature of new media has allowed consumers to change the way in which they receive news from consumption to interactive engagement in seeking, sharing, and commenting on news. The reach, popularity, and low cost of advertising on new media have attracted advertisers away from print and television, thus causing significant revenue losses in traditional media firms. This loss in income has resulted in across the board reductions of newsroom staff in print and television media platforms typically responsible for writing the vast majority of original news reporting.²¹ Thus, while new media is energizing the ability of the public to access and engage in the consumption of news, it is also wreaking financial havoc on traditional media that generate most of the news production.

Four Prevailing Themes of the News Media Industry

As the preceding discussion illustrates, the four main categories of news media – print, broadcast, cable, and social media – are each facing areas of boon or bust. This section examines four prevailing themes that directly contribute to this dichotomy facing the news media industry: (1) the diffuse nature of the industry due to reduced barriers to entry; (2) the rise of “new media” and concomitant decline in traditional mediums of news; (3) the rapid globalization of the news media industry; and (4) the paucity of investigative journalism coupled with an ascendance of



not-for-profit news organizations. As later sections of this paper highlight, these factors influence and shape U.S. national security policies in myriad ways.

Industry Diffusion

The first of four prevailing themes of the news media industry identified by the research team is industry diffusion as a result of reduced barriers to market entry. As telecommunications technology rapidly improved and quantities of news media outlets proliferated, the industry has become increasingly fragmented and diffuse. For example, between 1980 and 1998 alone, the number of cable television networks increased more than six-fold to 171.²² Today, more than 500 diverse cable TV networks are available to American consumers, including a number of dedicated 24/7 news stations and a range of channels featuring diverse news content.²³ The advent and ascendancy of the Internet hastened similar, systemic changes within the print and online news media realm. One of the results of this technologically driven diffusion is a 30-year trend during which total viewership for broadcast television news and information programming has steadily decreased.²⁴ Further evidence of the impact of diffusion can be observed in the print news media market, where total print circulation continues a steady decline that commenced in the 1990s, while digital components of circulation are experiencing nearly double-digit growth.²⁵

As discussed in the market analysis above, the primary industry-wide challenge stemming from this diffusion is not a collapse of overall viewership or product consumption, but rather a breakdown in business models that had sustained the news media industry for decades. This finding is consistent with the recent work of award-winning economist Matthew Gentkow who determined that a reduction in advertising revenue is the most pernicious development in the print news market.²⁶ As stated previously, the 52 percent decline in newspaper print advertising since 2003 supports Gentkow's assertion. This dip should not surprise business experts. Indeed, as Michael Porter observed, "When the threat [of entry] is high, incumbents must hold down their prices or boost investment to deter new competitors."²⁷ As barriers to entry wither, particularly within the print, digital, and cable television markets, the ability of news media firms to remain both profitable and robust is threatened. The end result is that news media firms must devise amended business models that account for a diffuse industry in which competitors are no longer deterred by infrastructure costs, government regulation, and inability to penetrate established markets.

The Rise of "New Media"

A second dominant theme of the news media industry in the 21st century is the rise of "new media" and the accompanying decline of traditional media platforms. Related yet distinct from the first identified motif, this observation highlights a revolutionary development in the manner in which news is gathered, distributed, consumed, and leveraged. Driven by rising legacy costs, traditional media platforms continue to face budgetary pressures. In contrast, "new media" organizations, devoid of cumbersome infrastructures and holdover requirements, are able to adapt more efficiently to a constantly evolving environment.²⁸ Furthermore, "new media" organizations often opt to shrink personnel costs by utilizing a less professional and therefore less expensive cadre of journalists and editors. As a consequence of these fundamental differences, the product of certain "new media" organizations is cheaper and more immediate, but also subject to less rigorous validation procedures. Some argue these differences between



traditional and “new media” platforms are exacerbated because the overall news media market has not yet evolved to apply an adequate price premium on organizational accuracy.

A crucial distinction of this broad theme relates to the definition of “new media.” Certainly, digital and online news media outlets are part of the amorphous “new media” category, but these companies are not alone. The research team believes an equally significant yet under-studied element of “new media” are firms dedicated to collecting, mining, analyzing, and ultimately monetizing “big data.” Media outlets that devise strategies to exploit the global trend of meta-analysis of “big data” will be best positioned for future success as content delivery and advertising practices shift toward micro-targeting. In short, our conceptualization of “new media” includes those firms employing technologies that emerged more than a decade ago, but also stretches to include innovative organizations that are defining what will be construed as “new” decades from now.

Rapid Globalization

A third significant development within the news media industry is the dramatic impact of rapid globalization. Just as news media firms have been forced to adapt to a modern era of technology-driven upheaval within the industry, private and public organizations that interact with global media must be prepared to operate in an increasingly globalized news landscape. To illustrate the impacts of this interconnectivity, consider the recent examples of Edward Snowden and Private Chelsea Manning. In both instances, USG regulations designed to safeguard classified material proved inadequate because the individuals seeking to release the information were able to do so through international organizations operating both inside and outside the borders of the United States.

Stig Hjarvard summarized the impact of globalization on international news media as follows: “continuous, on-line, and live distribution of news to all corners of the world has become emblematic of a world in which place and time mean less and less...Media are becoming independent institutions that do not share the social geography of other political or cultural institutions.”²⁹ Clearly, a world of borderless, global media will be resistant to national, regulatory action. Such a globalized environment will also perversely serve to interconnect similarly-aligned individuals yet simultaneously fragment disparate interest groups, creeds, races, and religious sects. Perhaps the greatest challenge of a globalized media environment, therefore, will be to operate in a manner that appeals to acolytes without alienating agnostics.

