



Between restoration and transformation in Pennsylvania's nonprofit news ecosystem

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Abstract

Amidst the contraction of for-profit newspapers across the United States, nonprofit journalism has emerged as a widely endorsed alternative for sustaining local news. Drawing on 11 semi-structured interviews with nonprofit news leaders in Pennsylvania, we examined how people working in the nonprofit news sector envision its role in addressing the journalism crisis and rebuilding local journalism. Based on a thematic analysis of these interviews, we identified two distinct visions animating nonprofit news in Pennsylvania: the *restorationist vision of nonprofit journalism*, a more conservative approach centered on filling market gaps and restoring newsrooms to their pre-crisis form and function, and the *transformational vision of nonprofit journalism*, which is oriented toward building a structural alternative to for-profit news media. Additionally, we calculated the cost of implementing each of these visions in Pennsylvania. Based on these estimates, we found that it is unlikely that either the restorationist or transformational vision can be achieved through existing revenue sources. We conclude that if nonprofit journalism is to move beyond a small-scale corrective, public funding will be essential to sustaining nonprofit local news at scale.

Keywords

non-profit journalism, media economics, journalism, news values, political economy

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Journalism is in its crisis era. Over the last two decades, tens of thousands of US journalists have lost their jobs, hundreds of newsrooms across the country have been forced to shut down, and entire communities have been left without access to local news (Abernathy, 2023). The collapse of local journalism has had far-reaching consequences, from reduced political engagement (Shaker, 2014) to loss of trust in democratic institutions (Hanitzsch et al., 2018; Zayed, 2023).

Amidst the decline of traditional, for-profit news outlets, some observers have heralded the current moment as the “Golden Age” of nonprofit news (Cross, 2020). Today, the Institute for Nonprofit News—an association of nonprofit investigative and public interest news organizations—includes more than 560 member organizations across the United States, up from just 27 in 2009 (Institute for Nonprofit News, 2025b). Moreover, key stakeholders within academia, the philanthropic sector, government, and the news industry alike have rallied behind the idea that the nonprofit media model can provide a way out of the journalism crisis for cash-strapped news organizations (Nonprofit Media Working Group, 2013).

Previous studies examined a range of organizational and economic dynamics within the nonprofit news sector, including patterns of foundation funding (Nisbet et al., 2018), the impact of nonprofit funding on journalistic practice within nonprofit newsrooms (Ferrucci, 2019; Fink, 2025), and broader analyses of how foundation funding has shaped the field of nonprofit journalism (Friedland and Konieczna, 2011). While this body of scholarship has illuminated the institutional structure and funding dynamics of nonprofit journalism, there has been comparatively scarce attention paid to the normative visions that animate the field itself—namely, how those within the nonprofit news sector understand the purpose of nonprofit journalism and its relationship to the commercial news model.

This study addresses that gap by interrogating competing normative visions of nonprofit journalism. In particular, this study examines whether the nonprofit model represents a rearguard defense of the media’s *ancien régime*—an attempt to put the journalism industry on a more solid economic footing—or a break with the commercial model. Through a mixed-method study of Pennsylvania’s nonprofit news ecosystem, this paper seeks to answer two research questions:

RQ1: How do people working in the nonprofit news sector envision its role in addressing the journalism crisis and rebuilding local journalism?

RQ2: What level of financial investment is required to achieve these visions for rebuilding local news in Pennsylvania?

To answer these questions, we conducted semi-structured interviews with 11 nonprofit news leaders in Pennsylvania. Based on a thematic analysis of these interviews, we identified a tension between those who view the nonprofit model as a means of bringing back funding for journalism to pre-crisis levels—filling in the cracks and crevasses of the rapidly contracting for-profit news sector—and those who view the nonprofit model as the basis for creating a form of journalism that is less dependent on the market and more

accountable to communities. In other words, some view nonprofit journalism as a means of *restoration* while others view it as a means of structural *transformation*.

Additionally, to determine whether the nonprofit news model can serve as a structural alternative to commercial media, we estimated the cost of building a robust nonprofit news ecosystem in Pennsylvania. We then compared these estimates to the actual level of annual spending by nonprofit newsrooms in Pennsylvania. We found that the current levels of funding and spending in nonprofit newsrooms throughout Pennsylvania fall far short of the ambitious proposals for expanding the nonprofit news sector.

We ultimately conclude that if the nonprofit news model is going to be more than a small-scale corrective to the myriad injustices and inadequacies of the commercial media model, then neither the market nor the philanthropic sector can sustain nonprofit journalism at scale on their own. Instead, public funding will be essential to building a robust nonprofit news ecosystem.

Literature review

Over the last two decades, the nonprofit news model has evolved from a niche experiment growing at the periphery of the news industry into an increasingly central pillar of American journalism. This section traces nonprofit journalism's genealogy, situating the rise of this model against the backdrop of the US journalism crisis.

