

Experimentation and Evolution in Private U.S. Funding of Media Development

A Report to the Center for International Media Assistance

By Anne Nelson

October 28, 2009



**National Endowment
for Democracy**

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The Center for International Media Assistance (CIMA), a project of the National Endowment for Democracy, aims to strengthen the support, raise the visibility, and improve the effectiveness of media assistance programs by providing information, building networks, conducting research, and highlighting the indispensable role independent media play in the creation and development of sustainable democracies around the world. 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.

CIMA convenes working groups, discussions, and panels on a variety of topics in the field of media development and assistance. The center also issues reports and recommendations based on working group discussions and other investigations. These reports aim to provide policymakers, as well as donors and practitioners, with ideas for bolstering the effectiveness of media assistance.

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Acknowledgements and Methodology

This report is based on the author’s interviews, conducted in person, by telephone, and by e-mail in August and September 2009 with the following individuals: Joyce Barnathan, Elspeth Revere, Monroe Price, Eric Newton, Gordana Jankovic, Clark Bell, Carlos Fernandez, Susan King, Vanessa Mazal, Awo Ablo, Stephen King, Liza Gross, and Steve Hubbell. The author extends her thanks for their assistance.

Information from publications and Web sites of foundations and other sources is acknowledged in endnotes.

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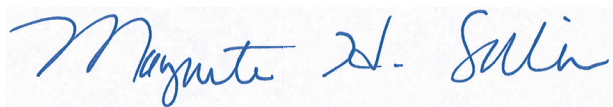
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Preface

The Center for International Media Assistance at the National Endowment for Democracy is pleased to publish *Experimentation and Evolution in Private U.S. Funding of Media Development*. The purpose of this report is to examine the level and sources of U.S. private funding for international media development and the priorities of private donors.

CIMA is grateful to Anne Nelson, a former journalist now teaching at Columbia University's School of International and Public Affairs, for her research and insights on this topic.

We hope that this report will become an important reference for international media assistance efforts.

A handwritten signature in blue ink that reads "Marguerite H. Sullivan". The signature is written in a cursive style and is set against a light blue rectangular background.

Marguerite H. Sullivan
Senior Director
Center for International Media Assistance

Executive Summary

U.S. foundations have long funded programs in both “media development” and “media for development,” but recent political and economic trends have shifted the balance between the two fields.

No one disputes the value of media development, which promotes independent news media. Nor do they doubt the importance of media for development, which emphasizes the communication of critical information to vulnerable populations, whether or not the information or the media involved meet the definition of “news.” But as U.S. journalism has entered a period of crisis, along with its philanthropies, these institutions, which have historically funded media development, have retrenched. With the U.S. advertising-based business model in peril, new avenues and approaches are being explored, with a greater emphasis on addressing the domestic model before trying to apply it abroad.

At the same time, a new group of foundations has appeared on the West Coast, many of them springing from the powerhouses of new media technology. The Bill & Melinda Gates Foundation has been the most prominent example, and its entry into the field of media development has already had an effect. The Gates

One of the few certainties is that there will be an ongoing blurring of the lines: between “media development” and “media for development”; between philanthropy and investment; and between domestic and international projects.

Foundation and related organizations bring their own approach to the field. Some of the characteristics include an increased emphasis on public health, a strong interest in Africa, and an openness to new technologies and business models.

Another innovator in the field has been the Open Society Institute (OSI), which supports a broad array of media projects. OSI created the influential Media Development

Loan Fund (MDLF) to provide direct investment and managerial advice to media companies.

This is a period of abrupt transition and dramatic experiments. One of the few certainties is that there will be an ongoing blurring of the lines: between “media development” and “media for development”; between philanthropy

and investment; and between domestic and international projects.

Major findings:

- Traditional foundations (especially those rooted in U.S. journalism companies) are retrenching and tending to cut back on international funding. (Some of them, such as the New York Times Company Foundation, have closed their

doors.) A notable exception is the John S. and James L. Knight Foundation, which is emphasizing its commitment to both domestic and international news media programs.

- New foundations from the new media technology sector are making a major impact. When the Gates Foundation decided to enter the media development scene, its spending (more than \$6 million in 2006) immediately placed it among the major players in the field. Other organizations from the West Coast tech community, such as Omidyar Network, the Skoll Foundation, and Google.org may develop a stronger presence in the future.
- The foundation community has benefited from the process of roundtables, originally organized by the John S. and James L. Knight Foundation, which have allowed them to share ideas, promote collaboration, and reduce overlap. These exchanges are becoming more important than ever, as the field becomes more difficult to track and economic upheavals create uncertainty for grantees.

Introduction

If there had been an American foundation tour of their international media assistance projects a decade ago, the stops might have included a workshop on investigative reporting at a newspaper in Chile; hands-on training in television production at a mom-and-pop cable station in Hungary; and legal counsel for an embattled magazine in the Philippines.

Fast-forward to 2009, and there would be similar projects underway—but within a vastly wider scope. Today’s endeavors would include jumpstarting cellphone journalism in Kenya, disseminating human rights YouTube videos from Myanmar, and developing social networking platforms for the Iranian blogosphere.

But media platforms and regions of interest are not the only elements that have shifted. A host of new players have entered the field—notably, the philanthropic arms of the new media corporate giants—and they have added their own unique perspective on the role of media in society.

The philosophy behind the traditional approach to “media development” has been summed up by Joyce Barnathan, the president of the International Center for Journalists (ICFJ): “A key pillar of any democracy is vibrant independent media.” Over the years U.S. foundations have invested many millions of dollars in training and support to improve news organizations abroad. But recently the parallel concept of “media for development”

has also gained momentum, based on the argument that much of the world’s population is starved for the basic information necessary to sustain life itself.