Transformation of Investigative Journalism

A fourth noteworthy theme of the news media industry is a decline in traditional, American investigative journalism platforms and a commensurate surge in not-for-profit news organizations. Investigative reporting is the division of news gathering firms most impacted by industry-wide recession because the practice is expensive, controversial, and requires the most experienced and therefore best compensated journalists.³⁰ Investigative reporting has been further curtailed due to enormous staffing cuts at American newspapers—the primary generators of this sort of accountability-focused journalism.³¹ Furthermore, reductions in newspaper staffing prompted accompanying dips in investigative journalism by television and radio outlets because these firms frequently rely on the information uncovered by traditional print journalists for the substance of their reports.³²



The net result of this confluence of circumstances could be eventual cessation of investigative journalism, but the recent proliferation of nonprofit news organizations provides hope for champions of accountability. Since the mid-2000s, many displaced newspaper investigative journalists have joined existing nonprofits or established autonomous news gathering organizations designed to conduct the type of journalism absent in many current newsrooms. These nonprofit organizations derive funding from a variety of sources, to include philanthropy and high-value donors, cooperative arrangements with institutions of higher learning, and collaborations with for-profit media outlets. Though evidence does not suggest nonprofit news groups will eventually supplant for-profit firms, the arc of recent history points to these types of organizations as a cost-effective means to guarantee an accountable government and an informed polity.

The Intersection of the News Media and Policy: Essays on Major National Security Issues

The four themes examined in the previous section affect the interface between the news media and the public sector by shaping attitudes on accountability, influencing perceptions on accuracy, and defining governmental agendas. This, in turn, has ramifications in the policy arena. The research team has identified various topics highlighting the intersection of news media and national security, and the following section presents the team's significant findings.

Lt Col Douglas Jackson, U.S. Air Force

First Hand Account: Outlining the History and Assessing the Future of Embedded Journalism

The formal process of embedding journalists with coalition combat units for extended periods of time began in early 2003 in advance of the initial phases of Operation Iraqi Freedom (OIF). For the U.S. Department of Defense (DoD), the embed program was intended to enhance the ability of America and her allies to communicate directly with audiences throughout the world, "before others seed the media with disinformation and distortions, as they most certainly will continue to do."³³ The practice of embedding journalists with wartime units carried inherent operational security risks and threats to organizational cohesion, but DoD determined the potential benefits of the practice outweighed the considerable perils. Despite trepidation, the embed policy earned favorable reviews and widespread participation; over 800 embed requests were submitted in the first month of implementation.³⁴ When OIF commenced in March 2003, over 600 journalists were embedded with U.S. and British units.³⁵

The preliminary successes and public approval of embedded journalism during the first phase of OIF prompted an enduring shift in the manner in which members of the press inform news consumers on the status of military operations. Indeed, the work of embedded journalists in Afghanistan has become such an indispensable facet of current reporting that *The New York Times* dubbed the conflict-laden nation "Embedistan."³⁶ Even staunch critics of embedded journalism acknowledge that embedding is now "the standard method for reporting conflicts."³⁷ Former Assistant Secretary of Defense for Public Affairs Victoria Clarke agrees, noting in the wake of OIF that the embedded press system "will be the model now and... for the future."³⁸

Many notable journalists, however, are discouraged by the proliferation of embedded journalism. The most common critique proffered by embed skeptics is a perceived loss of journalistic objectivity. Critics posit that embedded journalists develop camaraderie with their assigned units, as well as safety and security dependency, making the responsibility of ensuring



accountability and performing the “watchdog” function of the press an impossibility. As a result, skeptics contend, embedded journalists are reduced to “useful tools” to be wielded as the U.S. government deems appropriate, rather than to serve the public interest.³⁹

Despite the protestations and other various concerns regarding embedded journalism, all indications suggest the practice will be a mainstay of 21st century wartime media coverage. To ensure robust yet independent combat journalism, news media organizations must develop comprehensive strategies for coverage of modern conflict that include the use of embedded journalists, along with unaffiliated, “unilateral” correspondents. In short, embedded journalism should be a vital element of a broader wartime media coverage plan and not a strategy unto itself. This integrated solution will convey extensive and original information to the consumer without compromising the autonomy of the fourth estate.

Mr. Robert Engel, U.S. Secret Service
The Federal Shield Law in a Culture of Mistrust

The United States government has struggled throughout history to balance the responsibility of providing security to its citizens while remaining transparent in meeting that obligation. Recent releases of classified information by government contractor Edward Snowden and Army Private Chelsea Manning have shed light on the national security apparatus by divulging information that was never intended for public disclosure. The news media industry has leveraged the breaches of unauthorized disclosures to increase their cause for greater transparency within government. One response by the government was an attempt to pass legislation that has become known as the “Free Flow of Information Act” or a federal shield law. The proposed legislation would establish a privileged communication between a reporter and their sources by allowing a reporter to refuse to testify and reveal their sources of information. This privileged communication status would be similar to existing communication privileges between a husband and wife and an attorney and their client.

A federal shield law is heavily supported by the news media industry and is thought to be a solution that will enable journalists to develop trusting relationships with individuals that have access to information. The ultimate goal is the “free flow of information” which will allow journalists to continue its responsibility of holding the government accountable. The proposed law is not without controversy and criticism from lawmakers *and* news media organizations. The concerns, issues, and various arguments can lead one to conclude that the shielding of sources is not in the best interest of journalists or the government. The solution to the adversarial government-press relationship should focus on the creation of a culture of mutual trust.

Instead of a federal shield law, journalists would be better served by the government examining the institutional structures that prevent access to information. There are several recommendations that should be considered by the government to forge a culture of trust with the news media industry.

