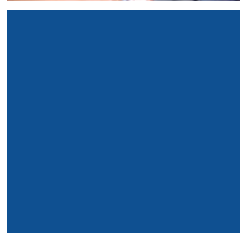


Same Beds, Different Dreams?

Charitable Foundations and Newsroom Independence in the Global South

BY ANYA SCHIFFRIN

February 2017





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The **Center for International Media Assistance (CIMA)**, at the National Endowment for Democracy, works to strengthen the support, raise the visibility, and improve the effectiveness of independent media development throughout the world. The center provides information, builds networks, conducts research, and highlights the indispensable role independent media play in the creation and development of sustainable democracies. An important aspect of CIMA's work is to research ways to attract additional U.S. private sector interest in and support for international media development.

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Introduction

As recently as 2011, South Africa's leading newspaper, the *Mail & Guardian*, did not have a full-time health reporter. Back then, Mia Malan was the publication's part-time health reporter; the newspaper could only afford to pay her a retainer. But in January 2013 things began to change: with funding from the German government, Malan started a health desk consisting of Mia and two junior reporters. Then, with a 2015 contribution of \$500,000 to the *Mail & Guardian* from the Bill and Melinda Gates Foundation, Malan's health journalism desk, known as Bheksisa, became the largest editorial section at the paper, with more staff than even the political desk and ten freelance reporters who are based in countries across Africa.

The money from the Bill and Melinda Gates Foundation has come with a few conditions: the *Mail & Guardian* would use the money to cover health topics, it would expand its health coverage to other African countries, and the reporters on the health desk would pursue "solutions-based journalism."²

None of this, however, was an imposition. On the contrary, Malan and the editor-in-chief at the time, Nic Dawes, had been working for two years to attract funding to support their ambitions for a health journalism desk with similar ambitions.

"Both parties were interested from the start," Malan said. "If anything, it was more of us building a relationship with Gates and seeing if we had mutual interests and goals."

The *Mail & Guardian* is not the only major southern media outlet accepting money from private foundations to bolster its reporting on a topic. Al Jazeera in 2012 accepted \$1 million from the Bill & Melinda Gates Foundation to produce a series of documentaries on infectious diseases in Africa. *La Silla Vacía*, a popular on-line news source in Colombia, has received grants from the Ford Foundation to write investigative stories about the extractives industry, and from the National Endowment of Democracy for coverage intended to bolster awareness of the country's Victim's Law.³ As these and other examples in this report attest, private foundations and media houses are increasingly entering into what might be described as a marriage of convenience.

Private charities, including several foundations that have been funded with money from new technological industries are relying increasingly



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Private foundations and media houses are increasingly entering into what might be described as a marriage of convenience.



An analysis by Media Impact Funders, available freely online, indicates that from 2010 to 2014, about 23 percent of private grants intended to support “journalism, news, and information” were channeled into initiatives that directly underwrite the production of journalistic content on a topic of importance to the donor.

on media partnerships as a way to achieve their philanthropic goals. Media houses in need of resources, and in many cases supportive of broad donor objectives, are taking the money. What happens in that relationship is the subject of this report. Is it a case of “same beds, different dreams?” Is this marriage of convenience a happy one? What can be done to make sure that journalism’s independence is respected and that independent media is being cultivated and sustained?

Direct versus indirect forms of influence

It is important to note how these arrangements differ from the more indirect strategies that foundations have used to influence the agendas of news organizations. Private foundations fund topical training courses—for instance on health journalism or on human rights—with the expectation that participating journalists will be more likely to cover these issues as a result. And foundations have routinely funded social movements and advocacy groups to carry out media strategies and communication campaigns. These techniques, however, are distinct from the practice of directly underwriting news content.

This trend and its important implications for journalists and the public have previously been examined,⁴ but primarily with a focus on non-profit funding for outlets in the Global North, such as National Public Radio in the United States, or the UK’s *Guardian*. This report instead examines the nature of this relationship in media houses in the Global South. Precise figures on how much private donors spend in developing countries to underwrite the production of news or new-type content on their priority topic areas is difficult to parse from the budget data they release, in part because most of these monies often flow first to an intermediary organization. Still, there are some sources of indicative data on this phenomenon.

Media Impact Funders is an organization that collects information on media-related grants by hundreds of foundations. An analysis of their data, available freely online, indicates that from 2010 to 2014, about 23 percent of private grants intended to support “journalism, news, and information” were channeled into initiatives that **directly** underwrite the production of journalistic content on a topic of importance to the donor.⁵ Another 27 percent of those initiatives sought to influence news agendas indirectly, as in the case of trainings for journalists on a specific issue, like malaria.

Sample of Private Donor Funding for Journalism: Coded by its Direct and Indirect Influence Over News Agendas

	2010	2011	2012	2013	2014	PERCENT
Direct	\$578,429	\$1,863,929	\$4,453,780	\$1,660,840	\$1,413,715	23%
Indirect	\$776,483	\$1,879,497	\$3,302,671	\$1,772,635	\$4,172,199	27%
Intended influence on news not clear	\$172,179	\$662,302	\$1,021,875	\$173,556	\$138,104	5%
No discernible influence on news agendas	\$622,442	\$2,598,465	\$5,703,785	\$6,331,465	\$4,538,821	45%
Total (of projects sampled)	\$2,149,533	\$7,004,193	\$14,482,111	\$9,938,496	\$10,262,839	100%

A question of independence

The issues raised by the non-profit funding of news outlets in the Global South are at once familiar and distinct to those raised in relation to this arrangement in the Global North. Private foundations that support media in order to change the world have views about how journalism can make the world a better place, what the world's problems are and, in some cases, what solutions should be implemented. By using journalism to promote coverage of health or governance or corruption or elections or criminal justice, these foundations are making decisions for all of us about what problems the public should know about and even pressure governments to fix. That involvement in agenda-setting and public policy affects everyone, regardless of where they live, and so it matters how donors and journalists negotiate and implement such agreements.

As in the Global North, some of the Southern outlets receiving funds from private foundations are often new enterprises, frequently digital start-ups, which may not have many of the traditional organizational structures that in the past were aimed at safeguarding editorial independence. The old days of the advertising sales department being on a different floor or in a different building in the newsroom are long gone. Native advertising, digital content, the quest for clicks have all blurred the distinction between paid content and news.

But media houses in the Global South also face unique circumstances. They are often operating in more restrictive environments, with fewer protections against threat and intimidation by the state or powerful individuals. Their financial situation may also have a unique complication. Southern news outlets are confronting the challenge of finding new business models that can follow audiences, and advertising dollars, to online and mobile platforms, but from a disadvantaged

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Media outlets are in some cases reshaping their activities to attract donor funding, and with scant guidelines or editorial policies to ensure editorial independence from donor influence.

financial position in media markets where audience numbers and advertising revenue were already marginal. That said, the rapid expansion of education and relatively fast-growing economies found in China, South Africa and Brazil—for instance—have been a boon to some Southern media outlets, though that too can be a challenge when news outlets are growing their staff without proper attention to ethics and professionalism.

The trend also has implications in the Global South for support to media development, a sub-sector of international development that marshals resources to bolster independent and plural media as an end in itself. Media development, however, is often distinguished from *media for development*, which has been defined as “the strategic use of the media as a tool for delivering positive change in individuals’ knowledge, attitude and practice in order to achieve development results.”⁶ Such arrangements as the Bill and Melinda Gates Foundation has with the *Mail & Guardian* blur the line between these two fields, offering an opportunity to explore the question of whether the objectives are mutually compatible.

To shed light on how the relationships between private foundations and media outlets are working in developing countries, we conducted a series of interviews and surveys between fall 2015 and spring 2016. In total, we conducted 52 interviews with people involved in these kinds of arrangements, some by phone and some by person, and we received completed surveys from 49 respondents, including private foundations, intermediaries and grantees. We wanted to find out how the different groups—foundations, intermediaries, and grantees—understand and navigate questions of editorial independence, what shared practices or guidelines, if any, are in place and what media outlets can learn from other institutions that take foundation funding but try to keep to their core missions. We found that foundations, intermediaries, and grantees are generally getting along well in these arrangements, and frequently working towards a shared mission, suggesting that this arrangement may endure. However, these arrangements are also cause for some concern. Media outlets are in some cases reshaping their activities to attract donor funding, and with scant guidelines or editorial policies to ensure editorial independence from donor influence. This report concludes with some considerations for best practices and codes of conduct that can help to ensure that such independence is safeguarded.

