



**KNIGHT
FOUNDATION**

PUBLIC BROADCASTING: ITS PAST AND ITS FUTURE

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CHAPTER ONE:

PUBLIC BROADCASTING'S ORIGINS AND PURPOSE

“I like to pay my taxes; with them I buy civilization.”

It's time to reinvest in public broadcasters. They are creaky vessels, battered by decades of cutbacks and challenges, but they're still one of our best tools for protecting democracy and building healthy societies.

When we talk today about the origins of public broadcasting we often talk about spectrum scarcity. And it's true that part of the reason public broadcasting was created was because radio frequency spectrum was finite, and there needed to be a way to divide it up.

But the people who founded public broadcasting had grander ambitions. They saw broadcast radio as an opportunity to support the health of democracy, and they designed public broadcasters to be key institutions helping societies be well-informed, politically engaged and socially cohesive.

To understand the genesis of public broadcasting, it's useful to look at the history and founding of the British Broadcasting Corporation. It was the first public broadcaster, and is still probably the most prominent and respected.

The BBC was established in 1922 as a private corporation by a consortium of radio manufacturers, and in 1926 a Parliamentary committee recommended it be converted to being publicly owned and accountable to Parliament through the Postmaster General. Broadcasting “carries with it such great propaganda power that it cannot be trusted to any person or bodies other than a public corporation,” the committee wrote.

The people who advocated establishing the BBC as a public company – a mix of politicians, businessmen and civil servants – believed that broadcasting needed to serve the public interest. They believed an informed citizenry was essential to a healthy democracy, and they were living in a period when public faith in government and media had been badly shaken by World War I. They wanted to build social cohesion, and they wanted the poor to have access to education and culture.

Here's how John Reith, the BBC's founding director general, described the BBC's mission: “To carry into the greatest possible number of homes everything that is best in every department of human knowledge, endeavour



and achievement,” and to serve “every order of social class, every grade of educational and intellectual entertainment, every variety of like and dislike, taste and distaste, on every conceivable subject.” The BBC aspired to be both popular and elevating.

In the decades following the BBC’s establishment, dozens of governments around the world began to set up their own public broadcasters, many explicitly modeled on the BBC. Their approaches varied, but all had the same core objective: to construct an entity, free of commercial and political pressures, that would provide public interest information and entertainment programming.

Most were set up to have a monopoly over broadcasting services in their countries, and were fully publicly funded. To buffer them against direct government control, they were set up as independent entities, overseen by autonomous (albeit government-appointed) boards. Rather than being funded by annual appropriations from tax revenues, which would put them at the mercy of the government of the day, most were set up to be funded through a license fee – a special tax paid by most or all of a country’s residents, that went directly to the public broadcaster.

These measures couldn’t guarantee autonomy, and in practice they never worked perfectly. Critics have often accused public broadcasters of acting as a mouthpiece for the state, and many public broadcasters have complained of political interference, especially during war and other times of crisis. And autonomy has brought problems of its own: Throughout their history, public broadcasters have often been criticized as aloof and unaccountable.

But the goal itself was simple: to create entities that were mandated and structured and funded to be on the side of the people. Public broadcasters were required to be accessible and available to everyone in their countries, not just people whom the market would naturally serve. They often had special obligations to children, minority linguistic and racial groups, and people living in remote regions. They were tasked with helping to build and advance a sense of national identity and culture, and with supporting social cohesion.

CHAPTER TWO:

PUBLIC BROADCASTING'S RISE, AND THE BEGINNING OF ITS DECLINE

For much of the 20th century, public broadcasters did exactly what they were designed to do: They provided a broad range of programming that was both high quality and popular.

In their news and information programming, they covered wars, politics at every level, and important social issues and conflicts. They produced highly successful natural history, science, educational and children's programs. They broadcast pretty much every musical genre, from opera to jazz to folk to hip-hop, and they made the Eurovision song contest, which is watched every year by hundreds of millions of people. They air the FIFA World Cup and the Olympics. They created much-loved entertainment programming: the Danish costume drama "Matador," the German crime series "Tatort," the Italian dramatic miniseries "La Piovra," and in the U.K., "Monty Python's Flying Circus," "Fawlty Towers," "Doctor Who" and "The Hitchhiker's Guide to the Galaxy."