First, the government should review internal structures that have created barriers that prevent journalists from meeting their responsibilities, including how Freedom of Information Act requests are processed. The obstacles in place are cumbersome for journalists and prevent them from achieving their obligation to inform the public. Additionally, the bureaucratic process to obtain information creates the perception of a non-transparent government. If this process is improved, many government transparency concerns would be resolved. Second, the classification system should be revamped to reduce the quantity of information that is considered



restricted to general public disclosure. This would allow journalist's greater access to information while the government benefits from greater transparency. Third, an independent government journalist advocacy board consisting of adept news media professionals, government officials, and private citizens should be created to mediate access to information conflicts. The advocacy board would provide oversight using a balanced approach by considering the perspectives of the public, press, and government.

In the end, what is beneficial for government and the news media industry is "protecting the function of journalism, not creating a class of individuals with special privileges." Only then will information flow freely and fully engage the news media at all levels to perform their responsibilities in keeping the government in check.

CDR Florencio Yuzon, U.S. Navy

Adding Fuel to the Fire: Terrorism, the Media, and the Negative Effects of News Coverage

The media is the most powerful tool available to terrorist organizations given its ability to advance terrorism agendas and frame events. Implicit in this paradigm is a symbiotic relationship between terrorist organizations and the media in which both parties seek to benefit from the other. Certainly, terrorists are drawn to news coverage to gain maximum publicity for their messages and actions. Targets are selectively chosen and attacks are conducted in a manner that is difficult for the media to ignore. Media coverage serves as the vehicle to achieve these ends at a price that is free to the terror sponsoring organization.

Conversely, in the frenzy to attract viewers, the news media is perceived as unable to resist the chance of reporting a newsworthy story.⁴⁰ Much like terrorists, journalists rely on the public as consumers of news for their existence. Given the exorbitant amount of news outlets, media companies must strive to attract viewers, which in turn drives ratings and is ultimately linked to advertisement income. In disseminating information, the news media is selective in what it chooses to air, broadcast or print to lure viewership. Under the banner of "newsworthy," media outlets exercise authority on what information it will cover and what is ignored by evaluating the relative importance and significance of an event as compared to others, its sensational appeal, and the particular outlet's own policy towards covering such events.⁴¹ In terms of terrorist acts, the "quality" of the incident determines whether or not it is reported by the media and the amount of coverage devoted to it.⁴²

Media coverage of terrorist attacks garners unintended consequences that invariably affect U.S. national security. First, a number of studies have found that exposure to media coverage of terrorist events increases fear and anxiety in the civilian population.⁴³ This in turn influences the behavior of individuals.⁴⁴ News coverage may also unwittingly propagate additional acts of violence in furtherance of an organization's cause.⁴⁵ In addition to these effects, media coverage *during* terrorist events can significantly influence the outcome. Within this context, the media can inadvertently act as an ally of the terrorists who monitor news broadcasts for information, which can then endanger the lives of individuals held captive.⁴⁶ Finally, the broadcasting of information could have the unintended consequence of hindering government activities to forestall and combat terrorist acts.

Any solution to address the manipulation of the media by terrorist organizations must balance a number of competing factors including: (1) the First Amendment's rights of freedom of the press and freedom of speech; (2) the public's right to be informed; (3) deterrence and prevention of future acts of terrorism; (4) the safety and well-being of hostages; and (5) the



government's ability to perform law enforcement or conduct counterterrorism operations. Possible media regulatory schemes could include government action that: (1) imposes prior restraints upon media reporting terrorism; (2) regulates content; or (3) restricts access by the media to terrorist attacks. The difficulty with imposing these standards is the perceived abridgement of First Amendment rights. While this regulatory framework directly addresses the dissemination of information, it is highly likely that any government mandate of this form would face constitutional scrutiny.

CDR Paul Young, U.S. Navy

National Security, the Public and the Media: Overcoming an Erosion of Trust

Evolution of the media industry is dramatically impacting both public perception of the media, and the way they consume news and information. Policy makers and government leadership must account for, and adjust to, these trends to enable a more informed debate on national security and other issues.

Polling data collected by the Gallup Organization since 1997 shows growing distrust of the media among the American public. In particular, nearly sixty percent of the public expressed little to no trust in the media since 2005⁴⁷. Pew Research survey results in 2013 were even more alarming, indicating seventy-six percent of the public believes the media "tends to favor one side," while only twenty-four percent believe media reports are factually accurate. These trends are clearly an impediment to informed discussion on national security issues, as the majority of Americans do not view the traditional "messenger" as trustworthy. Alongside this erosion of trust, are several notable trends regarding how the public consumes news: (1) cable news viewership, though still profitable, remains in a slight decline; (2) print media and ad revenues remain in rapid decline; (3) a majority of Americans under the age of 50 now cite the Internet as their primary source for national and international news; (4) online video consumption is expanding, as has ad revenue tied to digital video; (5) social networks remain vibrant and growing, but research finds social media consumers to have low comparatively low engagement rates with news websites and information.⁴⁸ To address these trends, creating a more informed debate on national security in the near term requires a news delivery medium that is accessible and affordable, and a truly nonpartisan source issue analysis.

The nation should leverage Americans' gravitation toward online and mobile news sources as the medium to increase opportunities for informed debate. To do this, broadband Internet access must be made more accessible (available and affordable). Measures to increase accessibility already have some momentum -- the National Broadband Plan, initiated in 2009 by the Federal Communications Commission, is incentivizing increases in both accessibility and affordability of broadband Internet in the United States⁴⁹.

Creation of a truly nonpartisan source for news is also possible, simply by re-introducing House Resolution 727, titled the *Congressional Research Service Electronic Accessibility Resolution of 2012*, which would have directed unclassified CRS research products be made available to the public⁵⁰. While this will have limited impact on near-real-time national security debates, making these reports available in a timely manner, in a format that appeals to today's younger demographic, will increase opportunities for informed discourse without changing the Congressional Research Service's mandate to support Congress.