The journalism polycrisis

In recent years, professional journalists, industry observers, and academics alike have all invoked the discourse of crisis to describe the current state of journalism. However, as [Zelizer \(2015\)](#) avers, the discourse of crisis often asserts a single, stable, unified phenomenon that is, in fact, multiple. For this reason, we conceptualize the rise of nonprofit journalism in the United States as a response to the journalism "polycrisis" ([Morin and Kern, 1999](#): p. 73; [Tooze, 2022](#)). We identify four primary structural causes of the journalism crisis: the crisis of advertising revenue, the crisis of news distribution, the crisis of consolidation, and the crisis of journalistic authority.

The dominant understanding of the journalism crisis focuses on the loss of monopoly advertising revenues as legacy news publishers and their readers migrated to the internet in the late 1990s and early 2000s. It is increasingly clear that news outlets will "never return to the halcyon days that made them so attractive to commercial investors" ([Picard, 2013](#): p. 26). The collapse of this business model was predicated on a "systemic market failure" endemic to commercial media institutions, epitomized by their over-reliance on advertising revenue and their existential need for profit at the expense of society's democratic needs ([Pickard, 2020](#): p. 11).

These pre-existing structural vulnerabilities are further exacerbated by the panoply of opportunities for users to self-publish on the internet and engage in novel forms of networked production ([Hyzen, 2023](#)), which—along with the proliferation of cable television channels and consumer magazines in the late twentieth century ([Noam, 2009](#))—has created a surfeit of advertising space. This has presented legacy media companies with new competitors, advertisers with new opportunities to reach consumers, and an almost

infinite amount of advertising inventory. As media researcher Rasmus Kleis Nielsen observed (2016: p. 58): “As basic economic theory would predict, increased competition has driven down prices for both audiences and advertisers which has dramatically driven down both the cost of advertising and the revenues of legacy publishers.”

The second component of the journalism polycrisis is the *crisis of distribution*, owing to the platformization of journalism (Berman, 2025; Nielsen and Ganter, 2022). Despite Silicon Valley’s grandiose pronouncements regarding the disruptive and disintermediating power of the internet, throughout the 2010s commercial social media companies successfully positioned themselves as powerful gatekeepers standing in between publishers and public attention. Media publishers came to depend on commercial social media platforms and search engines to distribute their content to the public (Meese and Hurcombe, 2020). While publisher homepages once functioned as owned and operated distribution infrastructure through which news outlets could directly reach their audience, the platformization of the public sphere placed publishers at the mercy of the dominant social media platforms of our time.

The third component of the journalism polycrisis is the *crisis of consolidation*. In the United States, Reagan-era neoliberal policy shifts opened the door for large chains to acquire numerous newspapers, television stations, and radio stations. The 1980s witnessed a loss of media diversity with roughly 50 media companies controlling a majority of the media landscape. This trend of ownership consolidation continued through the 1990s and 2000s (Bagdikian, 2004). Private equity firms and hedge funds often squeeze news outlets dry by maximizing profits and underinvesting in journalism. For example, by outsourcing local news copy desk work and laying off designers, photographers and the core reporter staff, while simultaneously the controlling firm charges newsrooms exorbitant management fees and pays out massive shareholder dividends (Susca, 2024: p. 128). As a result, a handful of major corporations and hedge funds now own a significant portion of America’s news media.

The fourth element of the journalism polycrisis is the *crisis of public trust and journalistic authority*. According to recent Gallup polls, Americans’ trust in commercial news media has reached record lows, showing that 36% of American adults have “no trust at all in the media” and another 33% have “not very much” (Brenan, 2024). Hanitzsch et al. explain that “the erosion of trust in the press is connected to a broad public disenchantment with and widespread sense of disdain for social institutions,” particularly media and political institutions (2018: p. 18). Likewise, political polarization in the so-called “post-truth” era has empowered governments, politicians, and corporations to target and discredit news outlets and journalists viewed to be ideological opponents, often branding them “fake news” (Waisbord, 2018). This atmosphere of distrust and animosity—largely along ideological lines—has undermined the epistemic authority of journalists.

The rise of the nonprofit model

The nonprofit model is not a new phenomenon in the world of news reporting. In fact, news organizations have drawn on non-commercial and public sources of funding in the United States since as early as 1731 (Friedland and Konieczna, 2011). One of the world’s

oldest and largest news organizations, the Associated Press, was formed in 1846 as a nonprofit organization. However, for nearly a century, nonprofit news organizations such as the Associated Press operated with few contemporaries.

Amidst the journalism polycrisis, many newspapers found the for-profit business model less attractive. Consequently, the last two decades saw the growth of nonprofit news outlets across the United States. Between 2008 and 2018, the nonprofit news sector grew at a rate of a dozen or more outlets a year, with at least 30 new outlets launching in 2018 and 2019. During that time, several notable nonprofit journalism organizations were founded. For instance, *ProPublica*, a nonprofit investigative journalism organization, was launched as a public charity in 2007.