For more than 50 years, public broadcasters commanded the attention of large audiences and had significant power and influence. Broadcasting was then "a mighty behemoth," wrote British media historian Jean Seaton, "forging powerful collective experiences, the common coin of everyday life."

But toward the end of the 20th century, public broadcasters' influence started to fade.

In the 1980s and '90s, cable TV started to come into widespread use in Europe and North America. Because cable could carry more distinct channels than transmitter towers, regulators were able to increase the number of broadcast licenses. This was the end of spectrum scarcity and public broadcasting monopolies, and the beginning of the fragmentation of TV audiences.

At the same time, the political winds were shifting. Governments had spent much of the mid-20th century in institution-building mode: creating not just public broadcasters, but many other large publicly funded institutions. In



the 1980s, they started to take a more market-centered approach. This was a very different world from the one in which public broadcasting had been created, and it led to significant changes for the institution.

Governments began to privatize utilities like telephone and transportation services, and in some cases they considered privatizing public broadcasters, too. In 1986, the Thatcher-commissioned Peacock Committee recommended privatizing BBC Radio 1 and 2. In 1987, one of France's three public TV channels was privatized. In the late 1990s, the New Zealand government considered privatizing its publicly owned broadcasting network NZTV.

Governments cut public funding to public broadcasters, capping license fees and reducing parliamentary appropriations, and public broadcasters started to fill the holes in their budgets by ramping up advertising and other commercial revenues. This led to a substantial shift in their revenue model: By 2011, a Nordicity analysis **found** that seven of 18 public broadcasters it studied were making a third or more of their revenues from advertising and other commercial activities.

By 2000, the broadcasting industry had been transformed. Rather than being dominated by public broadcasters, funded with public money, each with a monopoly or near-monopoly in a single country, broadcasting was now a global marketplace made up of thousands of channels, many owned by U.S. companies and offering adaptations or dubbed versions of programming originating in the United States. The public broadcasters had been pushed to the periphery, with dramatically reduced audience shares roughly averaging about 30 percent of the total available audience. Their budgets were smaller. Their distinctiveness had significantly eroded: A 1999 McKinsey study of 20 public broadcasters **found** their new dependence on advertising had "inexorably" led to programming that was hard to distinguish from that of their commercial counterparts.

Public broadcasters have produced major benefits for the countries they serve. As they declined, here's some of what we started to lose.

A large body of research has found that public broadcasters air more hard news and current affairs programming (international news, domestic politics, public policy-oriented news) than their commercial counterparts, and that what they provide is less sensationalist, more balanced, and more focused on policy substance rather than horse race and palace intrigue coverage. "Essentially," one study **concluded**, "freedom from interference by market forces and government seems to lead to a form of public broadcasting that is markedly 'better' than its commercial rivals".

Research shows that people exposed to news on public television **are better-informed** than those exposed to news on private TV. They **are likelier to vote**, and **have more realistic perceptions of their societies**, especially on issues related to crime and immigration. They **are less likely to express negative attitudes toward immigrants**. Countries with strong public broadcasters **have higher levels of social trust**, and the people who live in them **are less**



likely to hold extremist political views.

Multiple studies have found that countries with strong public broadcasters have smaller knowledge gaps between social groups. Public broadcasting, one concluded, “tends to minimize the knowledge gap between the advantaged and disadvantaged, and therefore contributes to a more egalitarian pattern of citizenship.”

CHAPTER THREE:

THE DEVELOPMENT OF THE INTERNET AS A GLOBAL MARKETPLACE

In the internet's early days, many observers believed it would usher in a golden age of access to information and culture. The mass media had performed a restrictive, gatekeeping function, and it was felt that knocking down those gates could have broadly positive societal effects. People would gain access to a new diversity of experiences and perspectives, and would become, perhaps, better informed and wiser.