Overview of Findings

- **New money, new financial arrangements:** A new generation of private foundations, often funded with money from Silicon Valley, is leading a growing trend of donors underwriting news content on topics the foundations care about such as health, education and corruption. Though this arrangement has been discussed in the Global North, this report sheds light on how media houses in the Global South have also begun to accept grants with similar conditions, and have in some cases begun to shape their coverage in order to attract support.
- **A mutually beneficial, if ambiguous, relationship:** The report finds that both philanthropic foundations and media houses often express satisfaction with how such arrangements are mutually beneficial and based on shared values. But the interviews also suggested that perceptions vary markedly between the donors and media houses, and even within media houses, as to what constitutes the difference between acceptable involvement and interference. We found that donor involvement at times remains limited to guidance on what topics should be covered, but in some cases extends to story ideas and suggestions for which sources should be included in the reporting.
- **A recognized need for formal guidelines and firewalls:** There does not seem to be universally agreed upon standards of behavior or processes to govern these arrangements, nor much consideration for building institutional firewalls between fundraising and editorial. Indeed, media houses surveyed for this report seldom have written editorial guidelines about what kind of involvement from donors is acceptable. That said, there is widespread agreement that stronger editorial guidelines and better institutional partitioning would be welcome; this report presents some best practices from other fields to stimulate a conversation of how this might be accomplished for donors and recipient media outlets.



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The aim of the study was to gather qualitative information about the processes of grant giving, the perceptions that donors and recipients have of their relationship, and the effect it has on editorial independence.

Methodology

In order to gain a more complete understanding of the relationships involved in donor-funded media in the Global South, we interviewed private donors to media, media grantees and intermediary organizations, i.e., those that receive grants and then carry out activities such as training, grant giving or underwriting stories on specific topic. We designed three different surveys and supplemented the surveys with interviews and background reading. We designed one survey for organizations that give grants, one survey for media outlets that receive grant funding and one survey for the organizations we called intermediaries. A total of 49 people filled out the surveys: 11 identified themselves as charitable foundations, 25 as grantees and 13 as intermediaries. We also conducted interviews with all of the survey respondents and did some background interviews with others who did not fill out a survey, but who spoke to us.

The survey for charitable foundations had 28 questions, the survey for intermediaries had 36 questions, and the survey for grantees had 51 questions. Each person we interviewed was given the opportunity to review his or her comments for accuracy before publication and given the option to remain anonymous.

We focused our research on organizations overseas. We knew of the existence of other recent studies of media philanthropy in the United States, including one funded by the Bill & Melinda Gates Foundation,⁷ and one funded by the Open Society Foundation.⁸ We carried out interviews in Colombia, Mexico, Uganda and South Africa between October 2015 and January 2016 as well as interviews over Skype in early 2016 with respondents from foundations, journalism outlets and intermediary organizations from a number of countries including Austria, Denmark, Ecuador, Guatemala, Kenya, The Netherlands, Norway and Peru.

The aim of the study was to gather qualitative information about the processes of grant giving, the perceptions that donors and recipients have of their relationship, and the effect it has on editorial independence. We wanted to see if there are guiding principles and practices that organizations in different countries have in common. We also wanted to know how non-media organizations that receive earmarked donor money (for example, universities or the World Bank) find ways to keep donor agendas and interests from distorting the main missions of the recipient organizations.

Growth in Private Donors, Attuned to the Power of Media

Charity from private donations has risen steadily over the last decade, bolstered largely by new foundations established with profits from technological industries in Silicon Valley. Furthermore, these private foundations appear to be channeling more and more of their support to media, and increasingly with the aim of getting their priorities to the top of public agendas.



Bill and Melinda Gates; Jeff Skoll; Pierre Omidyar; Priscilla Chan and Mark Zuckerberg

The Bill and Melinda Gates Foundation, which was founded in 1994, and was the first of this cohort, is now the largest charitable foundation in the world, rivaling governments for its influence in international development. Two founders of eBay, Jeff Skoll and Pierre Omidyar, established their foundations in 1990 and 2004, respectively. In 2004, Google set up its charitable arm, and Facebook's Mark Zuckerberg and his wife, Priscilla Chan, in 2015 established the most recent addition to the roster, the Chan Zuckerberg Initiative.

Partly owing to the funds flowing from these new foundations, total giving from US charitable foundations rose from \$30.3 billion in 2003 to \$54.7 billion in 2013, a 55 percent rise over a mere decade, according to the Foundation Center, an organization dedicated to collecting information about philanthropy.⁹ And this fast-growing source of support is more likely to be directed to media-related activities than the resources from governmental and multi-lateral donors.

Just 0.5 percent of official development assistance, the resources given internationally by bi-lateral and multi-lateral donors, goes to supporting the media,¹⁰ compared to the 2.2 percent of giving that US private donors have recently dedicated to media support.¹¹ And there are signs that this is even growing: from 2009 to 2011, foundation support for journalism within the United States alone rose by 21 percent.¹²

Not only do these funders spend an estimated hundreds of million dollars a year on supporting media, but there has been a shift in how they support

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— FOUNDATION CENTER

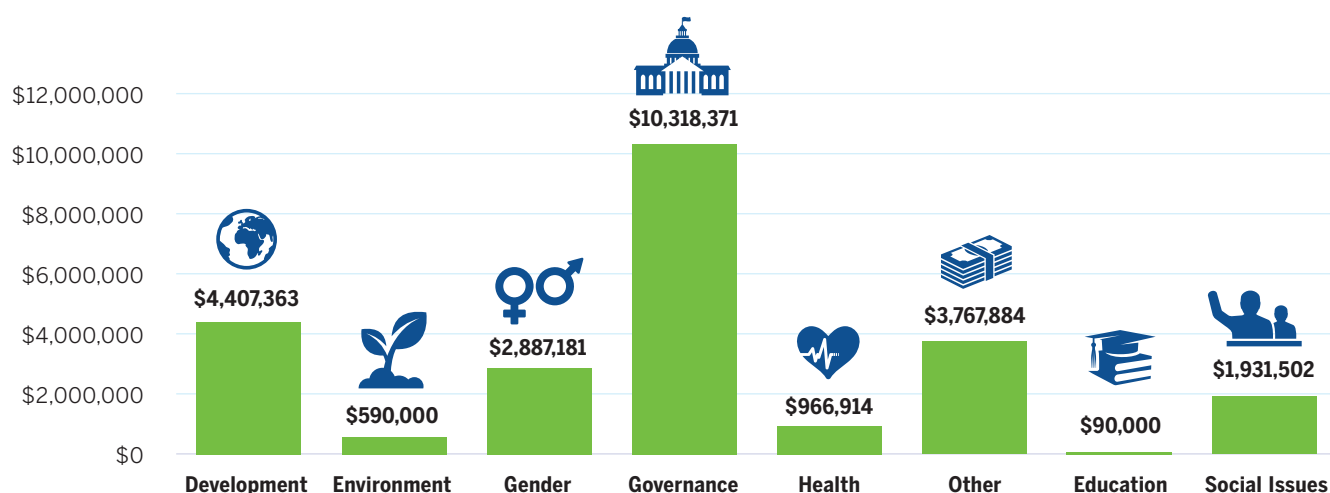
Private donors are ear-marking funds for stories about gender, human rights, agriculture, health or corruption or they fund journalism because they want to improve accountability and governance.

media.¹³ Instead of paying to support media development generally and funding equipment, training and education in ethics and news gathering, private foundations are increasingly underwriting content with a view towards influencing the kinds of subjects that get covered.¹⁴ This marks the distinction often made between support to media development—supporting media because it is a public good, essential to democracy or part of creating an open society—and media *for* development, which refers to strategic engagement with the media in order to support objectives on issues such as health, education or governance. In a recent survey of 18 private and public donors, support for content production was found to be universal (at some level of priority) among the private donors,¹⁵ but only prioritized by a few of the public donors, as illustrated in the following table.

Private donors are ear-marking funds for stories about gender, human rights, agriculture, health or corruption or they fund journalism because they want to improve accountability and governance. Five of the 13 donors we talked to for this study said that more than 50 percent of the media-related grants their organization gives are intended to promote/support coverage of designated subject areas. We also spoke to what we call “intermediary groups,” which are organizations that take donor money and then re-grant it to media outlets or organize trainings or other activities related to journalism. Every one of the intermediary groups that we surveyed said “yes” when asked the question “do your donors have views as to what kind of news they want your grantees to cover?”

We also reviewed the grants available from the Media Impact Funders database case by case to ascertain which topics private donors were

Private Funding for News Content by Topic



pushing in projects that involved either direct or indirect influence over news agendas. The results, presented in the table above, corroborate the finding from our interviews that governance issues are a top priority for private donors. Private donors are supporting journalists to be watchdogs on government corruption and corporate abuse, to hold service providers to account and to be defenders of human rights.