Nonprofit news outlets are disproportionately local: about 40% of nonprofits label their organization as either local or metropolitan. This is largely due to the fact that the journalism crisis itself is disproportionately local: since 2005, close to 3,500 local and regional newspapers have closed, often creating news deserts in their wake (Metzger, 2025). Nonprofit news organizations are often founded with the explicit purpose of addressing these gaps in local news provision. Yet, according to a 2018 study published by the Shorenstein Center, local and state nonprofit news organizations received only 5% of total philanthropic donations to nonprofit news outlets (Nisbet et al., 2018: p. 8). Foundations and large individual donors tend to support large, well-established players in the field such as *ProPublica*, the Center for Public Integrity, and the Center for Investigative Reporting, which tend to cover national issues and compete for Pulitzer Prizes, George Polk Awards, and other prestigious awards (Bimbauer, 2018).

The nonprofit model also encourages greater investment in news than the traditional, for-profit model since nonprofit news outlets are not required to appease shareholders seeking to maximize their return on their investment. Rather, the profits generated by nonprofit news outlets tend to be reinvested into “content generation, rather than distribut[ion] to shareholders” (Nonprofit Media Working Group, 2013: p. 5). As the second Carnegie Commission, which was convened to assess the state of the public broadcasting system, wrote in 1979: “The non-profit sector – in education, public service, and the arts – has a different bottom line from the business community” (1979: p. 297).

Because nonprofit news outlets are generally not dependent on advertising revenues, journalists at nonprofit outlets are often said to operate with greater professional autonomy than journalists working in corporate newsrooms. Unburdened from the need to deliver profits to shareholders, nonprofit journalists have greater autonomy to pursue their reporting priorities than their for-profit counterparts. While most legacy commercial papers spend just 15 to 20% of their revenue on news and editorial operations, nonprofit news outlets spend about two-thirds (Institute for Nonprofit News, 2018: p. 5).

Foundation grants are the lifeblood of the nonprofit news industry. Major foundations including Knight, MacArthur, and Ford have invested heavily in journalism as a civic cause, seeding new nonprofit outlets and initiatives. Since 2009, foundations have awarded nearly 70,000 grants totaling more than \$5 billion to projects in the United States categorized as “journalism, news and information” (Candid, 2025). Consequently, according to a recent survey by the Institute for Nonprofit News (2025a), foundations accounted for 49% of the total funding among the surveyed organizations.

Yet, critical perspectives on the role of philanthropy in the nonprofit news sector abound. For some, the nonprofit model is coextensive of neoliberal modes of governance. In this view, foundations do more than just passively support nonprofit media. Rather, by virtue of their grantmaking power, foundations exert substantial influence over the nonprofit news sector, including the topics that are covered, the stories that are written, and the organizations that are supported (Nisbet et al., 2018). Indeed, foundations and large donors are frequently quite specific about the journalism they wish to support (Rosenstiel et al., 2016). Nonprofit newsrooms, for their part, often lack clear internal guidelines about conflicts of interest. As Rosenstiel et al. note: “A good deal of the protection of journalistic independence in the realm of nonprofit media is left to good intentions” (2016: p. 4).

Much as political economists of the media have long argued that the dependence of commercial news on advertising incentivizes coverage oriented toward elite audiences and corporate interests (Herman and Chomsky, 1988), critics contend that the reliance of nonprofit newsrooms on philanthropic funding can generate analogous pressures. For instance, Ferrucci and Nelson argue that the impact of foundations on journalism “parallels that of advertisers throughout the 20th century” (2019: p. 45). In this account, foundation support encourages nonprofit news outlets to reproduce dominant commercial news values and orient their coverage toward small, affluent audiences (Ferrucci, 2019). As Rodney Benson observes: “Philanthropic support mostly reinforces and extends an upper middle-class, pro-corporate orientation in mainstream American journalism” (2018: p. 1060).

On the other hand, philanthropic foundations and institutional donors themselves often pressure their grantees to reduce their dependence on foundation funding by cultivating more diverse revenue streams (Fink, 2025). For instance, the American Journalism Project frames its support to nonprofit grantees as temporary start-up capital rather than a long-term funding solution, insisting that “foundations can provide the initial down payment that gives organizations the runway needed...but we expect to see organizations’ reliance on foundation revenue to decrease over time as organizations build out other revenue streams” (American Journalism Project, 2024: p. 12). At the same time, nonprofit news outlets are structurally constrained from pursuing more diverse revenue streams: they are restricted from pursuing advertising revenues and many lending institutions remain reluctant to extend credit to nonprofit news organizations (Picard and Van Weezel, 2008: p. 27).