At the dawn of radio and TV, governments had actively intervened to try to ensure they would benefit society. But when the internet came along, they didn't fund the development of public interest digital services, and in many cases they actually constrained the online activities of their public broadcasters. By 2013, regulators in 11 countries required public broadcasters to submit to public value tests, in which, before building a new digital offering, the public broadcaster was required to show that its public value would outweigh harm to private sector media. This was new: Rather than actively carving out a space for the public good, regulators were now asking public broadcasters to fit themselves into a market-centered model.

In this new marketplace, it was thought that perhaps public broadcasting would no longer be necessary. If it existed, it might be as a vestige of its former self, serving small audiences with old-fashioned tastes. The bulk of public learning and debate would happen elsewhere – newly vital and diverse and energetic – on new platforms.

Initially, it looked like the internet optimists might be right. Newspapers, magazines and broadcasters began to publish online for free, and file-sharing made even obscure music, books and movies broadly and freely available. Jimmy Wales launched Wikipedia, which quickly grew to become a high-quality, comprehensive information resource. Blogs and social media and YouTube supported a flourishing of self-expression and dialogue, including voices that had historically been shut out of the public discourse. The internet was lauded for helping people in authoritarian countries circumvent censorship, and sites like Facebook and Twitter were credited for providing places for pro-democracy activists to share information and organize.

But this new flourishing of diversity was short-lived. News organizations



struggled to find a workable business model, and many shut down. Harassment and abuse started to drive women and members of minority groups out of public spaces. Crowdsourced news never really took off. And in many categories of activity (search, social, shopping), out of what had been a crowded marketplace, dominant players emerged.

By 2010 it had become apparent that rather than freeing ourselves of gatekeepers, we had simply exchanged one set for another. The old ones had been newspapers and broadcasters. The new ones are of course the tech giants: FAMGA (Facebook, Apple, Microsoft, Google and Amazon), FANG (Facebook, Amazon, Netflix, Google), or GAFA (Google, Amazon, Facebook, Apple). They are different from their predecessors in two significant ways: They are U.S. multinationals rather than being rooted in the countries in which they operate, and they are largely unconstrained by commitments to protect the public interest.

In its early days, the internet hadn't yet figured out a business model. But gradually business models have emerged. For TV, movies, music and some noncommodity news it's user pays, usually through subscriptions. For everything else, it's advertising.

Advertising is dependent on large audiences, so it has always incentivized sensationalism. But with the advent of internet advertising, two things changed. First, new tools made it possible for content creators to continuously test and optimize their work – everything from headlines to image choice to story length – so that people would click on it. And second, social media started to play a bigger role in how people found new content, which led content creators to optimize their work so that people would not just read it, but share it.

In 2016, Columbia University law professor Tim Wu published “The attention merchants: The epic scramble to get inside our heads”, in which he described how in the early 2000s BuzzFeed had pioneered practices of optimizing for social sharing, which were later copied by traditional news and information sites like The Washington Post and The Atlantic. As a result, he wrote, “the web, by 2015, was thoroughly overrun by commercial junk, much of it directed at the very basest human impulses of voyeurism and titillation.”

2015 was also the year in which a new type of publishing operation started to spring up, producing what we now call hyperpartisan news.

It turned out that while conventional media sites had been assiduously tweaking and fine-tuning their work to make it more Facebook-friendly, new players – **described** in a 2017 BuzzFeed News investigation as a mix of ideologues, opportunists, growth hackers and internet marketers – had seen an opportunity to reinvent news from first principles, in a way wholly constructed for social sharing and pretty much entirely uncoupled from traditional commitments to accuracy and balance. The new formula: Build a site of quickly written stories designed to provoke strong emotional responses (so people will share them), use Facebook to share the stories into



people's feeds, then direct the resulting traffic back to your site, stuffed with ads. It's the exact same business model as traditional online news – except it cuts a lot of the costs, like researching and editing, which makes it much more profitable.