This development also represents a change in regional emphasis. During the 1990s, the attention of the world was fixed on developed countries undertaking a transition to democracy. The focus of that period, with its many triumphs and some disappointments, is now shifting to less developed areas of the world, notably Africa and India, and the population that Oxford professor Paul Collier calls the “bottom billion.” Foundations concentrating on this approach recognize that while it is still important to support print and broadcast media and democratic ideals, it would be negligent to do so without addressing day-to-day crises in public health, environmental issues, and basic education. The foundations that follow this logic begin with specific social goals, such as public health or the environment, and then direct their support to whatever media can best transmit the message.

Both “media development” and “media for development” have been practiced for many years. But a number of recent changes—some related, some coincidental—have altered the balance of funding and support. In the process, members of the foundation community on both sides of the question have found new grounds for discussion and debate, as well as new incentives for cooperation.

Background

International media assistance has deep roots in the battered landscape of post-World War II Europe, and the realization that reinventing the news media was a critical component of reconstruction. The Ford Foundation was an early and significant partner in these efforts, joining forces with U.S. government agencies and other institutions. The machinery of fascist propaganda was dismantled, and new broadcast media were instructed in independent news production. Newspapers were created with mixed editorial boards, free of party control.

These efforts were especially effective in Germany, where a vibrant and politically diverse media culture flowered within a decade of the Nazis' defeat.

In 1989, the end of Soviet communist rule led to a dramatic expansion in media assistance. U.S. foundations and their grantees streamed into the formerly communist countries, offering workshops and support in everything from investigative reporting to advertising management. In 1993, George Soros founded the Open Society Institute to manage his foundations, which were then largely in Eastern Europe, as a way to contribute to a transition from communism to free-market democracies. OSI, like its fellow foundations, soon extended its programs in media development to a growing roster of developing countries, some just emerging from their own conflicts, and many with

populations living in extreme poverty. Founded by a philanthropist-entrepreneur, the Soros foundation was unusually open to new models. One of its many innovative programs is the Media Development Loan Fund (MDLF), founded in 1996 by Serbian newsman Sasa Vucinic and former Washington Post reporter Stuart Auerbach. In a departure from traditional grant making, the MDLF provides affordable capital and management expertise to independent media in societies in transition.¹

If one looks to the realm where media and international development work overlap, the list of foundations with a sustained presence is relatively short.

The Traditional Field of Donors

Over the years, innumerable U.S. foundations have funded some areas relating to media, and a vast number have been involved in international projects. However, if one looks

to the realm where media and international development work overlap, the list of foundations with a sustained presence is relatively short. Ford and OSI have been two of the largest general foundations to work in the media field. Others have included the John D. and Catherine T. MacArthur Foundation of Chicago, and the Carnegie Corporation of New York.

The philanthropic arms of media organizations, such as the New York Times and various television networks, have also played important roles in the past. One of the most influential categories represents the overlap between large foundations and

media-based donors, notably the John S. and James L. Knight Foundation in Miami, which was joined by the McCormick Tribune Foundation in Chicago, the Scripps Howard Foundation in Cincinnati, and the Freedom Forum (which grew out of the Gannett Newspapers) in Washington. For many years, the foundations and philanthropic programs that originated in news organizations were responsible for a strong impetus in international media development, offering many forms of support for news organizations abroad.

Many of the projects have emphasized human capital: training journalists in reporting techniques, ethics and new technologies, and later, working with management to improve business practices and develop advertising models.

The funding continues to support training in the field and formal journalism education for foreign students (both in the U.S. and in indigenous institutions). The leading implementers in the training field include Internews Network, the International Research & Exchanges Board (IREX), and ICFJ, all based in Washington, D.C., and the BBC World Service Trust in London. Journalists' protection has also been an important element of media assistance. The Committee to Protect Journalists (CPJ) and related organizations have received major foundation funding to represent foreign journalists and news organizations that come under physical and legal attack.²

There is no doubt that the monetary value of foundation contributions to media (often

measured in the thousands) has been minor compared to the expenditures of large government aid agencies (usually measured in the millions). Modern media development has been greatly shaped by USAID, Britain's Department for International Development (DFID), and a number of European agencies. At the same time, the private foundations have unique qualities that often transcend the dollar value of their expenditures. Private entities can be more nimble and politically independent than their government counterparts. Many of them have benefited from the participation

One enormous factor in the growth of "media for development" has been the emergence of a new generation of foundations grounded in new media.

of journalists and media executives, who bring valuable relationships and experience to the work. One notable example is the Knight International Journalism Fellowship program, which has sent waves of U.S. journalists overseas to conduct training in print, broadcast and new media journalism

and has created generations of returnees with an acute commitment to the mission of media development.

Gates Arrives

One enormous factor in the growth of "media for development" has been the emergence of a new generation of foundations grounded in new media. The "big bang" in the foundation universe occurred in the mid-1990s, with the creation of the Gates Foundation.³ Over its first decade, the foundation's assets were multiplied many times over through the contributions of Bill Gates and later, Warren Buffett. The Gates Foundation is described as the "largest foundation in the world."

Its 2008 assets exceeded \$35 billion—more than the assets of Ford, MacArthur, Hewlett, Rockefeller, Knight, and Carnegie combined.⁴ “Gates dwarfs everything,” said Monroe Price of the Annenberg’s Center for Global Communications Studies. It is little wonder that the Gates Foundation is making waves in the foundation community. When Gates decided to look at the role of media in development, “the sector sat up and took notice,” Awo Ablo, director of business development at the BBC World Service Trust, said.

Gates is not just a very large new foundation; it is also a new kind of foundation. Its culture is rooted in the tech community of the West Coast. New York may be the traditional media capital of America (home to leading print and broadcast institutions of “gatekeeper” media), but Seattle and the San Francisco Bay Area are the bases for the new media revolution that is reshaping global culture. New media tools have changed the nature of knowledge creation and dissemination in ways we are still assimilating. Speed of transmission has reached previously unimaginable rates. Content creation has been democratized and decentralized. “There’s general agreement in the news and information community that the digital age has dawned and the new era is upon us,” says Eric Newton, vice president of the journalism program at the Knight Foundation. “Western countries with

broadband have access to close to the totality of human knowledge, but that’s not the case in the developing world—there’s still an enormous gap.”