“Philanthropy in the United States has changed in the last 10–20 years. The new donors are much more into metrics and fastidious tracking and seem more caffeinated about what their money should support, expecting to see measurable impact as soon as possible. In the nineties in the context of supporting research and public service journalism by respected organizations, foundations seemed more inclined to give general support grants. These new foundation donors appear to be more wary and resistant to ‘unrestricted funding’” said Charles Lewis, a professor of journalism at the American University School of Communication in Washington DC, and the founding executive editor of the Investigative Reporting Workshop.

Arriving at an accurate estimate of how much money is being spent on media assistance is beyond the scope of this paper. Funding sources abound. Governments in countries such as Australia, China, the Netherlands, Sweden and the UK fund media as part of their foreign aid or development budgets. Private philanthropists fund media in many countries (Australia, Brazil and India, to name a few). In 2012, the 29 member countries of the Development Assistance Committee allocated more than 400 million US dollars of their official development assistance to media support.¹⁶ But this does not include the many millions spent by private foundations and philanthropists. In addition to the new private US donors, there are also philanthropists in developing countries who support media or launch their own publications. According to Rodney Benson, in the United States “about \$150 million per year is currently being invested specifically in news organizations by foundations.”¹⁷

In some cases the foundations themselves don't know how much their entity spends as the parent organization often has several departments funding media under a number of different categories.¹⁸ For example, USAID funds media, but so do different parts of the US State Department. The World Bank's support for media is spread among many different departments and programs, ranging from governance to civil society to private sector development. An internal study by the Open Society Foundations found that in 2016 its budget to support journalism totaled \$24.08 million, of which the Program on Independent Journalism was responsible for only about \$12.51 million. And there are many private foundations (and bi-lateral donors) that do not reveal any information about the size of their grant making in this field.

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— CHARLES LEWIS,
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New Financial Arrangements

What is clear is that donors willing to fund media will find willing takers at both legacy media and startups. Legacy media outlets have shrunk in many countries in part due to declining circulation, the aging of the newspaper-subscribing population, the migration of advertising to the internet, and increased consumption of online news with lower advertising rates.¹⁹ Many outlets are exploring different ways to make money and are in search of what is often referred to as “a new business model.” Whether this exists, in what form, and whether it is possible to find “new” ways to fund quality journalism is not clear.



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Many outlets are exploring different ways to make money and are in search of what is often referred to as “a new business model.”

One aspect of the recent openness to new financial arrangements is the willingness of legacy media outlets such as National Public Radio or *El Pais* or *The Mail & Guardian* or *the Guardian* to take grant money that supports editorial priorities designated by the donor or which underwrites coverage of certain topics. Other media outlets, such as *The New York Times*, regularly publish stories provided by reputable news organizations funded by private donors. Stories by foundation-funded investigative reporting outlets—ProPublica, the Marshall Project and the Pulitzer Center on Crisis Reporting, to name a few—now appear regularly in legacy media outlets while many more outlets have been willing to join the International Consortium of Investigative Journalists, famous for publishing the Panama Papers.

Financial difficulties often breed collaboration. The flexibility and willingness to compromise with media organizations, that might under other circumstances be viewed as competitors, is reminiscent of the way that in the 1970s US media outlets in financial difficulty opened up to having US newspapers sign joint operating agreements with each other,²⁰ while local television stations began pooling news footage. Other examples include the independent publishing houses that come together for book distribution and the alliances of independent bookshops.

Meanwhile, lower barriers to entry mean more startups, resulting in more competition and ever greater pressure on advertising revenues. As well, it is not clear to what extent private donors are themselves aggravating the situation by funding startups that compete with other startups.

There are many outlets in existence (print and online) that probably would not exist without donor funding. For example: Thisisafrica.com, the International Consortium of Investigative Journalists (ICIJ), ProPublica, the development pages on the *Guardian.com*, the health pages in the *Mail & Guardian* and many of the startups in Latin America. These outlets are

not about to become self-sufficient from advertising or subscriptions; they will likely remain donor dependent. As one African editor said to us, “self-sufficiency in the developing world requires getting another donor. It’s not like advertising will ever cover costs.” On the whole both sides seem happy with their relationships. There seems to be a match-making process, as illustrated by the case of the *Mail & Guardian’s* health desk, whereby foundations are finding the organizations that are open to their ideas, and grantees are seeking out donors whose goals are compatible with their own.

Amid the financial crisis in news media, the influence of donors and NGOs goes beyond the pressure they can exert as grant-makers to media organizations. Because it is so hard to make a decent living working as a journalist in many parts of the world, there are many journalists who only work as journalists part-time. While some media outlets have rules about taking on consultancies outside of journalism, in poorer countries (and richer ones) part-time journalists may earn money by freelancing for aid organizations such as the Department for International Development (DFID) or the United Nations Development Program (UNDP). In these cases, the journalist are often doing public relations work for the donor organizations. In this way, NGOs are increasingly providing “boots on the ground” coverage of international events.²¹ Once a journalist is working in this way for an aid agency or donor organization, the lines between PR work and news content become blurry. We found examples of this: a journalist who edits a UNDP report may also write about the report for a local newspaper or give a copy to her friends who work there so they can cover it in the paper. The journalists may accept trips paid for by donors who want to take them to see a development project or cover a particular subject.²² These journalists are in effect receiving donor money for their work, which can in turn influence the editorial decisions at their news outlet. In the United States, media outlets have rules about free trips and consulting due to a potential conflict of interest, but during our research we found examples of media outlets with no such guidelines. So while this report focuses on the growing trend of underwriting content directly, it is important to keep in mind that where journalism is under pressure, donors and NGOs are finding new avenues for influence.

There are of course many media outlets that remain profitable; in recent years, there has been notable growth in newspaper circulation in Asia, primarily in India and China, and more modest increases in Africa and Latin America.²³ Our argument here is simply that financial uncertainty has led to a willingness to consider new strategies and that the space has opened for a range of collaborations and partnerships that include more room for donor funding of content-driven news. Moreover, many of the new startups are small and so the people covering the news and making editorial decisions are often the same people doing the fundraising. They are in constant contact with their funders.



The argument here is simply that financial uncertainty has led to a willingness to consider new strategies and that the space has opened for a range of collaborations and partnerships that include more room for donor funding of content-driven news.

Same Beds: The Shared Interests Between Foundations and Newsrooms

Private donors ponder the dilemmas raised by their relationship with grantees, including how best to preserve editorial independence of their grantees. Of the foundations we spoke to, half agreed with the question that “safeguarding editorial independence of the media should be important to donors.”



“More and more foundations are interested in how to give to media to ensure that journalism remains free and are having a hard time figuring out how do we give money to media organizations and make sure they remain free and independent, especially in Europe. I met a lot of individuals who work for foundations and are interested in how to give money and how to maintain editorial independence,” said Veronika Rozmahelova, former director of the Prague Freedom Foundation.

We found many examples of grantees and donors who are getting along well and have a shared mission. In these cases the grantees feel grateful for the funding, communication lines are open and—perhaps most important—both sides share a sense of closeness and purpose. “We’ve known the team at ICFJ for over ten years. We have a great relationship with them,” said Carlos Huertas from Connectas Colombia, a non-profit journalism initiative that promotes transnational cooperation on “key” development subjects in Latin America.

Part of why the relationships work may be the extensive vetting during the grant application process. Foundations that have a long and arduous grant-making process often get to know their applicants well. Media organizations that do not share the donor's mission are not given grants.

"We only invest in those with whom we share a mission. We get to know organizations that we support well, sometimes in conversations up to a year, and we get them to know us as much as they can as well before we get into funding relationships to make sure that we agree on what the overall purpose of the journalism we are supporting is," says Miguel Castro, Senior Program Officer, Global Media Partnerships at the Bill & Melinda Gates Foundation.

The troubling side of this, however, is that grantees are in some cases shaping their activities in order to attract donor funds. They know that in order to receive donor funding they have to work on problems that are priorities for donors. This came up repeatedly during our interviews.

"At the back of our mind, when the donors want to prioritize accountability issues, inevitably, in order to win this grant, we want to make sure we are heavy on accountability areas to put in a proposal that will sail through. It is a subtle consideration, but it is there. You want to convince them to give it to you. It's a kind of marketing. It's a kind of soft consideration in your mind," said Charles Odongtho of Wizarts Foundation, a Kampala-based organization aimed at explaining to the public the role of parliamentarians.

"Before I pitch them my project, they [the donors] tell me what their priorities are," said one Central American journalist.

"The truth is, he who pays the piper calls the tune. If what we do is not in line with what they fund, then they won't fund us," said Juliet Naiga from the Uganda Journalist Association, who cites independence as the biggest problem between donors and grantees.

Others said that staying true to their organization's core activities is more important than pleasing a demanding donor. Peter Mwesige from African Centre for Media Excellence, an intermediary organization in Uganda told us, "Donors must respect our strategic vision; we don't do work on certain areas, and we're not going to do that because of funding."