This new quasi-news takes the form of memes, videos and very short text stories, with headlines like “There’s no way I’ll send my kids to public school to be brainwashed by the LGBT lobby,” and “Donald Trump is unqualified, unstable and unfit to lead. Share if you agree!”

Its publishers, with names like The Angry Patriot, Occupy Democrats, and Fed-Up Americans, don’t have the brand recognition and authority of, say, The Wall Street Journal. But they are powerful anyway. The New York Times **found** that collectively, hyperpartisan sites have tens of millions of Facebook followers, and BuzzFeed **found** engagement with partisan news to be consistently higher than with news from sites like CNN.

If film’s great power is its immersiveness, and TV’s is immediacy, and print’s is the cool delivery of facts and data, it turns out that the great power of the internet may be its ability to figure out what we’ll click on, and give us more of it. “Say you’re driving down the road and see a car crash,” The New York Times wrote, paraphrasing Twitter co-founder Ev Williams. “Of course you look. Everyone looks. The internet interprets behavior like this to mean everyone is asking for car crashes, so it tries to supply them.”

“Our new era,” wrote sociologist Zeynep Tufekci in her 2017 book “Twitter and Tear Gas: The Power and Fragility of Networked Protest”, “is marked by the multitude of people and institutions with the capacity to broadcast, each with different normative standards – and some with no concerns about accuracy even as a standard that is not always upheld – with a polarized public with little trust in any intermediary, and drawn to information that confirms preexisting biases. The result is a frayed, incoherent and polarized public sphere.”



CHAPTER FOUR:

DEMOCRACY BEGINS TO DECLINE

Survey after survey tells a bleak story: Around the world, in liberal democracies, large numbers of people believe political elites are no longer representing their interests.

The Edelman Trust Barometer started measuring global public trust in institutions in 2001, and in 2017 it recorded its largest ever single-year drop. It found 53 percent of respondents worldwide **reported** that they believe the current system is failing them – that it is unfair and offers little hope for the future – and only 15 percent believe it is working.

Since 2006 the Economist Intelligence Unit has tracked the health of democracies through its Democracy Index. In the 2016 Democracy Index, titled “Revenge of the Deplorables,” for the first time the Economist **downgraded** the United States from “full democracy” to “flawed democracy” status. Americans were losing faith in the U.S. government and public institutions, it said, because of increasing income inequality and decades of scandals and problems, among them the Iraq wars, the 2008-09 financial crisis, U.S. federal government shutdowns, partisanship and gridlock. The election of Donald Trump, the Economist wrote, was a symptom of underlying dysfunction, not its cause.

In pretty much every country around the world, people are reporting increasing dissatisfaction with even the idea of democracy, according to analysis of World Values Survey data carried out by political scientists Yascha Mounk and Roberto Foa. Over the past 30 years, they found, citizens in most long-standing democracies **have become** less likely to agree it’s essential to live in a democracy, and also less likely to reject nondemocratic alternatives such as military rule. Over the past 15 years, in most countries, the percentage of people who approve of “having a strong leader who doesn’t have to bother with elections” **has risen**.

What’s especially troubling is that faith in democracy is lowest among the young. Since 1995, Mounk and Foa have **found**, each generation of young people has been successively less supportive of democratic ideals and institutions.



In writing this piece I stumbled across a description of the U.K. in the 1920s that struck me as eerily resonant. This is British historian Jean Seaton, speaking on BBC Radio 4:

“There was a real sense of a kind of moral corruption around the media. There was hostility towards politicians, and a sense that politics was compromised and damaging. And also a kind of post First World War anxiety about commerce and big business. And out of those three things that we don’t want, comes one thing we do: the impulse that you must attempt to deal with the public in a more straightforward and honest and informing way.”

Seaton is the official historian of the BBC, and what she was describing, on the 90th anniversary of its first transmission, were the circumstances in which the BBC was founded.

Maybe we have come full circle.