Lt Col Rebecca Sonkiss, U.S. Air Force
Media Influence on National Elections

If a representative democracy is truly dependent upon the people of the republic to be informed, there is a natural link to assessing the fairness of how they receive information. The dialogue of our time, however, highlights the divisions in niche media outlets for perpetuation of a cycle of misinformation and falsehoods leading to a negative impact on the electoral process. Yet, despite the opinionated rhetoric on both sides of the aisle, democracy in the United States has continued successfully. News media is one avenue for citizens to receive information and not the only one. A conglomeration of resources, from media output, the strength of the economy and the impacts of policy implementation on the citizenry truly drive the voting process.

Of interest is the profit-seeking influence on media. News media operates in a market where profitability is determined by advertising dollars. Because of this profit-seeking model not necessarily driven by the actual news consumer's interests but by the *greater industry's* interest, there is no pure correlation on the agenda setting actions of news media. The bias of advertiser demand shapes the news media model and bias is not always clearly defined. Presidential candidates and proposed policies affect different industries in different ways. Corresponding attention and agenda setting will shift based upon the key money holder's interests to the level consumers are willing to participate by viewing the biased product.

If the impact of greater industry dollars is unclear in the economic model, the impact of New Media, the advent of the Internet and social media is even more unclear. What has transcribed is a transition from a one-way dialogue of broadcast television and radio messaging to consumers, to a more open dialogue. What the Internet also offers is the chance for a conversation. Content on the Internet may be more biased and polarizing in many aspects, but the messaging is both diluted and inclusive of opposing viewpoints not seen in traditional media. New Media influences offer a greater spectrum of sources for the electorate to engage in the debate. The Internet and social media offer the opportunity for the discussion to flow freely, even if the discussion is sometimes polarizing and uncomfortable.

Ms. Elizabeth Frame, Defense Intelligence Agency
Should Government Continue to Fund the Open Source Center?

In today's fast-paced, dynamic and networked world, funding the Director of National Intelligence's (DNI) Open Source Center (OSC) to collect, process and analyze foreign unclassified information is vital for national security. Almost forty percent of the world's population is online; with no barriers to entry, anyone can upload Internet content.⁵¹ Internet material combined with foreign newspapers, white papers, census data, academic journals and business brochures will always exceed information derived from classified material. Due to this wealth of data, open source is an ideal complement to classified information. The OSC should remain a priority for government resourcing.

Continuing OSC funding is a low cost endeavor compared to resourcing the other intelligence agencies. The government spends millions of dollars for imagery and signals intelligence satellites. Running case officer operations overseas is a labor intensive, slow and costly business. The most expensive element of the OSC is personnel. The Center must retain high caliber linguists, who are fluent in diverse languages and exceptional research analysts who



can navigate Internet complexities. Providing a competitive salary and continual training for this talented staff requires dedicated resources, but budgeting for language and research skills is a bargain compared to buying new satellites and establishing new human sources.

Open source data comprises foreign news, social media and all other accessible, but not necessarily readily available, public data.⁵² It can quickly augment information when there is limited classified coverage. A government agency devoted to open source ensures decision makers have the most complete picture before they make complex national security decisions. Thus, the most compelling reason to fund the OSC is to rebuild trust with the American people, Congress and foreign partners. Over the past year, NSA and CIA have come under increasing scrutiny for violating privacy both at home and abroad. These deeply secret agencies perform a vital function for national security, but they can be complemented and bolstered by a robust OSC. Continuing to fund a more transparent intelligence agency is imperative for the United States government and for the people it represents.

CDR Robert Ashburn, U.S. Navy

Twitter: The Underutilized Source for Breaking News

Twitter is a powerful tool capable of providing breaking news to the masses. Unfortunately, Twitter's utilization by consumers of news is far less than it could be, leaving the non-Twitter using public less aware of breaking news events. In terms of national and/or physical security, Twitter is often left out of the conversation despite the fact that Twitter has the ability to make all Twitter users aware of an event the moment it happens.

Twitter is micro-blogging service that is great at delivering news. It is customizable to the user and delivers news and information geared towards the consumer's tastes. As a member of the family of "new media,"⁵³ Twitter takes advantage of 21st century digital technology to share news as it is happening. One could argue, that for delivering time-sensitive breaking news to the masses, Twitter is without equal. As a tool for exchanging and reporting information between consumers, Twitter gives anyone with an account the ability to report the news around them as it is occurring. However, among the social networks, Twitter has yet to gain the popularity for delivering news that other social networking sites like Facebook garner. Pew reports that 71 percent of online adults used Facebook compared with just 18 percent who used Twitter.⁵⁴

Twitter has proven to be great at mass, time-sensitive communication. Yet, there is a temporal aspect to delivering news and Twitter is highly capable of filling the void in the critical early stages when awareness of an event is just breaking. In terms of physical and/or national security effective use of Twitter can carve precious minutes and seconds off response times, potentially saving lives or preventing further damage.

LTC Terry Nihart, U.S. Army

Social Media Implications for National Security

Social media presents increased national security risks such as the ability to quickly rally anti-government sentiment, simplifying recruiting techniques for terrorists or extremist groups, revealing sensitive information such as military troop locations and movement timetables, loss of control of other secret or sensitive information, misinformation campaigns, access to systems allowing infiltration and manipulation of major economic drivers, and many more. Also, with so



many government agencies engaging in social media conversations with the public, those agencies are at greater risk of infiltration through digital means than ever before.

The bottom line on risk is that more available information equates to less privacy and more chances that sensitive information will be leaked or otherwise compromised. Adversaries of the United States can use social media as a powerful tool to collect useful information. Social media provides them with the ability to piece together large bits of information to develop a better understanding of how, when, and where to act to advance their objectives. Extremists and adversaries can also use social media to provide motivation to those that would act against the United States or to manipulate others to act in the same vein.

