**TO:** Interested parties

**FR:** Tracy Van Slyke, Project Director, The Media Consortium

Mark Schmidt, EXECUTIVE EDITOR, The American Prospect

Rinku Sen, Executive Director/Publisher, Applied Research Center/Colorlines

David Bennahum, Executive Director, Center for Independent Media

Nick Penniman, Executive Director, Huffington Post Investigative Fund

Monika Bauerlein and Clara Jeffery, co-editors, Jay Harris, Publisher, Steve Katz, VP Strategy and Development, Mother Jones

Peter Rothberg, ASSOCIATE PUBLISHER The Nation [CAN WE ADD KATRINA TO THIS LIST? MIGHT WANT TO CHECK WITH PETER…]

Esther Kaplan, INVESTIGATIVE EDITOR, The Nation Institute

Chris Kromm, Executive Director Southern Exposure/Facing Southwest

**RE:** Follow the Money: An Economics Reporting Collaborative

**DT:** 24 October 2009

**The business press has failed the American people.**

The business press has failed the American people. As Dean Starkman so thoroughly documented in the January 2009 issue of *Mother Jones,* “the army of professional business reporters - an estimated 9,000 or so nationwide in print alone for all practical purposes missed the biggest story on the beat.”

Worse yet, the failure continues today.

According to the recent report from the Pew Research Center's Project for Excellence in Journalism, the “gravest economic crisis since the Great Depression,”

…has been covered in the media largely from the top down, told primarily from the perspective of the Obama administration and big business, with coverage reflecting the concerns of institutions more than the lives of everyday Americans.

And as the acute phase of the financial crisis passed, the Pew report finds, media coverage of economic issues has precipitously declined.

If the commercial media can’t serve the American people by covering the fundamental economic issues of the day, then who will? How can journalism help people understand what led to the situation we face today, and what we need to do to avoid more of the same?

But with the ongoing failures of the commericial business press, there were still those fighting to report the crisis from the ground to inside Wall Street. As journalist Alyssa Katz wrote for Columbia Journalism Review in September, independent journalism organizations, “were repeatedly ahead of the curve on covering the mortgage and real estate bubble and in connecting the dots between vital elements of the bigger story—especially the links between predatory and lending and the metastasizing mortgage-backed securities market.” Katz specifically references many of the journalism organizations involved with the Follow the Money collaboration as those “ahead of the curve.”

But while these independent journalism organizations consistently produced the critical reporting in the lead up to the fall, none of these organizations had the individual media heft to effectively, repeatedly, and impactfully counter the noise of media business boosterism masquerading as real journalism.

As the threat of financial collapse appears to have receded for the moment, the good news for Wall Street – bonuses, record profits, consolidation of market power in an ever-smaller number of “too big to fail” banks – stands in sharp contrast to the situation facing millions of Americans: foreclosures, layoffs, and uncertainty. Are we headed towards a “double dip” recession? A jobless recovery? How will this translate politically for the Obama administration? These questions and more are all still on the table.

This is where we stand today: a political arrangement that appears to serve elites at the expense of the American people, a commercial media system in thrall to elite audiences, and an independent journalism community insufficiently organized to have as great an impact as it should.

This project – the working title is Follow the Money: An Economics Reporting Collaborative – is designed to change this situation.

**Follow the Money: An Economic Reporting Collaborative**

In mid-October, 2009, The Media Consortium convened a meeting of eight independent journalism organizations at the offices of the Arca Foundation to discuss whether and how we could organize a collaborative reporting project on economics that would take our work to scale. Attending the meeting were:

The Media Consortium: Tracy Van Slyke, Project Director

The American Prospect: Mark Schmidt, Executive Editor

Applied Research Center/Colorlines: Rinku Sen, Executive Director/Publisher

Center for Independent Media: David Bennahum, Executive Director

Huffington Post Investigative Fund: Nick Penniman, Executive Director

Mother Jones: Monika Bauerlein and Clara Jeffery, co-editors, Jay Harris, Publisher, Steve Katz, VP Strategy and Development

The Nation: Peter Rothberg, Associate Publisher

The Nation Institute: Esther Kaplan, Investigatvie Editor

Southern Exposure/Facing Southwest: Chris Kromm, Executive Director,

Many of these organizations and individuals have worked together on reporting projects in the past, through The Media Consortium initiatives, projects through The Nation Institute and one-on-one. This meeting, though, marked the first time that a group of us had come together to design a multi-organizational collaboration on a shared editorial theme.