"We don't discuss editorial coverage, well sometimes we do. We discuss the pillars of the project and what they would want to finance. The projects that we search for have to do with who our donors are and what they want that year. Hivos, Avina, and the World Bank, they're interested in government transparency; the Knight Foundation, in innovation,

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“Information is a public good. We provide information so the public is informed and can make informed decisions. It’s not the job of a journalist to do advocacy around the issues they expose.”

— STEFAANS BRÜMMER,
amaBhungane Centre for
Investigative Journalism

while other programs like Knight Mozilla Open News finance open softwares within newsrooms,” said one South American journalist whose organization receives foundation funding.

The relationship may not appear as complicated to donors, who at times understated the differences between them and media grantees.

“Journalists and advocates are not that different. Both have a responsibility to not just give information to their audience but to provide a public service, whether it is to inform citizens to make thoughtful choices or making them aware of issues that are important to them,” said Miguel Castro, Senior Program Officer, Global Media Partnerships at the Gates Foundation.

This view was not unanimously shared by grantees. “Information is a public good. We provide information so the public is informed and can make informed decisions. It’s not the job of a journalist to do advocacy around the issues they expose,” said Stefaans Brümmer from the amaBhungane Centre for Investigative Journalism, which receives grant money from foundations (including the Open Society Foundation for South Africa and the RAITH Foundation), but does not accept money from governments and companies, or that is earmarked for reporting on designated subjects.

Still others straddle two worlds: that of the donor and that of the journalist. Under the leadership of Monique Vila, Thomson Reuters Foundation has stepped up its reporting and publishing of news as well as working in media development. ThomsonReuters Foundation now publishes news about undercovered subjects. The news is distributed through the Reuters global distribution network and is available on news.trust.org.

“We are not activists, we are journalists seeking the truth. Our stories are giving a voice to the voiceless and because of the subjects covered, are often used by NGOs to advance their advocacy efforts,” Vila said.

Different Dreams: The Blurry Lines that Pose a Threat to Newsroom Independence

Just by deciding to fund coverage of one topic rather than another means that donors affect newsroom decision-making. A donor who wants coverage of corruption or health reporting makes a decision about which topic a media outlet should devote its time to. By funding coverage of one subject over another, donors set priorities for newsrooms and, by extension, for the public. Many organizations apply annually for renewal of their grants so donor priorities constantly hang over the newsroom.

There are some donors who feel comfortable with their implicit editorial role and others who do not. Regardless, a clear finding of our research is that the lines between donor involvement and interference with editorial independence were unclear. Everyone, it seems, has an opinion as to what journalists should be doing and we found very different perceptions of what constitutes interference as opposed to what are simply donor priorities.

While some donors believe it important to fund coverage on designated subjects, others feel that it is equally important to support the genre of investigative journalism in general to stimulate the production of investigative journalistic content, thereby cementing the role of media as society's watchdog. This is the case for the SCOOP programme, which is a cooperation between International Media Support and the Danish Association of Investigative Journalists.

"I think the fact that our SCOOP programme does not have requirements in terms of what topics the stories should cover is a strength, as focus is instead on promoting the practice of investigative journalism. Such requirements on content would be restrictive and could hamper efforts of professional journalistic development for some," said program manager Manja Kamwi, from the non-profit media development organization International Media Support in Copenhagen.

"Donors are increasingly involved in trying to shape editorial content. From the developmental perspective I understand that donors want to specifically contribute to certain topics that they think are in need of support (gender issues, democracy building, peace promotion for example). But as a journalist, I think this is a scary tendency that infringes on media's independence and in Free Press Unlimited's mind the independence is crucial for public trust. Donors have to be cautious



While some donors believe it important to fund coverage on designated subjects, others feel that it is equally important to support the genre of investigative journalism in general to stimulate the production of investigative journalistic content, thereby cementing the role of media as society's watchdog.

not to be too interventionist,” said Leon Willems, director of Policy and Programs at Free Press Unlimited.²⁴

Kamwi’s view is typical of donors who feel that supporting journalism and promoting strong media is part of larger efforts to help society. Others also say they try to hold back from directing editorial priorities.

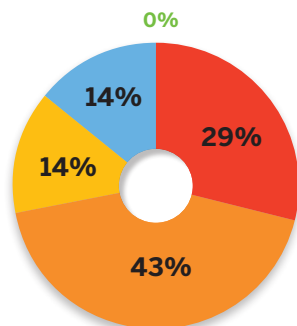
“We try to get our grantees to focus on certain topics, but they are reluctant to do that. They are reluctant to take funding which is prescriptive in that sense, which I understand. We tell them our perspective, and what our points of view are, but if they decide they would rather focus on their area of work they are not penalized,” said Audrey Elster, from the Raith Foundation in South Africa, which supports journalism as part of its overall goals of addressing social injustice and inequality.

The donors we interviewed who give grants to media outlets that are aligned with donor priorities do not view themselves as interfering with editorial processes or missions. Many donors feel that as long as they don’t interfere after the grant is involved then there is no editorial interference. They discuss their goals in advance with their grantees and as long as the grantee is ready to cover women or health or education, the donors consider that to be complete editorial independence.

Donors’ Involvement in Newsroom Decisions

DONORS

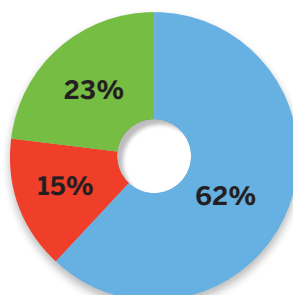
How often do you or someone from your organization discuss editorial coverage with grantees?



- Never
- Only before the grant is given
- Sometimes (4 times a year)
- Often (>4 times a year)
- Skipped

INTERMEDIARIES

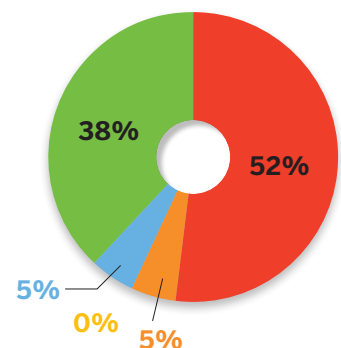
Do your donors have views as to what kind of news they want your grantees to cover?



- Yes
- No
- Skipped

GRANTEES

How often do the donors discuss editorial aspects with you?



- Never
- Only before the grant is given
- Sometimes (4 times a year)
- Often (>4 times a year)
- Skipped

Accordingly, part of what we wanted to find out what was when and how donors make their preferences known. Donors were asked, “How often do you or does someone from your organization discuss editorial coverage with grantees?” All 11 of the donors surveyed replied. Two replied “never,” three said, “before the grant is given, as part of the vetting/ application process,” and one said “sometimes,” which we defined as four times a year, after the grant is given and one said “often,” which we defined as more than four times a year. Four said “other” and then explained how their relationship works including visits, mentoring and other hands-on involvement.

We asked intermediary organizations, “Do your donors have views as to what kind of news they want your grantees to cover?” Of the 10 people who answered, eight replied “yes” and two said “no.” Our follow up question was “If yes, at what point during your grant application do they make it clear?” Five answered and eight skipped the question. Of the five, three answered “before the application,” one said “during the vetting process,” and the third replied, “after the grant money was disbursed.”

We asked grantees, “Have funders sought to influence your editorial coverage?” Fifteen grantees answered the question and of these, four replied “yes.” Of the four, two said it was after the grant had been awarded.

In our research **we found differing perceptions as to how much donors try to get involved with the editorial processes and a different understanding of what constitutes interference and editorial independence.**

Typically, donors reported different levels of involvement in editorial processes than did the grantees. These differing perceptions may be due to different understandings of what constitutes involvement in editorial processes. We also found that **each journalist has a line he or she does not want donors to cross, but each person we interviewed expressed a different idea as to what that line is.**

Some take money for subject areas such as reporting on health but do not want to be told which stories to cover or how to cover them.

“Editorial aspects, no. Subject matters, yes,” said Laura Zommer from Chequeado in Argentina, describing her organization’s overall philosophy.

Some organizations accept money for “investigative reporting” or accountability reporting, but tell donors not to specify which subjects journalists should cover. Musikilu Mojeed from *The Premium Times*, Nigeria, says his donors know what kind of stories their grantees are writing but aren’t allowed to dictate content.



“We try to get our grantees to focus on certain topics, but they are reluctant to do that. They are reluctant to take funding which is prescriptive in that sense.... We tell them our perspective, and what our points of view are, but if they decide they would rather focus on their area of work they are not penalized.”

— AUDREY ELSTER,
Raith Foundation in South Africa



“Before the first dollar changes hands there should be agreement from both sides on what should be achieved. If you don’t have that you open yourself to frustration and problems.”