While threats to national security are abundant, social media also generates unprecedented opportunities to enhance national security. It provides the perfect platform to rapidly disseminate messages to an incredibly large audience at little to no cost. Another opportunity is its use to garner support for some future political act or declaration. The Administration can query the public early and often to gauge political sentiment, then use social media to attempt to shape public opinion on a particular topic. Additionally, it can be used to defuse potentially volatile situations by engaging specific groups of people even if they are geographically dispersed. Social media also provides a tremendous capacity to crowd-source to find better solutions to problems or understand the sentiment of the public.

Social media also provides critical, real-time situational awareness or intelligence. The ability to scan and monitor social media traffic for “buzzwords” gives law enforcement and intelligence agencies an unprecedented advantage over criminals and extremists. This capability can expose criminal intent early enough for intervention in order to prevent criminal or terrorist acts. This capability, however, is an extremely controversial one due to the legal ramifications it poses for social media providers, as well as its potential infractions on the 1st and 4th Amendments to the Constitution of the United States of America.

Clearly, the incredibly rapid growth of social media platforms and number of users presents a wide array of risks to national security, namely in informational vulnerabilities. These risks are further complicated by the absolute necessity to honor the principles of the Constitution and the rights of U.S. citizens and exacerbated by the sheer volume of data that is generated on social media sites every day.

The question now is, where do we go from here? The most important step in the way forward is to educate citizens on the risks posed, not only to themselves, but to the Nation, by irresponsible use of social media. Next, the Supreme Court must issue crystal clear opinions on what type of social network monitoring is necessary and acceptable and what can be done to protect citizens from unreasonable intrusions by their own government. Clear guidance must also be given to social media companies on what actions to take if they suspect their site is being used for criminal activity.

COL Robert Wilson, U.S. Army
#REVOLUTION – Social Media in Social Unrest

Social Media is increasingly a component of social unrest around the world. Protesters and revolutionaries alike have taken to social media to spread ideas and bring attention to their causes and attract followers. In many cases, broad communities of interest have arisen, linked together through social media to pursue a common cause. As social media becomes increasingly used to build, shape, and even direct social unrest, policymakers need to pay closer attention to



this increasingly important domain. Greater understanding of social media may help observers ascertain the scale and scope of unrest in a given place and determine the best ways to address it.

The “Arab Spring” revolution in Egypt illustrates how critical a component social media has become in enabling political movements. The heavy public use of social media by Egyptian society enabled them to bypass state-censored media and connect with other Arab protest movements, particularly in nearby Tunisia.⁵⁵ Terrorist, criminal, and insurgent groups are increasingly active in social media as well. Many of these illicit groups use their social media presence to further their causes, increase support, or to literally bring their resistance to governments or the law into the online world.⁵⁶

Social media, as a symptom of more complex social problems, presents several challenges and opportunities for policymakers. Western governments must invest time and resources more effectively in comprehending the domain of social media in order to address the vexing problems of the 21st Century. Policymakers should also be thoroughly versed in the use of social media to further political causes and enable social movements. Use of social media should become a critical part of education for people working in key agencies within the executive branch. Military and Foreign Service officers, for example, should receive training and education on social media use throughout their careers and focus on how its use can complement pursuit of complex policy objectives.

Government agencies, particularly those working in the security and law enforcement arena, should also endeavor to monitor social media more effectively as well. The information that illicit groups post on social media sites provides a unique window into their organization, level of support, motivation, and activities; it can also assist policymakers in developing effective methods to address the problems these groups create or exacerbate.⁵⁷

Increasingly, the complex problems that society faces globally play out on social media. Policymakers therefore must expand their presence within this medium, increase their understanding of it, and operate more adeptly within it.

Ms. Jennifer Pulliam, U.S. Department of State

U.S. Government Response to the “Al Jazeera Effect” in the Middle East and North Africa

Al Jazeera Arabic reaches an estimated audience of between 40-50 million households, with its sister English station reaching audiences of up to 250 million worldwide.⁵⁸ Its news broadcasts, and particularly its political talk shows, introduced an unprecedented level of debate in the Arab world. Viewed as the most free and unfettered Arab station, Al Jazeera quickly became the region’s news broadcast of choice, changing Arab audiences’ expectations regarding the availability and content of news.

Beyond this impact on journalism, Al Jazeera and the competitor stations it inspired have reframed political discourse across the Middle East and North Africa (MENA) region, shaping an environment that allows for greater debate and disagreement. Combined with the exponential growth of Internet access and social media usage, this “new Arab media” serves an important role in setting the region’s political agenda, with “new media” both credited and blamed for fueling Arab Spring uprisings and more recent popular protests in Egypt. While the role of media in promoting democratization in MENA countries should not be overstated, media has inspired, empowered, and amplified forces for change. To the extent that information and dialogue galvanizes a critical public mass, governments will face mounting pressures to institute change.⁵⁹



Despite its democratizing influence, Western critics have labeled Al Jazeera – and particularly its Arabic broadcast – a propaganda outlet, arguing that the network fuels anti-Western sentiments and promotes Islamist ideologies. The U.S. government, guarantor of one of the world’s most free and open media markets, initially placed among the most vocal critics of Al Jazeera, pressuring the Qatari emirate to censor or close the network. The U.S. further responded by establishing a U.S. government-funded Arabic television station called Alhurra (“the free one”) to provide an alternative means for reaching Arab audiences. However, Arab audiences have staunchly criticized this station, which held only a 0.5 percent market share in a 2009 poll, for its failure to provide balanced coverage of significant regional issues.