Before turning to our methodology, it is important to clarify how we conceptualize “nonprofit journalism” throughout this article. Studies of nonprofit news often exclude public broadcasters such as PBS and NPR, reserving the term to refer to news outlets that do not receive government funding. In our view, this narrow understanding of nonprofit journalism detracts from the diversity of the field and overstates the differences between public news outlets and nonprofit news organizations that do not receive government funding. Indeed, public news outlets in the United States are highly dependent on private donors and only receive a fraction of their revenue from public sources (Neff and Pickard, 2021). For instance, in 2023 public television stations received just 18.2% of their revenue from the federal government, while public radio stations received 14.5% (Curley, 2025). Moreover, whether or not they receive government funding, nonprofit news outlets are generally classified as 501(c) (3) organizations under the Internal Revenue Service (IRS)

tax code. As such, our study conceives of both publicly funded media and foundation-supported news outlets as nonprofit media.

Methodology

We chose Pennsylvania as our case study because it is at the vanguard of the nonprofit news movement in the United States. [Institute for Nonprofit News \(2025b\)](#) lists 35 nonprofit news outlets in Pennsylvania, making it home to several prominent organizations operating across the state. *The Philadelphia Inquirer* is the largest newspaper in the state, and is owned by the Lenfest Institute, a nonprofit organization dedicated to supporting local journalism. Spotlight PA is a nonprofit newsroom focused on investigative and public-service journalism throughout Pennsylvania. *LNP*, one of the largest daily newspapers in central Pennsylvania, is a nonprofit outlet serving Lancaster County, a predominantly rural region of the state. Moreover, of the eight cities analyzed by the [Knight Foundation \(2024\)](#), Philadelphia was home to the highest level of philanthropic investment in news between 2019 and 2022. Pennsylvania is thus an ideal location to examine competing visions of nonprofit journalism.

To address our research questions, we employed a mixed-methods approach that combines qualitative interviews and thematic analysis with a quantitative component estimating the cost of funding local news for the state of Pennsylvania. To achieve this, we conducted 11 semi-structured interviews with nonprofit news executives, journalists, and funders throughout the state. Our interviewees included leaders from philanthropic foundations operating at both the hyperlocal and state levels.

We began with purposive sampling to identify key stakeholders, followed by snowball sampling. We then created an interview guide that was minimally adjusted to emphasize interviewees' expertise. The interviews focused on the health of Pennsylvania's news landscape, the need for nonprofit journalism in Pennsylvania, and the potential of the nonprofit model to sustainably fund a robust local news ecosystem in Pennsylvania. Following Clarke and Braun, we conducted a thematic analysis of the interview data, conceived of here as "identifying, analyzing, and interpreting patterns of meaning" embedded in the data (2017, p. 297).

All interviews were conducted via Zoom, during which audio recordings were collected. Interview recordings and notes were transcribed and thematically coded by the authors.

Tensions in the field: An overview of our interview findings

After analyzing our interviews, we identified two broad visions that animate nonprofit journalism, which we refer to as the *restorationist vision of nonprofit journalism* and the *transformational vision of nonprofit journalism*. We charted these rival visions of nonprofit journalism across four axes of comparison and difference: competing conceptions about the problem that the nonprofit model is intended to address, the underlying economic logic of nonprofit news, the normative purpose of the nonprofit journalism model, and the relationship between nonprofit newsrooms and their readers ([Table 1](#)).

Table 1. Competing visions of nonprofit journalism.

	Restorationist vision	Transformational vision
Framing of problem	Crisis framing: The collapse of newspaper advertising revenue has led to the underprovision of news coverage.	Emphasis on historic continuity: The commercial media model has always served interests of advertisers and elite audiences to the detriment of communities of color and the working-class.
Economic logic of nonprofit news	<i>Differentially</i> commercial: Enables outlets to pursue more diversified revenue models that promote long-term sustainability, including philanthropic donations and corporate underwriting.	Less commercial: Enables outlets to explore new forms of journalism that are less dependent on external pressures, particularly from advertisers.
Normative purpose of nonprofit news model	Gap-filling and market-correcting: Serving communities deemed insufficiently profitable by the commercial news market.	Alternative building: Creating news models that are less wed to advertisers and elite audiences than traditional for-profit models.
Relationship to audience	Audience imagined as commodified and quantified, instrumentally important to building revenue.	Public journalism paradigm: Professionalized, credentialized reporters creating news in consultation with news audiences.

Interviewees whose views aligned most closely with the restorationist vision *tended* to work in more traditional, legacy newsrooms, while those who espoused a more transformational vision tended to represent nonprofit startups with a more explicit commitment to social justice. Additionally, many interviewees had heterodox positions: a commitment to a more conservative, restorationist vision of nonprofit journalism on certain issues and radical change on others. Although we expected that rank-and-file journalists would evince a stronger appetite for robust structural change, our interviews ultimately did not bear this out: nonprofit journalists and executives alike articulated both restorationist and transformational commitments, with no clear or consistent divide along rank or seniority in the newsroom.