These new realities have challenged the traditions of philanthropy. The spirit of innovation and venture capital has infused media funding in new ways, along with new thinking about goals and methods. This process accelerated with the emergence of counterparts to Gates. The Hewlett Foundation has long been involved in media funding, and they have recently been joined by the Omidyar and the Skoll Foundations, both arising from eBay. (Google’s philanthropy, Google.org, has been anticipated as a natural partner in this process, but its direction so far is unclear.)

In 2001, the Knight Foundation proposed that the U.S. foundations involved in domestic media funding should meet on a regular basis, in the effort to enhance collaboration and reduce duplication. Over the course of these meetings, the community has shifted and expanded to the international arena, and the process has led to deeper discussions around the subject of funding of “media development” versus “media for development.” These discussions pose fundamental questions about the nature and philosophy of social change—yet the early signs are that the two approaches may be complementary in ways we are just beginning to discover.

Retrenchment and Experimentation Among Private Donors

Assessing international media funding is not an easy task. One complication is that there is no bright line between international funding and domestic U.S. funding. Three major recipients of international funding—CPJ, ICFJ, and Internews—are all U.S.-based, with a high percentage of U.S. staff, but their programs primarily benefit media abroad.⁵

Some major funders, including the Hewlett Foundation and the Carnegie Corporation of New York, support international film and television projects to expand the horizons of U.S. audiences. Others support programs with international media content at U.S. universities. In today's globalized world, where online media is breaking down borders at an accelerating pace, these categories will continue to converge.

The universe of major private funders of international media is surprisingly small. A 2007 CIMA report by Peter Graves surveyed a group of government and private sector funders and implementers, and recorded more than \$142 million in U.S. spending on the independent media sector abroad in 2006.⁶ Of that, government spending accounted for almost \$69 million and government-supported non-profit organizations donated \$13 million. The private organizations (that were listed in the study) were responsible for over \$60 million in international media funding.⁷ It

The universe of major private funders of international media is surprisingly small.

was acknowledged that the 2007 report did not represent a comprehensive survey. Then, as now, the field of international media development was poorly defined. It is rare for a foundation to have a budget line for international media activities, which can be fragmented and scattered among dozens

of portfolios.

Foundations also lack a common definition of “international media projects.” (Some portfolios support projects to improve

coverage of international issues for U.S. audiences, such as the World Affairs Fellowship at ICFJ and television productions with international themes.)

How much has the line-up changed since 2006? The paradoxical answer: a little—and a lot. An informal survey of funders and implementers in the summer of 2009 indicated that all of those cited in the 2007 survey are still involved in the field of international media funding. But the dynamics of the group have altered a great deal. Today, many of the foundations will be at the very least placing a moratorium on new funding for international media development, and some have made plans to scale back.

It is not yet clear how much the amounts of funding will be affected, or what kind of programs will bear the brunt. In some cases, the details have not been determined,

A sampling of the private funders cited in the 2007 CIMA survey:

Funding Organization	Total Spending (2006)
Open Society Institute	\$40,000,000
John S. and James L. Knight Foundation	\$7,000,000
Bill and Melinda Gates Foundation	\$6,749,198
McCormick Tribune Foundation	\$480,000
Carnegie Corporation of New York	\$162,700

since several foundations will hold decisive meetings during the fall of 2009. The early signs are that major implementers in the field—namely CPJ, ICFJ, and Internews—may be in good positions to weather the storm. (CPJ has the benefit of an endowment, while ICFJ has been diversifying its funders to include non-traditional sources such as Deloitte, Merrill Lynch, and AT&T. These organizations also have access not only to media assistance funds, but also to support for freedom of expression, which pertains to human rights, good governance, and transparency.)

But some worthy projects will undoubtedly be orphaned. According to Network Media Program Director Gordana Jankovic of the Open Society Institute, “OSI has had to increase funding in media assistance. It wasn’t huge, but we doubled the amount because other funders were dropping out.” However, OSI was not able to

Some figures for 2008 funding indicate some shifts:

Funding Organization	Total Spending (2008)
Open Society Institute	\$50,000,000 ⁸
John S. and James L. Knight Foundation	\$10,000,000 ¹⁰
Bill and Melinda Gates Foundation	\$7,500,000 ¹¹
David and Lucile Packard Foundation	\$3,080,000 ¹²
Howard G. Buffett Foundation	\$625,000
McCormick Tribune Foundation	\$379,000 ¹³
Carnegie Corporation of New York	\$200,000

increase support in every area. “The economic crisis killed those sectors of companies that gave money to freedom of expression. Our support to freedom of expression was not increased. There was simply not enough available.”

The underlying reason for this contraction was the double shock of the international financial crisis and the simultaneous shakeout in the U.S. news media. Almost all of the foundations on the 2006 funders list have suffered heavy losses to their endowments since then, many of them between 25 and 40 percent. (The notable exception was OSI; Soros, its founder, actually managed to increase its assets.)

The foundations tied to newspaper companies were among those hardest hit. The New York Times Company Foundation, which had contributed to international press freedom initiatives, was an extreme case, ceasing its grantmaking activities on April 23, 2009.¹⁴ The McCormick Tribune Foundation, which had been a major funder of media assistance in Latin America, found itself in a similar position. “Both papers in Chicago are essentially bankrupt,” Clark Bell, McCormick’s journalism program director, pointed out. “The fault is with the debt load that both companies took on. It was too much to both pay on the debt and operate the newspapers.” Bell adds that “a hundred percent of the foundation assets were in Tribune stock,” which rose to \$2 billion only to plummet to half that value with the crash.