The U.S. government’s response to Al Jazeera has proven ineffective and undermined U.S. credibility and influence in the MENA region. From the Arab perspective, the U.S. cannot credibly demand liberalization or promote democratic reforms when its first response to political criticism is censorship.⁶⁰

Ultimately, Al Jazeera has demonstrated a transformative impact on news media, public discourse, and regional politics in MENA countries. Accordingly, the United States should encourage and exploit the “Al Jazeera effect,” seizing opportunities to engage on Arab broadcasts that both support and counter U.S. policies. Engagement through these channels allow U.S. government officials to articulate and explain U.S. policy positions, demonstrate the U.S. government’s openness to criticism and debate, and encourage the integration of American arguments into the Arab political dialogue.

CDR Gur Shriebman, Israeli Navy ***The News Media Modern Battlefield***

In May 2010, the Israel Defense Forces conducted an opposed boarding of the M/V Mavi Marmara with the intention of preventing it from entering the port of Gaza. The flotilla, organized by the Free Gaza Movement, was allegedly carrying humanitarian aid and construction materials. The Israeli Navy faced resistance from approximately 40 of the 590 activists who were armed with iron bars and knives. During the struggle, nine activists were killed and many were wounded. The event caused a global argument with each side trying to deliver its version of the story to the media. While many outcomes of that night are debatable, the long-term outcomes of the M/V Mavi Marmara incident are agreed upon and obvious; the damage to diplomatic relations between Israel and Turkey and Israel’s international reputation. Although there were many tactical and operational lessons to be learned, none was as important as discovering the power of modern media. Historically, the limited number of media channels allowed the central government leadership to control and censor the information about military operations that would be released to the news media. The modern news media environment, however, is diverse and varied and cannot be controlled. In order to be successful, leaders must acknowledge and understand the important role of the news media and its ability to set agendas and affect public opinion. Just as soldiers must learn to fight on the tactical battlefield, government and military leaders must also learn how to operate and fight on the news media battlefield.

Recommendations and Implications for the News Media Industry

After a semester of research of the industry, in consideration of the prevailing themes and many of the relevant topics outlined above, the research team developed a series of



recommendations for the consideration of governmental organizations, industry leaders, and American news consumers. These comprehensive recommendations, along with a brief synopsis of buttressing justification, are presented below.

Based on aforementioned massive diffusion within the news media industry and nationwide trends away from broadcast television and radio news consumption—both public goods as defined by the federal government because they are non-excludable and non-rivalrous—the federal government should continue steps to ensure the availability of high-speed, broadband access for all Americans. Furthermore, as a means of ensuring the benefits of access, the government should consider establishing a system of subsidies and tax offsets for the purpose of providing broadband to individuals below a set income threshold.

The Obama Administration has established broadband access for all Americans as a national objective, noting as recently as June 2013: “To create jobs and grow wages at home, and to compete in the global information economy, the delivery of fast, affordable and reliable broadband service to all corners of the United States must be a national imperative.”⁶¹ This objective is largely manifested in the National Broadband Plan, released in 2010 by the FCC, to fulfill the Congressional mandate to make broadband Internet access available to all Americans. In it, the FCC outlines long-term objectives intended to address gaps in broadband coverage and accessibility in the United States, revolutionize the American broadband ecosystem, and provide up to ninety percent of Americans affordable broadband access by 2020.⁶² The efforts to guarantee that access, however, should be bolder, more urgent, and solicit more bipartisan support.

America’s conceptualization of high-speed broadband access must be fundamentally altered. The transformation should follow the blueprint of the Eisenhower Administration, which secured resourcing for the establishment of the national Interstate Highway System by advancing a conceptualization of interstate highways as a means of connecting all Americans regardless of wealth, race, or creed. High-speed broadband access must be reimaged as a government-assured good to provide for a more informed and more connected citizenry, and ultimately a more equitable system of opportunity. To promulgate this re-characterization, the whole of government should utilize the framing mechanism offered by a prominent, digitally-based journalist to our research team: “Internet access is the building block of democracy...if you don’t have access to the debate, you can’t have democracy.”⁶³

Additionally, based on the trend of diffusion within the news media industry, *government organizations and agencies must develop comprehensive communication strategies that embrace, rather than fear, non-traditional media sources and platforms.* Clearly, television, radio, and print news media outlets are still effective venues for communicating with various publics; to reach broader audiences, however, particularly those of the millennial generation, government organizations should embrace an “all of the above” communication mentality that reflects the 21st century media landscape. One might deduce that the Obama Administration--based on its use of Zach Galifianakis’ webcast, “Between Two Ferns” to reach younger audiences regarding the Affordable Care Act—has already adopted this communication transformation. More government agencies should be similarly emboldened to seize on the opportunities of diffusion, rather than rely on outmoded communication strategies that ignore enormous segments of the population. Fundamentally, this shift will require unequivocal acceptance that today’s news is neither delivered nor consumed through the top down delivery model of the mid-20th century. Rather, today’s news is co-created through an iterative process that engages the newsmaker, the media, and the consumer.



As the USG accepts realities associated with media diffusion, as well as the rise of new media, and re-characterizes high-speed Internet access as a public good to allow for, among other items, the open flow of information, it must further resolve to protect the openness of the online environment. Accordingly, *the USG, through the Federal Communications Commission, should fiercely safeguard the principle of an open Internet through “Net Neutrality” legislation that prevents content providers from being able to pay broadband companies for faster Internet speeds.* Where appropriate and necessary, the USG must intervene to protect the Internet as a means of news and information delivery in the same manner by which the USG protects equality of opportunity with regard to broadcast television and radio.