— ERIC CHINJE,
director of the
Africa Media Initiative

“They fund accountability so they ask us what kind of stories we want to do, so we give them a general description. But they don’t call to tell us to say ‘write it this way.’ We can’t allow it and they know that. Donors are careful with us,” Mojeed explains.

Donor organizations are not monolithic and different parts of the same organization may have a different understanding of how to treat journalists. Some parts of a donor organization may be staffed by former journalists who value editorial independence. Other parts of an organization take the view that the press coverage done by media grantees should reflect the interests of the donor organization. PR and communications departments of donor organizations may have even stronger views about how the media grantee should cover a subject or story. We found multiple examples of one part of a donor organization involving itself in news decisions or coverage by a grantee. Again, because many of the people receiving money are dealing directly with donors, journalists and editors are aware of donor preferences.

One point stressed by grantees is that codifying agreements and making donor expectations clear is essential. Otherwise misunderstandings can arise.

“Before the first dollar changes hands there should be agreement from both sides on what should be achieved. If you don’t have that you open yourself to frustration and problems,” said Eric Chinje, director of the Africa Media Initiative.

Momi Peralta from La Nación Data in Argentina emphasized “making the rules of the game clear from the start.”

However, our interviewees suggested that even with agreements, there is donor involvement in editorial above and beyond what is originally agreed upon. In the course of our interviews we heard several examples but, for obvious reasons, our interviewees asked us not to give their names, names of their organizations or donors or provide any specifics that could reveal their identity.

We found that **grantees experienced three kinds of soft pressure: one form of pressure by omission and two kinds by commission.** Omission was pressure not to cover a certain story, or not to cover it in a certain way. Commission came from donors whose support was granted on the condition of generating coverage of particular subjects. And yet a third kind of commission came from donors who were not only interested to see coverage of a particular subject, but to see the coverage done in a particular way. This is exemplified by the requirement set by the Bill and Melinda Gates Foundation that South Africa’s *Mail & Guardian* cover health via solutions-based journalism, but we found other examples

of donors insisting on a particular angle for a story, rather than on the journalistic approach.

An example of this sort of “wordsmithing” pressure was the news outlet that got funding from one NGO and happened to publish a story about a development project that included a link to another international NGO in the same field. According to the editor, the day after that piece was published they got a call from the funder saying, “if we are paying you for this campaign, why are you advertising other organizations?” As the editor who described the experience put it: “If they see the work of another NGO as competition, then we’re ‘fried.’”

Grantees also told us of donors calling up and suggesting a story idea or even criticizing a story they had published. Rather than getting angry, grantees who told us these stories downplayed what had happened.

“There have been times when donors send you an organization, saying ‘hey, so this organization covers organized crime, you should take a look at them.’ But I take it as any other source of information. They have to put you in contact with their other allies or their own contacts in order to build networks,” said Enrique Naveda from Plaza Pública in Guatemala, adding later: “Sometimes it’s useful, but sometimes it’s not. Sometimes it improves the reporting, and sometimes it doesn’t make it to the text; or we even discard those sources beforehand if we see we don’t need them. Most times we already knew those organizations. The decision is always up to us and our only concern is the quality of the information.”

In some cases grantees said the pressure did not bother them as they understood the internal differences in the donor organization.

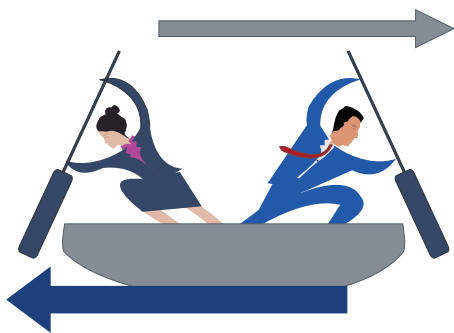
“I don’t think of it as the Gates Foundation. I think of it as one new comms person who used to be an actress (not a journalist). In any case I would have been responsible and done the story thoroughly,” said one editor.

We should note that without a comprehensive content analysis of the kind that has been used to analyse the relationship between advertisers and media outlets²⁵ a lack of data on the topic of donor influence will remain. However, researchers can rely on both the stated aims of the funders to influence content and the abundance of information available through qualitative research. Our interviews with journalists and other grantees have highlighted some of the pressures and examples of them.

Above and beyond direct pressure such as phone calls there are a variety of indirect ways to shape the media agenda, including the practice of the aid organizations hiring journalists as consultants or taking them on trips to see development projects. Our research of African media coverage of the Millenium Villages²⁶ suggests that these



Grantees also told us of donors calling up and suggesting a story idea or even criticizing a story they had published. Rather than getting angry, grantees who told us these stories downplayed what had happened.



“There is often tension between donors and journalists. NGOs fear that journalists not only find abuses by businesses, but also find wrongdoings by NGOs. That is a risk: NGOs also make mistakes or are confronted with awful dilemmas.”

— PETER HEINTZE,
Connecting Continents

relationships have a powerful effect on how coverage is shaped. The shaping of coverage is of course not confined to donors. Governments and businesses have long tried to influence how they are portrayed.

A final point of sensitivity emerged in our research: the difficulties that can arise when a donor supports other activities that are opposed to freedom of expression or has ties to large multinational companies that are being investigated by a journalist grantee.

This latter dilemma is posed by Peter Heintze from Connecting Continents, a fund for investigative reporting based in Belgium, an initiative of Oxfam Novib, an NGO from the Netherlands. Connecting Continents supports teams of European and African journalists to promote coverage of governance topics in Africa and has run into two cases where the multinational corporations whose wrongdoing the journalists were investigating had partnerships with well known NGOs. One example was Shell Oil’s partnership with Oxfam NOVIB.

Describing the dilemmas Heitze said, “There is often tension between donors and journalists. NGOs fear that journalists not only find abuses by businesses, but also find wrongdoings by NGOs. That is a risk: NGOs also make mistakes or are confronted with awful dilemmas. The communication department [of the NGO] gets worried, but the general director understands. In this case, Oxfam had to clear it with their communication team. Another dilemma for NGOs might rise when a journalist finds wrongdoings by a big multi-national enterprise, that is also a partner of the NGO. Oxfam Novib for instance looks actively for partnerships with big Dutch MNEs [multi-national enterprises] like Shell, working together on good governance and decent work. Such a partnership can grow, especially in difficult developing countries, like fragile states. A good relation with a powerful MNE can be very relevant for the work and even the safety of NGO staff in fragile countries. Would you as an NGO want to support publications on wrongdoings by MNEs, if that same MNE is relevant for the work or safety of staff-members in certain countries? In the end the right thing wins but it always will be a struggle.”

In cases where there are differences of opinion between donor and grantee as to what or how a subject should be covered both sides seem to struggle to come up with a solution. Such solutions and disagreements seem to be handled on a case-by-case basis. Sometimes the discussion is taken higher up the hierarchy of the donor organization. Sometimes it is resolved by the grant manager and the grantee. What is clear is that this is a grey area with no standard way of resolving disputes.

Double standards?

This different understanding of what is acceptable involvement is particularly important in places where media outlets are donor dependent and where a lack of alternate sources of funding is a serious problem. In poor countries, media outlets may be more likely to accept requests from donors that they would decline if they could afford to say no.

Donors should consider this question of different standards for journalists and media organizations in developing countries and perhaps not ask organizations or outlets in developing countries to do things they would not ask of journalists in more prosperous parts of the world.

Jo Weir, the former Director of Journalism Training at the Thomson Reuters Foundation, which organized journalism trainings for decades and in later years focused on subjects chosen and funded by donors, points to the dangers of a double standard between developing and prosperous countries. "It's too easy for donors with money to ask journalists from poor countries to do things that would not be expected from a US or European journalist. No Reuters journalist would ever go on a training course and guarantee writing an article on a subject and we found it really difficult to tell other journalists they had to," Weir recalled.

Others note that as media outlets continue to receive money from a range of donors who do not have a media background and want to see instant results, the demands could become more difficult to manage.

Said one African editor, "All donors have different objectives so they could want different things. What would happen if donors wanted different things for example if one donor wants coverage of health issues in South Africa and the other donor wants us to go beyond South Africa's boundaries and cover health issues across Africa? How do you balance the number of stories on each region so that both donors are happy?"

She notes that new entrants in the world of philanthropy may not understand how newsrooms work and that is a special danger for developing countries. "You may have donors with unrealistic expectations who want you to advocate for something in a certain way. In the developing world print media is so desperate that they will say yes to things they should not say yes to."



Others note that as media outlets continue to receive money from a range of donors who do not have a media background and want to see instant results, the demands could become more difficult to manage.