The McCormick Foundation took drastic measures, cutting its ties to The Chicago Tribune and moving out of the Tribune Tower (as well as removing the Tribune from its name). The endowment has recovered some of its losses, but in the meantime, the foundation is retrenching. Like many of its counterparts, McCormick is devoting new energy to the journalism crisis in the United States, looking to address quality of content, investigative journalism, audience development, news literacy among youth, and the rights of journalists in the United States. “We’re shying away from new international initiatives,” Bell reports. “There are still rough spots in Latin America, but we’re more interested in countries in proximity to the U.S., such as Mexico and Cuba.”

McCormick is continuing to support CPJ and ICFJ, but the foundation is winding down its commitment to the Inter American Press Association’s (IAPA) Chapultepec

Project, which has been working to build support for press freedom in Latin America through conferences, publications, and legal education. “It’s not about need; it’s about our resources,” Bell says. As a result, says Carlos Fernández, the IAPA’s chief financial advisor: “We’ll have to reduce the activities. We still have some dollars left over, but they’ll run out this year.” Fernández finds the experience repeated among the IAPA’s traditional sources of support. “It’s the media companies, especially the larger ones, that are hurting the worst.”

The Ford Foundation is another institution that has suffered in the downturn. Ford has responded with a large-scale restructuring of its program, creating eight program areas and administering them through regional offices.¹⁵ Although international media development is still represented under the “Freedom of Expression” program, it is not yet clear how the new structure will affect future media funding.

The MacArthur Foundation has long been a respected member of the media funding community, represented by Elspeth Revere, who oversees its media activities as vice president of the general program. Revere reported that MacArthur currently has an \$8.5 million media portfolio (out of \$250 million total), but much of that is for U.S. organizations. These include the Center for Public Integrity, which organizes international investigative projects, and the Berkman Center for Internet & Society at Harvard University, which has a program in Internet freedom and security. “We don’t have overseas recipients. Only Internews and the grant for partners in crisis send money overseas,” she said. (The grant she refers to helps local media respond to humanitarian crises and disasters as they occur.¹⁶) “We do a lot of things for media

with international subject matter, to bring international news to the U.S. audience.” Some of the funding goes to non-U.S. producers. The foundation has experimented with some media for development, but outside the media program. “We do a little public health media in our Population and Global Security programs—we funded some soap operas in Brazil,” Revere said. She indicated that the coordination of “media development” and “media for development” is not an active conversation within the foundation. Furthermore, Revere said, that the foundation’s media portfolio is shrinking: “Everything is shrinking. We’ll know in December how much.”

At the Carnegie Corporation of New York, Vice President of External Affairs Susan King, a former broadcast journalist, has been a leading voice in the field of media development. She has guided a small but innovative international portfolio over the past decade, including programs on journalism in countries with a Muslim majority. Nonetheless, King noted that international funding is continuing to shrink at her organization: “Ten years later we’re less and less into media, and even that’s more and more domestic because our own model is falling apart.”

The crisis of confidence in U.S. media has compounded the crisis in resources in media assistance. Many U.S. organizations feel they can no longer point to the “American media business model” as a template. Not only are U.S. newspapers and broadcasters

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— Susan King, vice president of external affairs, Carnegie Corporation of New York

losing income and audience—the society’s entire means of communication are undergoing what many experts call the largest transformation in centuries. Newton of the Knight Foundation said, “It’s like the century after Gutenberg—there’s a change in the model of knowledge. We don’t understand it because we’re in the middle of it.” But, Newton argued, “In this situation you have to run towards the confusion, not away from it.”

The Knight Foundation was one of the organizations that suffered in the economic downturn, but at the end of 2008, President and CEO Alberto Ibarguen published

assurances that the foundation would continue to energetically explore the future of journalism through new media.¹⁷ This sense of mission sets Knight apart. According to Carnegie’s King, in the foundation community, “Media is a secondary funding string—except for Knight.”

The Knight Foundation has created the flagship “Knight News Challenge” (<http://www.newschallenge.org/>) to stimulate ideas for expanding and building journalistic enterprises using digital, open source technology. The competition welcomes international proposals; past winners include the “Freedom Fone” project in Zimbabwe and the “Community Radio in India” project, based at the University of Waterloo (Canada).

The Knight Foundation is maintaining its longstanding commitment to the Knight Fellowships at ICFJ, and is experimenting

with new forms of collaboration among its grantees. ICFJ's Barnathan said, "We're now teaming up with Knight News Challenge people to see if their applications work in our [international] projects." Newton said that private foundations have a unique role to play in propelling journalism into the future. "You can't assume any particular future media system, so you have to experiment," he argued.

Still, the age of experimentation has generated a certain amount of discomfort.

"It's all about communications and rights, but everyone seems to be coming at it from a different direction," noted Bell of the McCormick Foundation. "It's hard to find the demand for projects—there's a difference between a need for something and a demand for something." In other words, the experiments have found new ways that digital media can serve the public, but nothing has yet produced the means to pay for the production of quality content, an underlying requirement for media development.

OSI's Jankovic worries that if foundations get too caught up in promoting experiments, it may be at the cost of helping existing independent media survive this rough passage: "There are so many experiments. Some are providing good arguments but are getting generalized too much. The engagement in media is so marginalized that it only allows for small experiments,

and they hope they'll be taken over by businesses." Jankovic points out that in many developing countries, traditional media with established newsrooms and editorial processes can perform a critical watchdog function that is essential to political and economic progress. Jankovic may benefit from a broader perspective than some of her U.S. colleagues. She is based in Europe, where many newspapers are doing better than their debt-laden U.S. counterparts, and major papers such as Le Monde and Le Figaro are managing

to charge for online content. She sees the pattern repeated in her work in Asia, Africa, and Latin America.

Newton maintains that the foundations' focus should be the new universe of possibility: "You can now skip over hundreds of years of inequities with cellphones, where no landlines have been put in place. The funding community can't decide priorities, so we can't use these

breakthroughs to improve the lives of the people we're trying to help. There's slightly more money in media development than there was 20 years ago, but nothing compared to the opportunities of the new age we're in. The gap between the potential and what's being done is even greater."