Self-described free market capitalists vigorously oppose “Net Neutrality” legislation, but that opposition stems from a fundamental difference in the conceptualization of Internet access connected to previously discussed recommendations. If instead of regarding the Internet as a venue for business transactions, the Internet is conceptualized as a public utility akin to electricity and water, “Net Neutrality” legislation is both more palatable to the citizenry and more passable in Congress. This issue is particularly relevant and urgent in the spring of 2014, as the Federal Communications Commission considers various plans to replace the “Open Internet” regulations that were struck down in federal court in 2010. The matter is further complicated by the terminology employed by FCC Chairman Tom Wheeler, a former cable and wireless industry lobbyist, whose proposed plan for “Net Neutrality” includes carve-outs for enormous telecommunications companies. Regardless of the lexicon, our research team has concluded that USG policy must not allow for any differentiation in internet speed or quality of service; to do so would be akin to injurious government intervention in the news media market.

The lessons of the ascendancy of new media should additionally embolden news media firms to be cognizant of and employ emerging technology that will fuel the next media transformation. Just as digital technology prompted colossal shifts in the news media landscape, so too will a future emergent technology that has yet to be completely developed or even imagined. As news media firms continue to shed costs and adapt to a diffuse landscape, they must not forsake future technologies; to do so would allow short-term necessity to compromise long-term viability and vision. When fiscal constraints demand resourcing tradeoffs, news media companies should balance savings in personnel accounts and compensation with incorporating technological advancements. These tradeoffs are not intended to diminish the value of journalists, but rather reflect the impact of diffusion and the promise of the next “new media” revolution. To accept these difficult choices is tantamount to the illustrative acknowledgement that Brian Williams’ industry impact is significant, but is dwarfed by the industry impact of Facebook.

The impacts of globalization on the news media industry demand additional, substantive action on the part of the USG. First and foremost, *the USG must reconsider the manner in which it regulates, constrains, and seeks punitive measures against American news media firms and individual journalists.* A major lesson learned of both the Snowden and Manning cases should be that cumbersome and heavy-handed government regulation to protect classified information must ultimately be grounded in a legitimate rationale for safeguarding the material in question. Moreover, *the USG must adapt to an environment where secrets—even those kept for legitimate national security reasons—are increasingly difficult to secure.* Unlike the pre-globalized era of Daniel Ellsberg and Mark Felt, today’s environment offers myriad foreign news media outlets for would-be leakers to disseminate information. Rather than focus on punishment of those tempted to leak and the journalists and news agencies that facilitate the action, the USG must



reexamine its process of classification and how information is released to the media. If a Private First Class and a marginally skilled contractor can wantonly leak information to international news media agencies, perhaps the problem is not with the individuals or the industry. In a globalized industry that resists centralized control, the USG must assess the real culprit to be an arcane system of secrecy that placed compromising information in the hands of those without a reasonable need to know.

Globalization of the news media industry also challenges USG international public engagement strategies by perversely offering simultaneous opportunities to connect and opportunities to repel. Evidenced by a world where a U.S. Army Major can be inspired, at least partially, to shoot dozens of fellow soldiers by the words of a cleric in Yemen, we must recognize that communication has faster and greater reach than at any time in our history. To address the impacts of media globalization, *the USG must develop comprehensive and integrated international communication strategies that appeal to the converted without repelling the agnostics.* Divisive messaging, such as “wanted dead or alive,” might inspire choir audiences, but concurrently distances those naturally opposed to the USG point of view, or even more disturbingly, those who are undecided. The USG must employ the language of inclusion to convey its key messages, domestically and internationally, because in a globalized media landscape, sovereign borders don’t exist. These comprehensive strategies should also account for engagement through the delivery platform of choice for the particular area of operation, be it short wave radio in Africa, digital delivery in tech-savvy nations such as Estonia, and every other delivery mechanism throughout the communication spectrum.

Trends in investigative journalism should also shape USG and news media organization strategies. From the USG perspective, investigative journalism represents a positive externality of the news media industry, because the free market does not value the practice appropriately and therefore under-produces the good. *To compensate for the under-production of investigative journalism evident in industry trends among traditional outlets, the USG should defend and expand tax benefits for nonprofit organizations dedicated to exercising the accountability function of the news media.* Using the same principles by which the federal government intervenes in the education market to ensure a sufficient number of qualified students obtain financing to attend colleges and universities, the USG must act to safeguard the practice of investigative journalism. To execute this market intervention in a manner that is both non-partisan and transparent, the USG must develop and rigorously inspect processes at the Internal Revenue Service to avoid impropriety like that perpetrated during the 2010 election cycle.

To remain viable, news media organizations and professionals dedicated to ensuring government accountability should become fully versed on USG policies regarding nonprofit newsgathering organizations. Where financially warranted, these types of organizations must be willing to adapt to the realities of the 21st century media landscape and evolve to a not-for-profit model. This transformation will likely lead to decreased compensation for journalists, but it will preserve the independence and autonomy of a watchdog news media industry and will enable practitioners to ply their craft in a manner that serves to protect an informed citizenry and inhibit reckless and inappropriate behavior at all levels of government.

A final series of recommendation for USG leaders is derived from issues uncovered during individual research and analysis. Collectively, these recommendations call for *increased government transparency as a means of more effectively connecting with global news consumers and articulating salient organizational messages.* Proposed elements of the objective of increased transparency include: 1) additional resources and focus applied to timely and accurate



responses to Freedom of Information Act requests, 2) embrace of the practice of embedded journalism, not solely within combat units of the Department of Defense, but throughout the entire national security apparatus, 3) paradoxical rejection of the proposed Shield Law—that ultimately leads to the federal government serving as a benefactor of the news media industry—and alternative focus on cultivating a culture of mutual respect between government agencies and news media organizations, and 4) increased media availability, on a diverse array of platforms, for all senior government leaders. If implemented, these steps, combined with an aforementioned revision of the USG’s classification system for sensitive material, will promote a government that is more accountable to its citizenry, more responsive to the needs and interests of the Fourth Estate, and more trusted on the world stage. These resultant improvements, in turn, will enhance the moral authority of the world’s preeminent democratic government.