Tension 1. Competing conceptions of the problem

Our interviewees held a diversity of opinions about the nature of the crisis that the nonprofit journalism model is meant to address. At stake is whether the core problem plaguing journalism is one of recent market failure or of the enduring structural inequalities embedded in the commercial news industry.

In what we call the *restorationist crisis narrative*, the proliferation of nonprofit news outlets is a response to the news industry's plummeting advertising revenue. From this perspective, the key problem that the nonprofit model is meant to address is the collapse of advertising revenues in the 2000s as news readers migrated to the internet. One nonprofit news executive averred that: "when you had broadcast, each local entity had a geographic

monopoly. Then with digital, the geographic boundaries are gone...And so the digital revenue is not increasing fast enough to offset the decline in broadcast revenue.”

Within the restorationist crisis narrative, there was a particular emphasis on the role that commercial platforms like Facebook and Google played in undermining newspapers’ historically privileged position in the display advertising market. As one nonprofit journalist noted:

There’s virtually no advertising. It’s just been sucked out by Facebook and Google, I can’t say that enough. It’s not that people are not reading the newspaper. It’s that the subscription price does not pay for the cost of the news gathering. The advertising always did that. And it’s gone.

There is thus a clear temporality in the restorationist crisis narrative: while local journalism was economically viable throughout the twentieth century thanks to the monopoly advertising subsidies reaped by newspapers, the growth of the internet in general and social media platforms in particular has undermined this monopoly. In this view, the political economy of journalism in the 20th century provided an economically stable and ethically unproblematic foundation for the news industry. As one nonprofit journalist further remarked about the Pittsburgh suburb of McKeesport, Pennsylvania:

At its height, the local media ecosystem was dominated by the *McKeesport Daily News* [and] less so by the two radio stations, WMCK and WEDO. And then it was within the orbit of the three competing Pittsburgh newspapers. And then later on the three competing Pittsburgh network TV affiliates. So I would say [it was] a very robust and healthy ecosystem.

In the restorationist crisis narrative, the nonprofit journalism model is thus an emergency response to a relatively recent development, correcting for an aberration in a previously well-functioning news industry.

In contrast, others rejected this framing of the journalism crisis as nostalgic and ahistorical. In this view, the problem is not that the commercial news model *failed*, but rather that it is *working* to do precisely what it has done throughout American history: to service elite audiences—generally wealthy, white, audiences—at the expense of low-income communities of color and rural populations (Usher, 2021). One foundation executive offered a concrete example of how the market provision of news led to systematic discrimination:

Papers like the *Detroit Free Press* specifically decided—on behalf of its advertisers and its subscription rates—to focus more on Grosse Pointe than downtown Detroit. The circulation map eventually looked like a donut. And that may have been true of the *Inquirer* and other city newspapers.

Rather than understanding the journalism crisis as a millenarian rupture, this transformational narrative views the proliferation of nonprofit news outlets as a belated response to longstanding, deeply embedded maladies in America’s commercial media system. The need for nonprofit journalism is rooted in a fundamental, structural

antagonism between the profit motives of the news industry and the informational needs of the demos. As one interviewee noted:

Because [news] was a commercial entity, the priority was not to produce the best information for the community. Their priority was to produce information that could sell the paper...the thing that we call a public good is actually just not viable in a market.

In this view, there is a structural contradiction inherent in the commodity form of news, between its *use value* as a source of information for democratic citizens and its *exchange value* as a product to readers and advertisers.

Tension 2. Economic logic of the nonprofit business model

Many of our interviewees understood the nonprofit journalism model as *differentially commercial* rather than as *non-commercial*. That is, the nonprofit model is favored because it allows newsrooms to break their historic dependency on advertising and pursue new revenue streams. As one interviewee explained, “as a business model, [nonprofit journalism] allows news organizations to appeal to the public, appeal to different forms of donors and revenue,” while retaining “some of the commercial business model, but has access to other wells of potential value.”

In the restorationist vision, one of the fundamental appeals of the nonprofit model is its structural flexibility. Whereas traditional, for-profit news organizations are primarily funded by advertising and subscriptions, the nonprofit model is valued because it allows newsrooms to pursue more diverse and adaptable revenue streams. As one interviewee reflected, “having worked for a legacy newspaper, you had the two-legged stool of revenue, which is advertising revenue and circulation revenue. With a nonprofit news organization, we add philanthropy to that, as well as other things like events and memberships.” The nonprofit model is thus valued not primarily because it promotes greater journalistic autonomy or editorial independence, but above all else because it better positions news organizations to raise money and achieve long-term financial sustainability in a rapidly changing funding landscape.