The Gates Foundation may not have invented "media for development," but in recent years it has undoubtedly helped to set the agenda. Media was not an initial concern of the foundation's philanthropic efforts. Early on,

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— Eric Newton, vice president of the journalism program at the Knight Foundation

the foundation made a strong commitment to global health. Gates declared an ambitious list of public health goals, including massive vaccination programs against the infectious diseases that ravaged Africa. But these programs soon ran into public resistance. It became apparent that the conventions and institutions of Western medicine were misunderstood in many areas where the foundation sought to work, on both a local and a national level. The foundation found, in the words of one foundation officer, “We couldn’t get vaccine in the arm unless we could get information in their heads.”

With such very practical goals in mind, Gates joined the community of foundations funding international media projects. Not surprisingly, its entry has influenced its foundation counterparts.

Gates’ involvement in international media is only a few years old, but, as the 2007 CIMA survey shows, it started towards the top of the list in the size of its grants and made an immediate impact. Many of the media grants are overseen by Vanessa Mazal, program officer for public affairs and communications at the Gates Foundation. (Mazal works on grant making for Gates’ Global Development Program. Additional media funding flows through other program areas, notably Global Health. Program officers working in different areas at foundations may consult each other, but do not necessarily coordinate their projects.)

“I make fairly modest grants by Gates Foundation standards,” Mazal said. “We’re a little under the radar.” But the “modest grants” from Mazal’s budget quickly appear on the media assistance radar. “The total media funding from my portfolio is \$10 million over three years, or roughly \$3 million a year.”

Like many other foundations, Gates’ endowment lost money last year—about 25 percent. “We had to quickly adjust in 2009 and beyond,” Mazal said. “We had three to seven percent growth planned. This year there were cutbacks, and next year is expected to be stable.” However, the size of the foundation is so great that it will still exert a major influence on the field of media assistance. Barnathan at ICFJ reports that Gates is responsible for \$3 million of ICFJ’s \$9 million budget. (The \$3 million is roughly divided between the Global Development and the Global Health programs at Gates.) The BBC World Service Trust, a pioneer in the use of media for public health, is receiving about 20 percent of its budget from Gates. In August 2009 Gates awarded a major grant to Internews for a new study on the impact of media on global development.¹⁸

Gates’ early emphasis on public health led the foundation to explore media from a platform-neutral standpoint: How do you inform the largest number of people in need, in the most effective fashion? With its roots in digital media, the foundation was open to pursuing non-traditional approaches to this question, and its implementers experiment with everything from educational soap operas on state broadcasting systems to messaging via cellphones. The foundation concentrates many resources in Africa and India, and has helped to transform those regions into laboratories for media for development.

Mazal is keenly interested in media as a vehicle for the development themes of agriculture and financial services for the poor, and she explained that the foundation is “getting into water, sanitation and hygiene.” She sees radio as an area of tremendous potential. “Radio is

booming in Africa but does not have enough professional journalists working in it,” she said.

Mazal is also frustrated by the fragmentation of the foundation community in the field of media assistance. “Media will continue to be an area of dabbling for funders, because it’s such a confusing space right now. There’s no coherent strategy on new media,” she commented. “In terms of internal communications work, we have no doubt that the biggest bang for the buck is digital, but it’s just not known where production of content is going—and even more so in developing countries with a lack of knowledge of media.”

Mazal hopes to make a contribution to the field through an Internews research project, a study on the impact of media development on other development indicators. The 24-month project approved in June 2009 will be carried out in conjunction with the World Bank Institute, in collaboration with former World Bank official and governance expert Daniel Kaufman, now at the Brookings Institution. “We’re trying to plot where we’ve seen movement. We’ve done investment in media, but a lot of media funding is haphazard. A lot of money has been poured into this sector. What are the results?”

Gates has recently stepped up its interest in the issues of transparency and governance, and this theme may be an important bridge between the “media development” and “media for development” communities. A large state broadcaster in a developing country may reach the largest national audience for the purpose of education on HIV/AIDS prevention, but it is unlikely to be the most effective watchdog on the subject of government corruption.

Of course, no one in the media development community is against using media for public education on health and other vital issues, just as no one in development more broadly is against independent media performing a watchdog function. For the moment, there are two pressing issues: evaluating the impact and effectiveness of various programs in the rapidly evolving media landscape and balancing the allocation of resources between the two approaches.

Some programs suggest a creative confluence of interests. At ICFJ, the Knight Health Journalism Fellowships have received a three-year \$1.7 million grant from the Gates Foundation to send accomplished health reporters to five countries in sub-Saharan Africa. According to the Knight Fellowship website, they work with local media organizations to improve the “quality, quantity, and impact of health coverage.”¹⁹ ICFJ’s Barnathan reports that the impact of the program on public health has been striking. “In Uganda, we just got credit for significantly increasing polio vaccinations because of really good smart coverage,” she said. “In Nairobi, we want to see if, through better journalism, you get better governance. They needed to do their first nitty-gritty look at the hospital system. We had a Knight Fellow based at the [Daily] Nation in Nairobi and [the paper] blasted it on the front page.”²⁰ (This new program advances the traditional training model by working closely with both reporters and management, and creating ongoing editorial beats and networks of health reporters.)

In this respect, a “media for development” project can directly serve media development, as local journalists learn investigative reporting skills to hold the governments accountable for their promises and for allocating public spending properly.

Like other implementers, Barnathan is excited about extending her programs into new media projects. “We want quality journalism, but we want to use new tools, so the goal is to marry the two.” ICFJ is exploring a number of “media for development” topics; besides public health and good governance, it is looking at immigration, financial literacy, and distance learning. As far as the center is concerned, there is no reason to debate “media for development” versus “media development”—Barnathan argues that the two are natural partners.