Our recommendations conclude with a final appeal to the individual news consumer. As with most issues in a representative democracy, the citizenry must accept and embrace a measure of responsibility in shaping the tone of national discourse, to include that surrounding the intersection of security and news media. To borrow from the assertion of Alexis de Tocqueville, people in a democracy don’t only get the government they deserve—they also get the news media industry they deserve. As news media diffusion and globalization continues, and American society becomes increasingly reliant on diverse media products for daily needs, individuals assume many of the powers previously wielded by conglomerates. *Savvy news consumers, therefore, can change the tenor of debate in the United States by demanding a wide-range of reputable news products, consuming news with varying ideological contexts, rejecting simple answers, accepting diversity of opinion, and, if so inclined, donating to nonprofit news organizations.* By becoming more conscientious news consumers, we the people will ensure a news media industry that reflects and honors the tenets of American exceptionalism.

Conclusion

A semester of research and reflection yielded a collective recognition of the prescience of Richard Tofel’s assessment: “This is the golden age of journalism...and yet I am rather bearish about the business of journalism. I suppose it is the best of the times and the worst of times.”⁶⁴ *For USG leaders*, there are more methods and platforms for direct engagement with publics than ever before, and yet many of those mechanisms are fraught with pitfalls. *For news media practitioners*, there are more consumers than ever before, and yet the challenges of connecting with mindful consumers persist. *For industry leaders*, the business landscape is replete with opportunities for new and enhanced revenue streams, and yet legacy business models are no longer economically viable. *For individual news consumers*, access to quality journalism has never been greater, and yet airwaves and digital media are rife with inaccurate, irrelevant, and irresponsible products.

We are truly experiencing the best and worst of times of the news media industry. Our collective challenge now is to evolve through industry-wide upheaval and emerge from this revolutionary process armed with skillsets to thrive in a new frontier while sustaining the capabilities learned through centuries of execution of an American core competency. Reports of the death of the American news media industry are greatly exaggerated, but the industry is certainly in transition. Successful engagement with the news media industry that emerges from this contradictory environment will require organizational temerity and vision.



¹ Richard Tofel, discussion, ProPublica, New York, NY, April 10, 2014, cited with permission of Mr. Tofel.

² R. Glenn Hubbard and Anthony P. O'Brien, *Economics, 4th Edition* (Boston: Pearson, 2013), 4.

³ Tom Bettag, "Evolving Definitions of News," *Nieman Reports*, Winter 2006, <http://www.nieman.harvard.edu/reports/article/100291/Evolving-Definitions-of-News.aspx> (accessed January 24, 2014).

⁴ Amy Mitchell, "5 Facts About the News Business Today," <http://www.pewresearch.org/fact-tank/2014/03/26/5-facts-about-the-news-business-today/> (accessed May 12, 2014).

⁵ Florence Setzer and Jonathan Levy, "Broadcast Television in a Multichannel Marketplace," in *OPP Working Paper Series* (Washington, DC: Federal Communications Commission, 1991).

⁶ Jack Lule. "Mass Communication and Media Culture," *Creative Commons Project*, <http://2012books.lardbucket.org/books/mass-communication-media-and-culture/s12-03-issues-and-trends-in-the-telev.html> (accessed May 1, 2014).

⁷ While there are technological differences between cable and satellite television services, for purposes of this market analysis, "cable news" is broadly construed to include the applicable news channels broadcast through the satellite medium.

⁸ Jesse Holcomb and Amy Mitchell, "Cable: A Growing Medium Reaching Its Ceiling, The Pew Research Center's Project for Excellence in Journalism, The State of the News Media 2013," <http://stateofthemediamedia.org/2013/cable-a-growing-medium-reaching-its-ceiling/> (accessed January 24, 2014).

⁹ Dylan Byers, "2013: Fox News Tops Ratings Race, CNN Slides to 20-Year Low in Prime Time," January 2, 2014, <http://www.politico.com/blogs/media/2014/01/fox-news-tops-ratings-race-cnn-slides-in-primetime-180451.html> (accessed April 28, 2014).

¹⁰ Darryle Ulama, "IBISWorld Industry Report 51321 Cable Networks in the US," <http://www.ibisworld.com/industry/default.aspx?indid=1263> (accessed May 1, 2014).

¹¹ Ibid.

¹² Jesse Holcomb and Amy Mitchell, "Cable: A Growing Medium Reaching Its Ceiling, The Pew Research Center's Project for Excellence in Journalism, The State of the News Media 2013," <http://stateofthemediamedia.org/2013/cable-a-growing-medium-reaching-its-ceiling/> (accessed May 9, 2014).

¹³ Ibid.

¹⁴ Jesse Holcomb and Amy Mitchell, "Cable: By the Numbers, The Pew Research Center's Project for Excellence in Journalism, The State of the News Media 2013," <http://stateofthemediamedia.org/2013/cable-a-growing-medium-reaching-its-ceiling/cable-by-the-numbers/> (accessed May 9, 2014).

¹⁵ Ibid.

¹⁶ Andreas M. Kaplan and Michael Haenlein, "Users of The World, Unite! The Challenges and Opportunities of Social Media," <http://www.sciencedirect.com/science/article/pii/S0007681309001232> (accessed May 1, 2014).

¹⁷ John Elkaim, "How Social Data Changes Everything We Know About Marketing Strategies," *Mashable*, October 14, 2013, mashable.com/2013/10/14/social-data-and-marketing/ (accessed April 28, 2014).

¹⁸ "Social Networking and Social Media: 2013," *Generator*, July 1, 2013, <http://www.generatorresearch.com/report/social-networking-and-social-media-2013> (accessed April 29, 2014).



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