Towards Codes of Conduct and Best Practices

The new world of donor funding of media content addresses a serious need for in-depth coverage of subjects that affect society. At a time when media faces financial pressures in many parts of the world, donors have stepped in to create a public good, and grantees are grateful. However, as mentioned, we found that grantees and donors alike feel **it may be time to come up with some codes of conduct aimed at promoting transparency and safeguarding newsroom independence.**



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In our research we were unable to find examples of donors getting together to discuss shared guidelines for safeguarding editorial independence among their grantees.

Others have called for such codes of conduct, including Nick Lemann, the former Dean of Columbia University's Graduate School of Journalism, who published a piece in the January 28, 2016 issue of *The New Yorker* calling for codes of conduct among organizations that take donor funding.²⁷

In our research we were unable to find examples of donors²⁸ getting together to discuss shared guidelines for safeguarding editorial independence among their grantees. There have been meetings of donors, and donors sometimes coordinate their funding efforts, but in our interviews, media development experts told us that they don't know of an effort to get donors to adopt codes of conduct that would include protection of editorial independence as part of grant making.

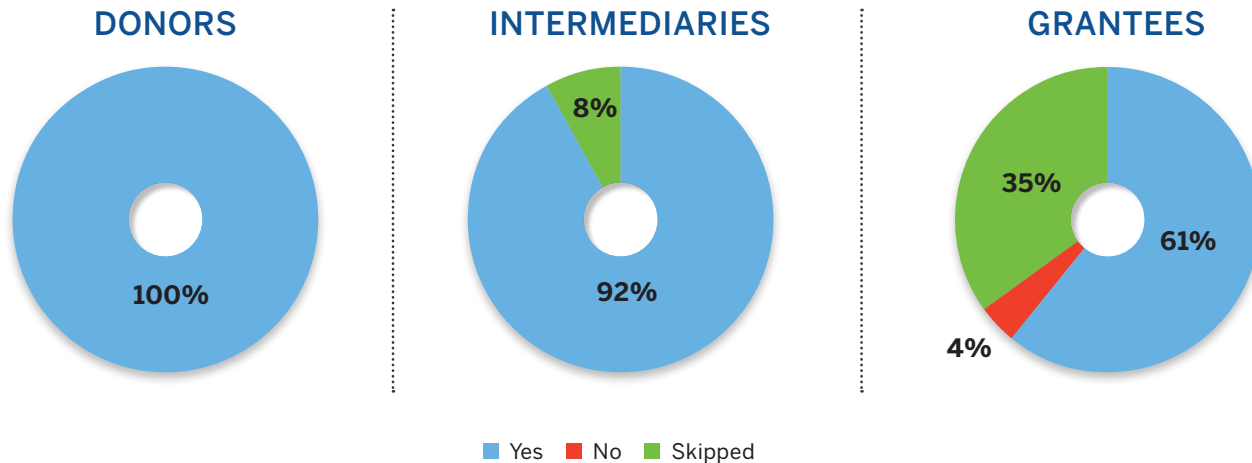
Despite this lack of past efforts, our research found widespread interest in the idea of voluntary codes of conduct.

Every donor we surveyed replied "yes" to the question, "Would voluntary, standardized guidelines for donors or grantees be helpful?" Of the intermediary organizations we surveyed 12 answered yes to the question and one skipped it. Not one intermediary organization said no. Of the 25 grantees who filled out the question, 17 said voluntary, standardized guidelines would be helpful, two said "no" and eight skipped the questions.

Many of the people we interviewed, however, said that such efforts at coordination would be difficult and that donors would resist in part because they need to follow their own internal guidelines on grant making and cannot sign on to external ones that may be at odds with the rules of their Foundation. It is also hard for foundations to coordinate in a systematic and continuous way over decades as leadership changes at the major foundations can take years to absorb.

For this reason we think that standardized guidelines could help provide stability in grant making and protect both grantees and donors from the

Would voluntary, standardized guidelines for donors or grantees be helpful?



vagaries of personnel changes at the top. Typically a new foundation president takes a prolonged period of time to study and understand the organization and then decides to move in a somewhat new direction while building on the strengths and achievements of the organization. This shift in direction involves restructuring the foundation staff and changing the grant-making portfolio in order to make sure it's aligned with the goals of the new foundation president. These periods of restructuring can be difficult for all concerned and lead to delays in decision making. Having some ingrained practices and codes in place regarding grant making to media outlets could ensure more continuity even as the foundation changes.

One quote sums up the philosophy that we believe should underpin grantmaking to media outlets whether done directly from a donor or through an intermediary organization. In *The Reconstruction of American Journalism*: Len Downie Jr. and Michael Schudson write that “Grants should be awarded in a transparent, public competition. The criteria for grants should be journalistic quality, local relevance, innovation in news reporting, and the capacity of the news organization, small or big, to carry out the reporting.”²⁹

The best practices we saw around the world could work well as a starting point for discussion about possible recommendations. While we did not find uniform practices for handling grant money and preserving editorial independence we found an array of thoughtful procedures around the world—particularly in Scandinavia—that could be replicated.

“Grants should be awarded in a transparent, public competition. The criteria for grants should be journalistic quality, local relevance, innovation in news reporting, and the capacity of the news organization, small or big, to carry out the reporting.”

– *The Reconstruction of American Journalism*



“A lot of large foundation funders will flatly state in writing that they don’t give general support funding, and will only support specific projects within their broad thematic program areas of interest.”

— CHARLES LEWIS,
American University School
of Communications

General funding, not earmarks

Many organizations, such as universities try to get general support funds that they can use to underwrite the activities they think are important. When fundraising from a private donor, foundation or company, universities prefer to receive grants that go into a general pool for supporting research. That way, the academics at the university can decide which research areas they will pursue. When they fundraise to endow a chair, it is with the understanding that the donor will not have a say in who is appointed, though the subfield in which the scholar works is often specified. Universities strive to make the specification as broad as possible.

Unsurprisingly, many media grantees would prefer to get unrestricted funds rather than support earmarked for coverage for certain topics. They worry, too, that donors may not be in the best position to know what subjects most need coverage, especially when the donor is already wedded to a particular cause.

Evelyn Groenik from AIPC-Zam says that too often journalism organizations have to bend to the will of donors who have strong ideas about what they want covered, for example reporting on themes such as the United Nations’ Sustainable Development Goals. The consequence is that journalists have to package their work so as to make it fit donor agendas. It also means that important subjects—and ones that matter to local communities—are not covered because overseas donors have not thought of them. Instead of deciding in advance what should be covered, Groenik suggests that donors listen to journalists on the ground: “Couldn’t, for example, donors just ask one what one’s subject is and— of course—request an explanation as to why it is relevant? Why do donors think they already know everything?”

However, Charles Lewis notes that US donors are now less likely to give unrestricted funding than they once were. “A lot of large foundation funders will flatly state in writing that they don’t give general support funding, and will only support specific projects within their broad thematic program areas of interest. So instead of broad general support for respected non-profit news organizations, these muckraking entrepreneurs necessarily have nimbly adapted, recognizing that actually all journalism involves specific thematic or ‘beat’ news coverage within broad thematic subject areas such as the environment, health, political accountability, and even more broadly, the state of democracy, public discourse and civil society, etc. It thus is possible to receive ostensibly general support within a large subject area, without compromising the integrity of the journalism. As a result, in recent years there has been a fascinating kabuki dance of sorts, between the new

non-profit news publishers desperately seeking financial sustenance and the philanthropic institutions—desperately seeking ‘measurable outcomes’ but also recognizing the reality that without accurate, independent information, you don’t have communities or an informed citizenry, vital to the health of democracy itself,” Lewis said in an email.

Creating a wall between funding and editorial

There are several ways to separate the fundraising and editorial functions of media outlets and also donor organizations.

1. Firewalls at media outlets

Since it began in 1989, the Center for Public Integrity, which houses the International Consortium of Investigative Journalists, has operated with a journalistic firewall between the newsroom and the Board of Directors, which means the Board does not see stories before they are published. This is similar in some ways to the wall between advertising and editorial in legacy newspapers.

Paul Steiger, Executive Chairman of ProPublica’s board of directors, described in an email how things work at ProPublica: “At ProPublica, our launch donors enthusiastically embraced a policy, which was approved unanimously by directors at both of the first two board meetings, that bars donors or directors from seeking to influence coverage. They are free to suggest stories, to either the editor in chief or the managing editor, but the decision on whether to pursue or publish is left to the editor in chief. Directors and donors don’t know whether a story is being worked on until it is published. Our chairman, Herb Sandler, is the most vigorous enforcer of this rule, reminding editors not to disclose stories in the works when they may get a bit over-exuberant in their enthusiasm.”