The BBC World Service Trust’s Ablo makes the same argument. The Trust, which was founded in 1999, was rooted in BBC World Service journalism training programs and has rapidly expanded into the newer field of media for development and social marketing, with funding from both government agencies and private foundations. “Right now we’re more than 50 percent media development, but you have to count some media as both,” Ablo explained. Its U.S. foundation grants have been a mix of media development and media for development, including support from Gates (for public health projects), MacArthur (for transitional justice), and Ford (for journalism training). The Trust, which recently named a new chairman and a new director, expects to be registered in the U.S. in 2010.

The Gates Foundation has been joined by a roster of new foundations emerging from the West Coast. One recent addition is Omidyar Network, which is exploring some new frontiers in media development.

The network was created by eBay founder Pierre Omidyar and his wife, Pam, in 2004 and describes itself as “a philanthropic investment firm” with an interest in two fields: access to capital, and media, markets and transparency.²¹

At the end of 2008, Omidyar hired Stephen King, former director of the BBC World Service Trust, as director of investments for the Media, Markets & Transparency initiative. The network has already funded some media-related projects that promote transparency in the United States and the developing world, including the Sunlight Foundation and Global Integrity. King stated that the network spent \$110 million

last year and will spend \$85 million this year.

“We’re just starting to think about media development,” he said. But the network is looking closely at four countries in Africa—Kenya, Nigeria, Ghana, and Liberia—with an eye to how media hold government

accountable. King expects the network to pursue an approach of direct investment in media businesses (a strategy pioneered by the Media Development Loan Fund, or MDLF). King said Omidyar Network also pursues a “more hands-on approach.” He explained: “We prefer funding operations instead of projects. We have a lead investment person who often will take a seat on the board and asks what we can do to improve the organization.”

So far, Omidyar has followed this strategy with several U.S. companies, including Digg and Linden Lab (the creator of Second Life). According to King, “Non-U.S. media

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*—Joyce Barnathan, president,
International Center for Journalists*

companies would be a possibility for the future [but] not as a straight commercial deal. We would also want a social return on investment.” The direct investment model will continue to make waves. The MDLF is experimenting with the promotion of media development on the international bond market.²² (Proponents of this approach have even suggested a “Morningstar rating system” for social benefits, to measure impact and return on social investments.)

Omidyar Network’s overall emphasis is online media, but Humanity United, Pam Omidyar’s foundation, has begun to support radio in Liberia. The network is in conversations with the United Nations about the possibility of maintaining UN radio as a public service broadcaster after the UN pulls out of the country in 2011-12. It is still in the early days, but, King added: “Within the four countries, I could see support to independent media and strengthening professional standards as part of a larger package to support transparency. It’s unlikely we’d give a grant to the Trust or Internews for face-to-face training; we’re looking for more tech-driven solutions.” King discounts the “media development” versus “media for development” divide: “It doesn’t come up. I could see us support both—programming around transparency in Kenya and training in investigative journalism.”

As Omidyar defines its future course, the foundation community is also keenly

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interested in the evolution of other tech-based foundations, notably Skoll and Google.org. It is too early to predict their impact on media assistance, but culturally, they can be expected to join the new wave of West Coast influence. These organizations have encouraged both foundations and implementers to approach their work in different ways. ICFJ’s Barnathan, a former business journalist, says that new programs function “a little like the way venture capitalists work—make the pitch and see if you get the investment.” She claimed that this approach has helped implementers improve their performance. “Now Knight Fellows go in with a game plan—what

is the baseline? You send a fellow out with an agenda; it’s that [monitoring and evaluation] skill set.”

Carnegie’s Susan King also appreciates the influence of her new colleagues: “The West Coast foundations understand the power of media; they get it. The East Coast is more stuck

in the past, funding research.” She feels that the East Coast media bias is still too tethered to newspapers and an advertising model. “I like to quote Clay Shirky: ‘We’re not here to save newspapers, we’re saving journalism,’” she said. “Democracy was not built on advertising; it was built on a free press.”

Although new media technology garners much of the attention, it is equally important to note a quiet revolution taking place in the way media projects are implemented. In these projects, traditional media may attract new donors and yield new results.

One recent example is the International Women’s Media Foundation’s (IWMF) African Media Project. The four-year project was launched in 2007 with a \$2.5 million grant from the Howard G. Buffett Foundation, to promote African media coverage of agriculture, rural development, and women.²³ The project trains reporters in six existing print and broadcast organizations in Mali, Zambia, and Uganda, and works with editors to create beats and other structural changes that will carry the work into the future.

Is this “media development” or “media for development”? “We take both roles,” reported IWMF’s interim Executive Director Liza Gross. “We’ve developed a unique method that seeks to establish sustainable projects. This involves in-depth preparation.” The first stage of the project was a needs assessment, resulting in a major report called *Sowing the Seeds*.²⁴ According to Gross, this initial stage was followed by “agreements with the media houses; then the training; and finally a recap of the results,” with built-in monitoring and evaluation. The participants can stay in touch through the program’s Web site, which will offer additional opportunities for training.

The Howard G. Buffett Foundation is a new entrant in the field of media donors. The foundation was created by the oldest son of investor Warren Buffett to support agricultural and environmental causes. (It is unusual among foundations in that it has neither a phone number nor a Web site, and does not accept unsolicited proposals.) “His [Buffett’s] interests do not lie in media, they lie in agriculture and sustainable development,” Gross said. But the IWMF grant suggests the considerable potential for related growth, as additional

foundations explore media funding as a means to other philanthropic goals.

The View from Academia

Within this spirited discussion, one sector is notably quiet: the academic community. In a dozen interviews with leading foundations and implementers, there were references to the Berkman Center at Harvard and Annenberg School for Communication’s Center for Global Media Studies at the University of Pennsylvania, along with grants to various U.S. journalism schools. But there was not a sense that the academic community was setting the pace, in either training or research.