If you had asked me a few years ago if I thought it was possible that governments would reinvest in their public broadcasters, I would have laughed.

But things have changed.

The election of Donald Trump shocked the world, and has prompted new conversations about the health of our democracies and the institutions that support them. The news industry continues to collapse, and we’re just now beginning to experience the real-life repercussions of living in a world with significantly weakened journalistic institutions. Discussions about negative externalities of the internet – the proliferation of hate speech, the silencing of minority voices, and the deepening of political polarization and extremism – are now being urgently taken up throughout society.

Here’s my argument.

Public broadcasters were designed to elevate the societies in which they operated: to help them be smarter, better informed, healthily pluralistic and successful. For decades they did exactly that. Their impact faded because of technological and public policy changes: we cut their funding, we deregulated their industry, and we didn’t make the kind of policy interventions in the digital world that we had been making for decades in conventional radio and TV.

Today, we’re in a mess. Our societies are fractured and fragile, and we need to heal the rift between the people and the institutions intended to serve them. I believe that calls for a reinvestment in public institutions, including public broadcasters, and for those institutions to recenter themselves on public service.



CHAPTER FIVE:

THE PATH FORWARD

I have a lot of sympathy for governments and regulators trying to navigate today's media and culture landscape. Nobody wants to be the Donald Trump of culture policy, bailing out of international agreements and promising to bring back the coal jobs. And nobody really wants to turn back the clock.

Public broadcasters were designed to supply a broad range of services to the countries they served, especially in countries too small to develop strong media and culture markets. Public broadcasting programming was intended to make up a major part of people's news and culture diets.

That's not the world we live in anymore, and so the challenge for public broadcasters is to figure out how to artfully, strategically insert themselves into a crowded, competitive, private sector-dominant global media landscape in a way that understands that people have many options, and that the purpose of public media is to provide value where markets can't or won't

What might that look like?

The people who will be served well in a global market include English speakers, the affluent and the educated. Less well served will be minority linguistic and racial groups, people living outside large metropolitan areas and the poor. Public broadcasters can't focus exclusively on those latter groups, but they need to put them at the center of their work. Rather than following the market, public broadcasters need to program against it, with a focus on providing public service value.

The costs of news production used to be subsidized by advertisers, but that subsidy has mostly disappeared. We now know that interest in news is very unevenly distributed. In a world of abundant choice, people who like news are increasing their consumption of it (and shifting more toward partisan sources, and perhaps treating it more like entertainment), whereas people who don't like it are dropping it from their media diets.

This means there's no commercial justification anymore for producing broad generalist news packages. It means we can expect private sector media to narrowly target people who are well-off and well-educated, because they are the ones who are the most interested in news, the ones most able to pay subscription costs, and the ones advertisers most want to reach. That's not great for democracy: We can expect to see a growing gap in political knowledge and participation.



For the public broadcasters, this suggests it may not make sense to produce large volumes of commodity news for highly interested audiences, because those people's needs will be met. Instead, it might make sense to lean toward designing services to engage people who are somewhat less news-interested, and to offer the kinds of news programming that the market is less likely to provide – which traditionally has been international news, domestic politics and public policy-oriented news – and which now also includes local news.

There are many other important questions that public broadcasters need to answer. In a world in which media distribution is largely controlled by massive technology companies with economies of scale and domain expertise that public broadcasters can't match, how can public broadcasters best reach the people of their countries? With audiences fragmented and people increasingly consuming media alone, is there still a role for programming aimed at big, broad, general audiences? In a world in which gathering and analyzing public input is now trivially easy, what mechanisms could public broadcasters develop to increase their responsiveness and accountability?

The answers to these questions may not be obvious, but the path to answers is: Public broadcasters need to ask themselves what would serve the people best.

The media and culture landscape has dramatically changed, and adapting to it requires rethinking everything. The challenge: how to take the old public broadcaster values (such as empathy, truth, curiosity, connection, accessibility) and figure out how to enact them in a new context.