In particular, the nonprofit model was favored because it better positioned news organizations to raise money from foundations and major donors. Indeed, individual donations to nonprofit news organizations are generally tax-deductible, while foundations are required to donate a minimum of 5% of their investment assets every year to charitable causes. Incorporating as a 501(c) (3) nonprofit thus provided access to revenue streams that were not available to their for-profit counterparts. Moreover, foundations and large donors were not seen as meddlesome, but as distant, unobtrusive, and aligned with the newsroom’s civic mission and editorial ambitions. Indeed, interviewees tended to couch their relationship with large donors in the language of harmony and partnership, describing their role as well-intentioned champions of journalism’s survival.

Although nonprofit newsrooms typically do not run traditional advertisements, corporations are still viewed as an essential source of revenue in the restorationist vision. Instead of selling advertising space to companies, nonprofit news outlets work with the private sector through corporate underwriting, sponsorships, and partnerships. For

corporate sponsors, the value of collaborating with nonprofit news outlets is not in direct advertising reach, but in reputational alignment. As one interviewee averred, “anybody who is either an underwriter or a sponsor of an event, they want to be associated with the [news organization’s] brand. And that brand is honesty, truthfulness.”

The restorationist vision therefore turns the commitment of nonprofit newsrooms to public interest ideals into a unique brand identity. Corporate underwriting and sponsorships commodify the association between nonprofit journalism and public service, allowing businesses to align their brand image with the mission and values of nonprofit news organizations.

In contrast, the transformational vision understands that nonprofit journalism should strive to be non-commercial—or at least *less* commercial than traditional for-profit journalism. It seeks to liberate journalism from the market and reconstitute journalism along a different value system (we elaborate on the content of this value system in the following section). In other words, the nonprofit model is not simply a vehicle for raising more money, but a means of establishing independence from the vicissitudes of the market and creating more justice-oriented newsrooms.

Interviewees adhering to the transformational paradigm tended to frame the utility of nonprofit journalism in its ability to afford a modicum of autonomy from the market. At the same time, many interviewees articulated a pitched critique of institutional philanthropy, emphasizing the asymmetries of power that arise when newsrooms depend on the goodwill and largesse of major donors. As one interviewee put it, “We’re all under the gun of either Walmart or [a major philanthropic organization]. Both of them are wealthy organizations. One just happens to give out money more freely. But you still have to adhere to what they want you to do.”

Philanthropy, in this framing, was not celebrated as a long-term solution to journalism’s financial woes. Rather, it was tolerated as a short-term stopgap. From the transformational perspective, pursuing philanthropic funding and foundation grants was cast as an economic necessity rather than as a virtue—an interim survival strategy rather than a sustainable model. The economic logic of this vision therefore challenges the idea that newsrooms simply need more money. Instead, it insists that the financial foundations of journalism must be radically reconsidered altogether.

Tension 3. Normative purpose of the nonprofit news model

Interviewees invested the nonprofit news model with several core democratic functions. In the restorationist vision, the primary purpose of the nonprofit model was to fill in the gaps left by the retreat of local journalism over the last two decades by serving the communities that the commercial news sector struggled to serve. One foundation executive explained the criteria for funding recipients: “the charge was to support news organizations with less than a million dollars of revenue that meet underserved needs or fill news gaps.” Where large, commercial news outlets still operate, it was generally assumed that they served their communities reasonably well and that new nonprofit entrants were not necessary.

The restorationist vision of nonprofit journalism thus implies a particular spatial logic, one focused on low-income urban neighborhoods, rural communities, and other places where the market has failed to meet the informational needs of a community. As one

interviewee remarked, “call up the *Philadelphia Citizen*, and it’s for the Fidler Square club crowd, and they will be okay. What about the *Kensington Voice*, what about the other 18 neighborhoods of that scale and similar issues that have nothing?” This suggests a limited vision of nonprofit news, one confined to filling in gaps in commercial news provision rather than articulating a structural alternative to it. Nonprofit news is thus understood as a *complement* to the commercial news sector rather than as a structural *alternative* to it in the restorationist imaginary.

In contrast, the transformational vision treats the nonprofit model as a vehicle for systemic change in the journalism industry. Its purpose is to go beyond offering small-scale correctives to localized market failures and to instead build a structural alternative to market-driven journalism. It is intended to shift journalism away from its dependence on advertising revenue and subscriptions from elite audiences and toward public-serving, community-accountable models. The nonprofit news outlets already in existence are not intended to merely be correctives to the contraction of the for-profit news sector, but rather germinations of a more robust nonprofit news ecosystem yet to come.

In the transformational approach, the normative purpose of nonprofit journalism was not simply to financially *sustain* journalism but to realize a particular set of non-commercial values. These newsrooms departed from traditional standards of journalistic objectivity—which are historically associated with the rise of commercial newspapers (Schiller, 1981)—in favor of an explicit commitment to social justice. Central to this vision was an ethic of repair (Clark, 2020; Wenzel, 2023), which sought to redress journalism’s historically extractive and harmful relationship with marginalized communities. This ethic of repair was instituted through more diverse sourcing practices, implementing newsroom diversity initiatives to challenge the persistent underrepresentation of BIPOC communities, and rethinking news selection criteria that have systematically both misrepresented and excluded marginalized voices.