2. Donors outsourcing decision making about grants

Creating walls between fundraising and editorial decisions may be difficult to implement for smaller news organizations with low budgets and few staff. But it could also be implemented on the side of the funders. For example, if foundations gave grantee management responsibilities over to a semi-independent body, perhaps a steering committee made up of professionals from the industry, they could put some distance between the programmatic side of the foundation and the media funding side of the foundation. This, of course, is the reason that some donors bring in intermediary groups to implement grant making to local media outlets.



Creating walls between fundraising and editorial decisions may be difficult to implement for smaller news organizations with low budgets and few staff. But it could also be implemented on the side of the funders.



Moving final decision-making powers to an independent committee could also help alleviate any worry news organizations have about needing to change their reporting in order to get their grant renewed.

Foundations that want to set up a separate committee to do their grant making in journalism would need to be clear about how they categorize their grant funding, recognizing media funding as such, and not grouping it together with other topic-area funding. Foundations could act as trustees, giving grant decision-making power to a committee of representative leaders from prominent news organizations that independently reviewed applications and came together to discuss final decisions. It is important, though, that the foundation, in evaluating the success of the journalism program, judge it on the quality of the coverage, including the impact it has had.

Steven Waldman, who has served as senior adviser to the chairman of the Federal Communications Commission in the United States, wrote about the possibility of pooling foundation funds for local media at the state level in a similar fashion: "Some have therefore suggested creating state-level foundation collaboratives. This would provide a level of political insulation, since a third body, one level removed, would be making the funding decisions rather than the individual local foundation."³⁰

Moving final decision-making powers to an independent committee could also help alleviate any worry news organizations have about needing to change their reporting in order to get their grant renewed. Worry about whether a donor will continue to provide support in the next funding cycle could lead to self-censorship. Additionally, outsourcing decision-making to a body of professionals working in the targeted field could bring about more robust, critical evaluation of applicants. Specialized committees will have more first-hand knowledge about what to look for in grantees and would be best placed to make decisions in accordance with the goals of the foundation.

3. Intermediary groups

Other funders give grants to intermediary organizations that then allocate them to journalists. Some of these intermediary organizations exist with the explicit purpose of providing a buffer between donors and grantees. While the role of intermediaries can add another layer of bureaucracy to the process, they play an invaluable role as they have local knowledge and expertise in media. They also add a layer of opacity in cases where it could be dangerous for a journalist to report getting direct funding from a foreign organization. (Of course, the objective of the intermediary organization is not the circumvention of national laws or to cloak the advancement of foreign interests. It is essential that the intermediary have true independence. We note below that there is some controversy over the extent of transparency in such situations. Open

Society Foundation is one group that gives grants to intermediaries who then give support to local journalism outlets.

Two intermediary groups try to ensure that the stories they fund will be published: the African Investigative Publishing Network-Zam partnership engages with media houses from the inception of story projects, in order to achieve as wide as possible international publication. Similarly, before giving a grant, the Pulitzer Center on Crisis Reporting requires a distribution plan, which should include a strong signal of interest from an outlet.

4. Peer Review Committees

Some of the groups that do grant making to journalists make sure they have groups of journalists (not donors) deciding who gets the money.

One example is International Media Support (IMS) based in Copenhagen. IMS works with the Danish and Swedish Associations of Investigative Journalism (FUJ) on the programme SCOOP, which has an open bidding process, where journalists can respond to a call for applications. All working with the programme assess and discuss the applications, but the final decision to support an investigation is taken by representatives from the investigative journalism associations to ensure that support is granted based on journalistic criteria for investigative journalism.

In some cases, the names of the panelists are not disclosed or are disclosed after the fact so as to avoid lobbying and pressure on donors.

In a similar approach, some organizations place experts on their boards who are not journalists to make decisions about grants to support media. Foundations in this group include the Independent and Public Spirited Media Foundation in India and South Africa's Raith foundation.

Transparency

Organizations that are transparent consider it a best practice and believe the practice should spread. They are of course cognizant of the dangers to journalists who work in countries where grants from foreign donors could put the journalists in danger. But they believe whatever can be transparent should be.

"Transparency, transparency, transparency. Transparency in publishing the call, in the application and in the selection process," said Knut Neumayer at the Institute for Human Sciences in Austria.



Organizations that are transparent consider it a best practice and believe the practice should spread.

DISCLOSURE AND TRANSPARENCY

Not only are there no universal codes of conduct or standards but there are not even universally agreed-upon principles. One might imagine that media outlets and their funders would agree on disclosure of funding sources and transparency of funding but even this subject—which one would think of as low-hanging fruit—turns out to be surprisingly controversial.

Practices vary widely. The majority of donors we spoke to said their organization decides on whether or not their grantees should disclose, and some said they discuss it with their grantees. A smaller group said they leave the question up to the grantees.

Ten donors answered the question about who decides whether to disclose funding:

Our Decision	5
Grantees Decide	2
Something we Discuss Together	3

Of the donors that decide, some mandate disclosure. Some do not. Some governments want disclosure, and some do not. So grantees navigate a host of laws and guidelines, many of which are contradictory.

The Code of Conduct of the Wisconsin Center for Investigative Journalism requires media outlets to disclose the grants they receive and to not let donors determine the coverage. The Investigative News Network has similar guidelines for its members.

The funders of the African Center for Media Excellence in Kampala “are posted in the annual report, except for those that don’t want us to do that, we have two American funders that prefer that we don’t disclose their identity. The country requires us to do so, so we disclose it to the government, but not publicly in our annual report,” said ACME director Peter Mwesige.

Many respondents favored disclosure. “We think if we want government to be transparent and

corporate sector to be transparent, but then we have to be clean and transparent ourselves. People here tend to disclose and we think it’s a good thing,” said Audrey Elster of the Raith Foundation in South Africa.

“We demand that our grantees disclose, when a story is published, that they got funding from the Journalism Fund. We have to tell where we get the money from for transparency and credibility reasons. The grantees have to disclose where they get the money from for the same reason. If we journalists demand transparency from the people we write about then we too need to be transparent. The Journalismfund.eu standard hopefully inspires a journalistic professional consideration about funding and transparency, editorial independence and journalistic credibility,” said Brigitte Alfter of the Journalismfund.eu in Denmark.

“It’s part of our ethical code. There have been times where we have rejected money because they didn’t want us to disclose. When Martin (now director of Nomada) was at the lead, we rejected money,” said Enrique Nevada from Plaza Pública in Guatemala.

Others worry about putting grantees in danger and say they could be at risk if it were known who their funders were and resist disclosing their donors. Practices vary widely across countries and organizations.

Getting a universal code of conduct is difficult, says Charles Lewis, an American University professor who has founded or co-founded several non-profit organizations and has been involved with non-profit news media for 27 years. In 2010, he formally proposed the ethics and transparency standards policy³¹ for the Institute for Non-profit News (formerly the Investigative News Network, which he co-founded), a membership requirement for the 110 non-profit INN member organizations. “Disclosure itself is complicated even in the US, outside even more so. There are no standards. Whatever standards we have here have taken decades to develop. Overseas it is even more chaotic,” Lewis said.

Making it easier to apply for grants

One subject that came up repeatedly in interviews was not directly related to our research questions about media independence. However it does relate to empowerment of grantees. We were told repeatedly that **grantees want information about what funding is available and how to apply. Opacity works to the disadvantage of organizations in developing countries that do not have the same resources and access as journalists in more prosperous countries.**

"It's not always easy finding information about what's out there, for what kind of project, for what region, when are the deadlines, when the funders have opened another call for applications. In general, there's not an easy way nor is it obvious to us where to look for these opportunities, even though they may be out there," said Jordy Meléndez from Factual in Mexico, which is aimed at strengthening journalism in Latin America.

Others felt that the application process is so complicated that it discriminates against outsiders.

Mariana Niembro from Borde Politico in Mexico had a few opinions on the process of working on a USAID Project: "The application process—it seems to me—is discriminatory because there are organizations that are experts in filling out these complex, technical RFPs. No one helps you. And that's no way to fairly compete."

They also hated the unpredictability and sense that one's ability to get funding to carry out their journalism work is subject to a non-profit's stability and strategy

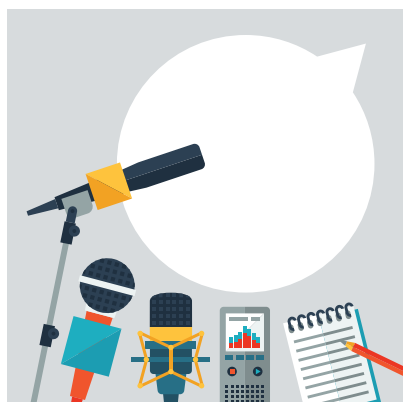
"The main problem is generally the unpredictability when it comes time to renew the grant. There's always cases of donors having less money available because of internal changes, or next year there are no more funds, or the other classic is the 'our funding priorities have changed' and boom, that's it. When the donor changes strategy, it's a goodbye because my newsroom will not change our editorial priorities," said Jose Luis Sanz from El Faro of El Salvador.