If that seems daunting, I will point to an unlikely but useful model: Wikipedia.

Wikipedia is the internet equivalent of a park or a library or a school. It's a public service. Its mission: to give every person in the world free access to the sum of all human knowledge.

Wikipedia was founded in 2001 by American entrepreneur Jimmy Wales. It is collectively written by volunteers around the world, and two years after it launched, the people who write it persuaded Jimmy to incorporate the site as a nonprofit, which he named the Wikimedia Foundation.

From 2007 until 2014, I was the Wikimedia Foundation's executive director, and one of the things I did there was figure out our revenue model. We were lucky: Wikipedia's massive readership meant that if even a tiny fraction of readers were willing to donate to support the site, we could cover our costs. Today more than 90 percent of Wikipedia's funding comes from the people who read it.

The beauty of that model is that it enables the Wikimedia Foundation to focus on serving Wikipedia readers rather than needing to monetize them via third parties. And so, Wikipedia shows us what the internet might look like, if it put



the needs and desires of its users first.

When you visit Wikipedia, what's immediately noticeable is what's not there. The interface is plain and gray. There are no banner ads, no autoplaying video, no pop-ups, and no rows of sponsored content at the bottom of articles.

Wikipedia articles are pretty much the polar opposite of hyperpartisan news. They have lots of text, meticulously footnoted, written in a style that's flat and mildly dull.

The Wikipedia style guide prohibits advocacy, propaganda, opinion, scandal-mongering, self-promotion and what it calls "puffery." It asks writers to avoid stating opinions and seriously contested assertions as facts, to avoid stating facts as opinions, and to acknowledge the relative prominence of opposing views. Conspiracy theories and pseudoscience are prohibited. Every claim Wikipedia makes needs to be verifiable using independent third-party sources, and the sources are listed at the bottom of every article so readers can check them for themselves.

I'm not saying that public broadcasters would serve their users better by producing mountains of gray, dispassionate text. They wouldn't. Wikipedia is a purely informational resource, and the mandate of the public broadcaster is broader than that.

What I am saying, though, is that Wikipedia's popularity proves that people are interested in being treated, in Seaton's words, in a "straightforward and honest and informing way."

Wikipedia became the No. 5 most popular site on the internet, with more than half a billion readers worldwide, without ever having paid a cent for marketing or advertising. It doesn't benefit from corporate synergies. Its product and engineering team is tiny compared with those at companies like Google and Facebook. It doesn't optimize its pages to boost its search engine standings or encourage sharing on social media.

All of Wikipedia's growth has been entirely organic, and has happened simply because people trust Wikipedia and find it useful. Wikipedia's success in a hypercompetitive global marketplace suggests that if you put the public interest at the heart of what you do, and if you are providing real value for people, they will trust you and want to use your service.

That's the path forward for public broadcasters. Governments need to ensure that public broadcasters have sufficient public funding and autonomy to do their work. And public broadcasters themselves need to figure out how to translate their traditional public service values into a media landscape that's radically changed.

It's not that complicated. It's entirely possible to do. And it's necessary, now more than ever.



SUE GARDNER



Sue Gardner runs Tiny Ventures, a San Francisco-based media and technology strategy consultancy. She is the former longtime executive director of the Wikimedia Foundation, the nonprofit that operates Wikipedia. Before that, she worked for 17 years at the Canadian Broadcasting Corporation, where, in her final position, she ran CBC.CA. Sue's work has received many awards and honors: she has received an honorary doctorate of laws from Ryerson University, was named a Technology Pioneer for the World Economic Forum at Davos, has been ranked by Forbes magazine as the world's 70th most powerful woman, was the inaugural recipient of the Knight Foundation's Innovation Award, received the Cultural Humanist of the Year award from the Harvard Humanist Association, and is a proud recipient of the Nyan Cat Medal of Internet Awesomeness for Defending Internet Freedom. She is a board member and advisor to many nonprofit, grant-making and policy organizations, mostly related to technology, media, gender, and digital freedoms.

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