Tension 4. Relationship to readers

Both the restorationist and transformational visions of nonprofit journalism sought to radically rebuild the historically distant relationship between news organizations and their readers.

In the restorationist vision, journalists come to know audiences as measurable quanta, as data points captured in aggregate traffic metrics such as unique visitors and page views (Petre, 2021). The impetus for bridging this historically distant relationship between newsrooms and audiences is largely commercial: audience metrics guide editorial choices toward what is most likely to generate revenue. Metrics are treated as feedback loops, enabling editors and journalists to assess whether their reporting is aligned with audience demand, even if they are not competing in advertising markets. As one nonprofit news leader remarked:

Everybody in the newsroom has access to analytics and pays attention to them... [We look at] how well our reporting is faring with paying subscribers versus non-paying subscribers. What articles do we believe are prompting people to pay for our product or buy a subscription? We look at all of that. And we use it to inform what we cover and how we cover it.

The quantified audience is ultimately a commodified audience—readers are primarily conceived of as consumers whose preferences and tastes journalists must cater to in order to maximize subscription revenues rather than as citizens whose informational needs must be met to sustain democratic life. This consumer-oriented logic is central to the restorationist vision of nonprofit journalism, seeking to shore up the journalism industry’s floundering business model by adapting to market demand.

By contrast, the transformational vision diverges from this quantified and commercialized understanding of readers. Instead, interviewees stressed the need for nonprofit newsrooms to listen to their communities directly—often in-person—about what stories they want covered and how they want them told. To do so, they advocated entering into ongoing, reciprocal relationships with their communities and iteratively consulting with them about their reporting. For instance, *LNP*—a daily newspaper based in Lancaster, Pennsylvania—holds regularly scheduled “News and Brews” events, in which journalists and editors mingle with community members and solicit feedback about their coverage. These in-person events yielded insights into local perspectives and concerns that could not be gleaned from online traffic statistics alone.

In this view, one of the primary benefits of the nonprofit model is that it affords journalists autonomy from the market and the ability to engage their readers as citizens rather than as consumers. It mitigates the pressure to pursue stories to amass audiences and maximize advertising revenue. As one nonprofit newsroom executive said:

We’re not chasing the “if it bleeds, it leads” kind of stories. We don’t focus on getting clicks. So when we train our journalists to tell compelling stories, we’re not going to write something in a provocative way to try to make a certain number of clicks.

The transformational vision of nonprofit journalism therefore adheres to the public journalism paradigm, in which professionalized reporters function as activists in service of democracy and self-governance (Rosen, 1999). It challenges traditional standards of newsworthiness by rejecting the assumption that professional journalists alone know which stories are most important. In short, while the restorationist vision understands audiences as market actors that must be competed for, the transformational paradigm seeks to reimagine journalism as a more collaborative, civic practice.

Comparative ecosystem modeling: The cost of nonprofit news in Pennsylvania

The collapse of commercial newspapers in the United States has inspired a wealth of proposals for rebuilding local news through nonprofit journalism. These proposals often take the form of financial models, which are designed to estimate the cost of providing nonprofit news coverage at a county, state, or national level. Though these financial models are highly quantitative and dressed in the language of empiricism, each model contains value-laden assumptions about the normative purpose of nonprofit journalism and vision for what a nonprofit news ecosystem should look like.

As previously discussed, the restorationist vision holds that nonprofit journalism is meant to be an adjunct to the commercial news sector, a vehicle for filling in the gaps left

amidst the retreat of for-profit newspapers. This is the operating assumption of a recent study published by the Boston Consulting Group (Zuckerman and Micon, 2023). The study's authors develop two primary calculations to fund nonprofit newsrooms across the United States, both of which are designed to compensate for the commercial news sector's declining advertising revenue.

The first proposal calls for an annual investment of \$750 million to fund nonprofit newsrooms. This amount is calculated by deducting the net annual digital advertising revenue of local news outlets across the United States from the projected cost of supporting the approximately 31,000 local journalists operating in the country at the time of the study. The second proposal is slightly more ambitious, calling for \$1.55 billion in annual support from individual donations and institutional philanthropy. This number is determined by subtracting the net digital advertising revenue of local news outlets from the authors' estimate of newsroom operating expenses, along with distribution costs and administrative costs. In Table 2, we scale these national estimates to Pennsylvania based on population.

To calculate the cost of implementing the transformational vision of nonprofit journalism in Pennsylvania, we consulted the Journalism Ecosystem Cost Calculator (which we refer to simply as the "calculator" going forward), which was developed by the Democracy Fund in conjunction with SeaChange—a nonprofit organization specializing in financial analysis—and the DeWitt Wallace Center for Media & Democracy at Duke University. The Journalism Ecosystem Cost Calculator consists of both a national calculator as well as a state-level calculator, which we used to calculate the costs for Pennsylvania.