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Conclusion: Risks and Opportunities for Media Development

The practice of foundations underwriting journalistic content on topics of social concern presents both opportunities and risks for media organizations working in the Global South. Many non-profit foundations largely have progressive missions that ostensibly align with journalists' instincts to serve the public good. And the funding that these arrangements provide can be a vital to the survival of independent news organizations in an era where the traditional journalistic business model—fragile as it has always been—is being shattered.



Still, donor-funded journalism presents real conflicts of interest such as editorial bias, influence by donors and self-editing by reporters attempting to please donors.

Still, donor-funded journalism presents real conflicts of interest such as editorial bias, influence by donors and self-editing by reporters attempting to please donors. These impediments to objective reporting do not serve the public in the end, and pose a threat to news independence in their own right.

To safeguard the benefits of these partnerships while mitigating their risks, this report highlights several factors need to be addressed. These include:

- A lack of transparency and need for disclosure: what works are being funded, and by whom?
- Editorial interference and foundations' influence on subjects and angles covered by journalists.
- A universal standard spelling out editorial guidelines and parameters for the foundation-media relationship.

While our research brought to light much information about the world of donor-funded journalism, there remain unanswered questions. Will foundations and non-profits keep giving? If so, will most investigative reporting and reporting on matters of public good such as public health or criminal justice or international development be funded by foundations?

What will this relationship look like in the future? Why should donors have to disclose and not advertisers? **Arrangements with donors can be codified, but today media houses do not write down agreements with advertisers and many of the old practices of keeping newsrooms isolated from advertisers are gone.**

Questions that warrant further study include:

- How have donor-grantee relationships worked in the past? A number of NGOs have funded media since the 19th century. How did those relationships work? How did they ensure that the media promoted their views?
- What can we learn from other organizations that rely on the same model and retain intellectual freedom, e.g., universities that rely on grant funding for research?
- How long will donors keep giving to media? In a “results-based” world, will they only do so as long as it promotes the particular point of view of the donors?
- To what extent is the lack of coordination by donors in developing countries leading to the launch of large numbers of startups which compete with each other and then fold after just a few years?

Funding quality journalism and giving reporters the resources to carry out important work is critical. Many of the publications mentioned in this paper cover important stories overlooked by mainstream publications, and many of the outlets would not exist without foundations. But as direct funding of news content by private foundations grows, and with it editorial influence, it is crucial to have a thorough understanding of how this financial model is changing news coverage. Following best practices can help to ensure that direct funding of news content remains a source of strength for independent media—not a marriage of convenience, but an equal partnership.



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Endnotes

- ¹ <https://www.edx.org/bio/anya-schiffrin>
- ² Solutions-based journalism is a form of narrative journalism in which the journalist not only documents a pressing issue, or problem, but makes an effort to describe the different actions that have been taken to address the problem, and evaluates whether it has been successful or not.
- ³ Colombia's Victim's Law provides the right to restitution for those who have been driven from their land by violence.
- ⁴ See for example: Tom Rosenstiel, William Buzenberg, Marjorie Connelly, and Kevin Loker, *Charting New Ground: The Ethical Terrain of Non-profit Journalism* (Arlington: American Press Institute, 2016); and Ed Fouhy, "Foundations: Nurturing Journalistic Values or Threatening Independence?" *Civic Catalyst Newsletter*, Winter (1997).
- ⁵ The grant descriptions for each individual grant were reviewed to determine whether the funds were given with the express objective of producing news or other news-related content on a topic of the donor's choosing (direct influence), or whether the funds might indirectly influence news content; this might include by giving money to advocacy groups to raise the public profile of a given topic, or by training journalists to report more effectively on a chosen topic.
- ⁶ Martin Scott, *Media and Development* (London: Zed Books, 2014), 13.
- ⁷ "Profiles in Media Development Funding." Center for International Media Assistance. <http://www.cima.ned.org/donor-profiles/>
- ⁸ Tom Rosenstiel, William Buzenberg, Marjorie Connelly and Kevin Loker, "Charting new ground: The Ethical Terrain of non-profit journalism." American Press Institute. <https://www.americanpressinstitute.org/publications/reports/non-profit-news/>
- ⁹ See <http://foundationcenter.org/gainknowledge/research/keyfacts2014/foundation-focus.html>
- ¹⁰ Eduardo González Cauhapé-Cazaux and Shanthi Kalathil, *Official Development Assistance for Media: Figures and Findings* (Center for International Media Assistance and the Organization for Economic Cooperation and Development, 2015). <https://www.oecd.org/dac/governance-peace/docs/CIMA.pdf>
- ¹¹ This figure was calculated using data available from the Foundation Center for 2013 and 2014: www.foundationcenter.org.
- ¹² Brenda Henry-Sanchez and Anna Koob, *Growth in Foundation Support for Media in the United States* (New York, Foundation Center, 2013).
- ¹³ See Rodney Benson, "The American Journalistic Crisis and the Foundation 'Solution,'" Working Paper; and Mary Myers, *Funding for Media Development by Major Donors Outside the United States* (Washington DC: Center for International Media Assistance, 2009).
- ¹⁴ David Conrad, "The Freelancer-NGO Alliance," *Journalism Studies*, 16, no. 2, 275-288.
- ¹⁵ Shanthi Kalathil, *A Slowly Shifting Field: Understanding Donor Priorities in Media Development*
- ¹⁶ For information about individual donors please see their websites or this set of profiles: <http://www.cima.ned.org/donor-profiles/> Eduardo González Cauhapé-Cazaux and Shanthi Kalathil, "Official Development Assistance for Media: Figures and Findings A Report by CIMA and the OECD." Center for International Media Assistance, March 2015. <http://www.cima.ned.org/resource/official-development-assistance-for-media-figures-and-findings/>. For a full list of Development Assistance Committee member countries, see <http://www.oecd.org/dac/dacmembers.htm>
- ¹⁷ Rodney Benson, "Are Foundations the Solution to the American Journalistic Crisis?" *NYU Media Ownership Project Working Paper* 2016-001, March 2016, 10.
- ¹⁸ Mark Nelson, "What are Media Development Donors Funding?" Center for International Media Assistance, July 20, 2016 <http://www.cima.ned.org/blog/media-development-donors-funding/>
- ¹⁹ Michelle Foster, *Media Feast, News Famine: Ten Global Advertising Trends That Threaten Independent Journalism* (Washington DC, The Center for International Media Assistance, 2017).
- ²⁰ Legalized under the 1970 Newspaper Preservation Act.
- ²¹ Matthew Powers, "The New Boots on the Ground: NGOs in the Changing Landscape of International News." *Journalism*, 17 (4): 1-17.
- ²² Audrey Ariss, Michelle Chahine and Anya Schiffrin, "Bloggers, Celebrities, and Economists: News Coverage of the Millenium Villages Project," in *Africa's Media Image in the 21st Century: From the "Heart of Darkness" to "Africa Rising,"* edited by Bunce, Franks and Paterson (Routledge 2016)
- ²³ WAN-IFRA, *World Press Trends*, 35.
- ²⁴ FPU is a media development organization headquartered in Amsterdam which works to improve the climate for and quality of journalism around the world in conjunction with local partners.
- ²⁵ Rafael Di Tella and Ignacio Franceschelli, "Government Advertising and Media Coverage of Corruption Scandals," *American Economic Journal*, October 2011: 119-151. Luigi Zingales, "Are Newspapers Captured by Banks? Evidence from Italy" Promarket: The blog of the Stigler Center at the University of Chicago Booth School of Business, May 12, 2016.
- ²⁶ Audrey Ariss, Michelle Chahine and Anya Schiffrin, "Bloggers, Celebrities, and Economists: News Coverage of the Millenium Villages Project," by in *Africa's Media Image in the 21st Century: From the "Heart of Darkness" to "Africa Rising"* edited by Bunce, Franks and Paterson (Routledge 2016)
- ²⁷ <http://www.newyorker.com/news/news-desk/a-code-of-ethics-for-journalism-non-profits>
- ²⁸ Including convenings organized by Stephen Salyer and the Salzburg Global Seminar in 2008 and 2009 and the October 2012 meeting aimed at sharing donor practices held at Pocantico, New York, by the Center for International Media Assistance.
- ²⁹ Len Downie Jr. and Michael Schudson, "The Reconstruction of American Journalism." The Committee to Protect Journalists, October 19, 2009. http://www.cjr.org/reconstruction/the_reconstruction_of_american_1.php
- ³⁰ Waldman, Steven. "The Information Needs of Communities: the changing media landscape in a broadband age". Federal Communications Commission, 2011.
- ³¹ <https://inn.org/for-members/membership-standards/>

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