Monroe Price has been directing the center at Annenberg for five years and has been working in the media field for decades. He finds that his organization faces the same challenges of fragmentation the foundations describe. “We’re pulled in several directions,” he said. His center has dealt with this challenge by establishing regional partnerships with research counterparts in Oxford, Budapest, Beijing, and Amman, each specializing in a different area of international media assistance. He sees the new emphasis on media for development as a healthy trend. “I agree with a shift toward media for something—not just itself, but topics foundations are engaged in—conflict, civil society, China.”

Harvard’s Berkman Center, which recently celebrated its tenth birthday, began with a fairly U.S.-oriented research agenda, which rapidly extended into international themes. Its cutting-edge work on Internet filtering and censorship is of prime interest to the media development community, and the center has attracted funding from

many of the major foundations discussed in this paper, including Ford, Hewlett, MacArthur, McCormick, and Omidyar. However, few of its projects fall under the rubric of international media assistance.

Steve Hubbell is communications officer for OSI's influential Open Society Fellowship Program, which has supported extensive new media research. He worries that the community might become too invested in the fine points of technical protocol. "Proposals come in without reference to politics," he explained. "They reduce media studies in semi-authoritarian states to technical and mechanical concerns. Even from people who are self-declared progressives, I see a queasiness about addressing anything political—it's all about value-free platforms."

The OSI fellowships show how the foundation community and government agencies are often leading the way for academia. Existing academic departments involved in the field—among them journalism, sociology, computer science, psychology and law—struggle to meet the conceptual demands of new media. They might require a deep restructuring, along the lines of what happened with the social sciences at the beginning of the 20th century.

At the same time, the academic community may need to develop new approaches to teaching that capitalize on the inherently collaborative nature of new media. Carnegie is coming to the end of a three-year project to review journalism education in America, and the results are bound to be illuminating.

The fall of 2009 was not an ideal time to prognosticate on the funding front. Many foundations have reported that much of their future will depend on what transpires in their fall meetings, and the state of the economy.

However, several basic trends are apparent. Most of the funding that has been tied to shares in traditional news media in the United States will be extremely constrained moving forward. As Barnathan points out, it is important to distinguish between structural change and cyclical change, and one way or another, many of America's old media empires will cease to exist in their current forms. It is too soon to envision what will take their place, but we do know that it will reflect a new world, in which technology and human connections transcend national boundaries and challenge our traditional notions of "media" and "community."

Recommendations

- Foundations should continue their consultative processes, and explore the possibilities of curated social networking to expand it. The rapid changes taking place in the field make information-sharing more critical than ever. Foundations should take advantage of mapping exercises, such as IREX's Media Sustainability Index and the GFMD's new mapping project (in development), and consider ways of expanding the resources.
- The consultative process should continue to include new foundations entering the field. They will stimulate discussions on monitoring and evaluation, innovation, and direct investment, sometimes obliging other foundations to reexamine their previous approaches. (Those approaches will not all go away; those that survive may be stronger for the debate.)
- Foundations should expand their examination of the connections between media and governance, a field that was pioneered by Daniel Kaufmann at the World Bank, and which he continues to pursue at the Brookings Institution. The Gates Foundation's work in this field may be expanded in conjunction with Omidyar and other possible future partners.
- Foundations should assist implementers in improving the planning and documentation aspects of their projects and in working approaches to baselines and monitoring and evaluation into their proposals from the outset. If they do this successfully, implementers may expand their prospects among foundations entering the field.
- The foundation community should explore the potential of the MDLF's innovative approach to equity funding. More foundations are realizing that training news media is of limited utility if media organizations lack the business knowledge to sustain themselves. As the U.S. media business model continues to seek new definitions, there may be hybrid approaches that combine U.S. projects with international media experiments in the field.
- U.S. foundations and implementers should try harder to think beyond their cultural context. The American market was founded on the legacy infrastructure of landlines, television, laptops, and literacy. In many developing countries, convergence is arriving in a handheld configuration. Radio and cellphones are the starting points for much of the world beyond the grid. Foundations should stimulate ideas for developing quality content that can emerge from a handheld device.

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- Foundations should be attentive to the urgent, ongoing need to define international Internet protocol, and defend online freedom of expression, and help both their U.S. and international grantees keep up with the debate. (At the moment, much of the discussion is focused on Iran and China.) There will also be increased anxiety over the use of digital media to incite violence (as in Russia and Kenya). At times, these two concerns will be at odds—just as they have been in traditional media. But the current regulatory environment is frequently described as “the Wild West”—and innovative projects in media often find themselves in the crossfire.
- Foundations should encourage U.S. academic institutions to promote creative approaches to media that serve “the bottom billion” of the world’s population, through interdisciplinary research that is attentive to their needs.

Conclusion

International media assistance in the 21st century is not for the faint of heart. The implications of the work are enormous, and new media technology is transforming every society on earth—in different ways. It is too soon to predict how U.S. foundations will affect the global media environment and its dizzying transformations. For the moment, the private foundations working in international media assistance are like accomplished classical musicians putting together a jazz ensemble—it is still music, but they might need to improvise.

Endnotes

¹ For a lively presentation on Vucinic’s work, see his TED talk: “Sasa Vucinic invests in free press,” TED, July 2005, http://www.ted.com/talks/sasa_vucinic_invests_in_free_press.html.

² The foundations’ role has been especially crucial in the area of press freedom, since CPJ and some partner organizations have bylaws that do not permit them to accept government funding.

³ The Gates Foundation was founded in 1994 as the William H. Gates Foundation, but has expanded and changed its name over the following five years.

⁴ Foundation Center, “Top US Foundations by Asset Size,” as of June 25, 2009, <http://foundationcenter.org/findfunders/topfunders/top100assets.html>.

⁵ However, CPJ also advocates for U.S. journalists, and ICFJ’s World Affairs Fellowships serve U.S. reporters and news organizations.

⁶ Peter Graves, U.S. Public and Private Funding of Independent Media Development Abroad, A Report to the Center for International Media Assistance (Washington: National Endowment for Democracy, 2007), <http://cima.ned.org/reports/us-public-and-private-funding-of-independent-media-development-abroad.html>, 4.