The calculator models the total number of newsroom employees needed for a specified area, including both editorial staff and non-editorial roles such as audience development, operations, and fundraising. The calculator offers flexibility to adjust these parameters, including the ability to allocate journalists to cover historically underrepresented communities—such as AAPI, Black/African American, Indigenous, Latinx/Hispanic, and LGBTQIA + communities—as well as particular issues—including criminal justice, the environment, and immigration. The calculator then draws on anonymized data provided by the Institute for Nonprofit News to estimate the average per-employee costs, including salaries, benefits, and overhead. To arrive at a final funding estimate, the calculator multiplies these per-employee costs by the total number of staff required under the user's specified coverage criteria and staffing parameters.

However, the calculator is not without its limitations. The calculator makes several a priori assumptions that generalize local coverage needs rather than specify them. For

Table 2. Estimates for funding nonprofit journalism in Pennsylvania.

Model creator	Funding estimate for Pennsylvania
Boston consulting group (pop. adjusted)	\$29,295,647 (conservative) to \$68,356,510 (aggressive)
Journalism ecosystem cost calculator	\$441,868,820 (conservative) to \$4,175,503,431 (aggressive)

example, how many journalists are required to ensure robust coverage for a given location or community? Similarly, it flattens and generalizes local labor and technology costs, which will differ between various regions and communities. The creators of the calculator also acknowledged that the calculator may underestimate the number of journalists already working in a specified area (Tabor and Lawrence, 2024: p. 5).

The calculator is not intended to map what currently exists, but rather what a robust nonprofit ecosystem *should* look like, erring toward abundance. Based on our interviews, we used the calculator to develop both conservative and aggressive financial estimates for building a nonprofit news landscape in Pennsylvania.

Financially sustaining this transformational vision of nonprofit journalism in Pennsylvania is far beyond reach given current funding constraints. Pennsylvania's existing nonprofit news ecosystem consists of 51 news organizations with estimated annual expenditures of \$159,695,163. This figure represents barely one-third of the calculator's most conservative estimate, underscoring the wide gulf between current capacity and the investment that is needed to scale nonprofit journalism into a viable counterpart to the commercial press.

In contrast, the more parsimonious estimates put forward by the Boston Consulting Group appear more attainable. Adjusting for population, their model calls for an estimated \$29 to \$68 million *beyond what already exists* in Pennsylvania. This is equivalent to an 18% to 43% increase in current revenue for nonprofit newsrooms across the state. Initiatives such as Press Forward—the philanthropic coalition that has pledged at least \$500 million in local news—represent a promising start but will need to be dramatically scaled up to meet even these modest goals. Achieving such growth will require not only expanded philanthropic support but also more donations, subscriptions, and money from other revenue streams including corporate sponsorships, events, and memberships.

Conclusion

This article has illuminated two distinct visions animating nonprofit news in Pennsylvania: the *restorationist vision of nonprofit journalism*, a more conservative approach centered on filling market gaps and restoring newsrooms to their pre-crisis form and function, and the *transformational vision of nonprofit journalism*, which is oriented toward building a structural alternative to commercial news media. Additionally, we calculated the cost of implementing each vision in Pennsylvania. Based on these estimates, it is unlikely that either the restorationist or transformational vision can be implemented solely by foundations and philanthropy.

While public funding could play a crucial role in bridging the funding gap, Congress has cut \$1.1 billion from PBS and NPR over the next 2 years (Mullin, 2025). In the wake of the Trump administration's draconian cuts to public media, it is incumbent on individual states to guarantee their communities have access to local news and information. Interviewees identified the New Jersey Civic Information Consortium as one such innovative policy program that states could use to deliver public funds to nonprofit news organizations. The New Jersey Civic Information Consortium is a 501(c) (3) organization which was created by New Jersey's state legislature in 2018. Since its founding, the New Jersey Civic Information Consortium has distributed more than \$10 million in public

funds to local newsrooms that serve civic information needs and combat misinformation statewide (Davis et al., 2022). Building on this model, elected officials in Pennsylvania have introduced legislation to establish a Pennsylvania Civic Information Consortium that would similarly provide public funds to rebuild the state's information ecosystem (Rabb, 2025).

In the long term, more ambitious models should be considered, such as a public utility or public media model in which "public media centers" are federally guaranteed but locally owned (Pickard, 2023). Alternatively, an elections-based model could allow local residents to allocate funds toward the nonprofit media institutions of their choice (McChesney and Nichols, 2021). Cities such as Seattle and Washington, D. C are considering news media voucher plans along these lines. Given the proliferation of local and state-level plans for supporting local media, one potential silver-lining to the ever-worsening journalism crisis is the possibility of democratic experimentation and, perhaps, structural transformation of our news institutions.

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