⁷ Graves, U.S. Public and Private Funding, 5. Some of the other private foundations of varying sizes that have programs connected to international media are the

Scripps Howard Foundation, Ethics and Excellence in Journalism Foundation, the Charles Stewart Mott Foundation, the Atlantic Philanthropies, and the Daniel Pearl Foundation.

⁸ Gordana Jankovic notes that OSI support “goes through different channels, such as the Media Program, the Information Program, the Freedom of Information part of the Justice Initiatives, national and regional foundations, geographical initiatives, and other topical programs, as well as regular contributions to some of the OSI spin-off organizations, such as the Media Legal Defense Initiative or the Media Development Loan Fund.” The most recent figure should be regarded as “up to \$50 million” and includes some discretionary grants. See also an interview for the Global Forum for Media Development, “A Funder’s Perspective: A Talk with Gordana Jankovic of the Open Society Institute,” April 13, 2009, http://gfmd.info/index.php/news/a_funders_perspective_a_talk_with_gordana_jankovic_of_the_open_society_inst.

⁹ The Gates Foundation has been rapidly increasing its media funding, but international grants are contained in the Global Development and Global Health programs, making the specific media components difficult to distinguish. For specifics, readers are advised to enter specific parameters into the foundation’s search engine at <http://www.gatesfoundation.org/grants/>.

¹⁰ Figures provided by Vanessa Mazal, program officer for public affairs and communications, Bill and Melinda Gates

Foundation. Not included are funds spent on issue-specific communications activities, such as a large-scale communications effort in late 2009 on polio and other work on HIV/AIDS that did not have a specific media professionalization or infrastructure element. The 2008 expenditures were largely focused on health journalism (\$6,988,015); 2009 investments are expected to increase.

¹¹ According to Knight's Eric Newton: "We do international media development in support of independent journalism. Our 2008 number is similar to 2006, perhaps \$500,000 more. Major grantees are ICFJ, CPJ, IAPA (Inter American Press Association), the Salzburg Seminar, WAN/ WEF (World Association of Newspapers), WPFC (World Press Freedom Committee), Internews, News University, the Knight Center for International Media, the Knight Center for Journalism in the Americas and a variety of news challenge experiments in South Africa, Zimbabwe, India, Russia, etc."

¹² This figure, provided by Packard's Kathy Reich, includes some multi-year grants and should not be compared to the 2006 figure from the early CIMA report. It includes grants to: BBC World Service Trust, for a radio drama series that promotes gender equality and the value that society ascribes to girls, \$225,000; Henry J. Kaiser Family Foundation, for a radio communications campaign promoting gender equity and HIV prevention in Africa, \$730,000; Internews/ Society of Indonesian Environmental Journalists, for journalist and editor training in Indonesia; \$100,000, 1.5 years; Population Media Council, for the design of a radio serial drama in Papua New Guinea, \$50,000, one year; RARE, for social marketing campaigns in Indonesia and the Pacific

Islands, \$800,000, 3 years; Seaweb, for journalist and NGO training in Papua New Guinea and Fiji, \$425,000, 1.5 years; United Nations Foundation, Inc., for the research and production of a TV documentary series on the sexual and reproductive lives of young people living with HIV, \$250,000; WildAid, for mass media anti-shark-finning campaign tied the Beijing Olympics, \$500,000, one year.

¹³ McCormick's 2008 grants consisted of \$200,000 to IAPA for the Chapultepec project and \$75,000 to the Committee to Protect Journalists. The figure also includes a \$104,000 grant to ICFJ for a conference on coverage of disasters and emergency preparedness for Spanish-language journalists, from both the U.S. and Latin America.

¹⁴ Stephanie Strom, "Foundation of The Times Suspends Gift Program," The New York Times, April 23, 2009, <http://www.nytimes.com/2009/04/24/nyregion/24foundation.html>.

¹⁵ Ford Foundation, "From the President: Grant Making in Uncertain Times," December 12, 2008, <http://fordfound.org/about/president/grant-making-uncertain-economic-times>.

¹⁶ Internews Network, "Internews Establishes Emergency Media Fund for Disasters and Conflicts," February 10, 2009, http://www.internews.org/prs/2009/20090210_macarthur.shtm.

¹⁷ Knight Foundation, "Knight Foundation President Alberto Ibarguen Addresses Economic Outlook," December 30, 2008, <http://www.knightfoundation.org/news/>

[press_room/knight_press_releases/detail.dot?id=339422](http://www.knightpressroom.org/press_room/knight_press_releases/detail.dot?id=339422).

¹⁸ Internews Network, “New Initiative to Study Impact of Media on Global Development,” August 7, 2009, http://www.internews.org/prs/2009/20090807_mediadev.shtm.

¹⁹ For more information on the Knight Health Journalism Fellowships, see <http://knight.icfj.org/OurWork/HealthFellowships/tabid/1143/Default.aspx>.

²⁰ According to ICFJ’s Patrick Butler, the Knight Fellow in Nairobi has been “building a network of skilled health journalists and helping media cover the issue in a way that spurs better health policies.”

²¹ Omidyar Network, “Frequently Asked Questions,” http://www.omidyar.net/sites/default/files/file/ON_FAQs.pdf.

²² MDLF is pursuing this through a program called “Voncort responsAbility Media Development,” or Voncort, created in partnership with the Swiss private bank Vontobel Group and social investment specialists responsAbility. For information on the program, see <http://www.mdlf.org/en/main/invest/52>.

²³ International Women’s Media Foundation, “IWMF Receives Grant from Buffett Foundation for African Media Project,” June 6, 2007, <http://www.iwmf.org/article.aspx?id=461&c=press>.

²⁴ International Women’s Media Foundation, Sowing the Seeds (IWMF, February 2009), http://www.iwmf.org/docs/SowingTheSeeds_final.pdf.

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