At the end of the day, we adjourned the meeting with the firm conviction that the time was right to implement a collaborative reporting project on the economic crisis, and with agreement on the project’s focus and format.

Follow the Money has five organizing elements:

* A wall of sound – scaling up reporting on economics: while each of us currently allocates some portion of our editorial resources to covering the economic crisis, those resources are insufficient and uncoordinated. Funding permitting, Follow the Money will field a “virtual newsroom” of eight full time journalists, one each assigned to our respective organizations but wired together to maximize opportunities for team reporting.
* Reporting with impact: We mean our reporting to shape the policy debate, make change happen, shift the culture, and reach millions. Reporting generated by the Follow the Money team will be cross-published and cross-promoted by all of the project partners. We’ll make our content freely available to one another and use all of our internal promotional resources to support one another’s work. Follow the Money also will build a shared media training, outreach, and public relations team to effectively communicate our work to policy- and media-oriented influentials in New York and Washington, and to maximize dispersion of our reporting through popular media outlets.
* Relentless fact checking - accountability journalism on the economic crisis: Follow the Money will fill the gap left by the withdrawal of the commercial media from the business of business reporting, by delivering broad and deep accountability journalism on the institutions and individuals that shape elite decision-making and policies on Wall Street and in Washington.
* What’s really going on? Follow the Money will show how to turn the media’s attention away from its narrow horse-race and personality-driven coverage of the economic crisis to the impact that the current troubles are having on the real, lived experience of Americans across the country – and how people are responding to these difficult times in new, creative, ways.
* Lifestyles of the rich and greedy: the economic crisis is also a white-collar crime scene on a scale that puts the Enron scandal to shame. We’ll investigate the people whose decisions actually led us to the situation we find ourselves in today, and use all the tools of contemporary pop/digital culture (think Gawker with footnotes) to expose the culture of greed and hyper-individualism to a wide audience.
* A big (and boisterous) platform for smart ideas: while the conventional wisdom is bounded by a largely sterile debate between free market fundamentalists and corporate/technocratic elites, there is a rich network of thinkers, political leaders, and organizations that offer an alternative. But they’ve been marginalized in the public debate. We want to fix that by providing a platform for healthy debate about their ideas and proposed solutions.

**What we bring to the project**

Each of the partner organizations brings years of experience covering the economic crisis to this project. We already knew – thanks to research conducted by The Media Consortium – that our core audiences are actually quite different. A 2006 analysis of Media Consortium member lists showed that only 1 in 4 individuals matched on 2 or more organizational files. Out of the October planning meeting, we are now are able to clearly distinguish the distinct areas of specialization and interest among the participants. Eight Venn diagrams of journalistic competencies add up to something much larger than the sum of its parts.

Six of the eight partners are content producers:

*The American Prospect’s* emphasis is on policy solution. It seeks to foster a genuine progressive debate, not just on financial regulation but on the stimulus and the deficit, on the future of manufacturing, labor policy, and global trade. It also concentrates on the consequences of implementation of current policy: what’s working? What impact is it having? What needs to be changed?

The Applied Research Center, publisher of the bimonthly *ColoLiines* magazine and RaceWire online, focuses on racially structured impacts of the crisis and the policy response. Of greatest concern for ARC are the continuing implosion of the US housing market and the social safety net. ARC also tracks positive (especially green economy) responses to the crisis by community organizers and labor unions, and is helping people develop standards and approaches that maximize the racial justice element of growing green investment.

The Center for Independent Media delivers 24/7 impact journalism through its network of state-focused websites and its flagship DC site, The Washington Independent. It takes on the political issues of the day – and the statements of the key players – and relentlessly reports on the story to get to the truth behind the spin.

The Huffington Post Investigative Fund is focusing on the economic crisis not as a policy story about deregulation and its effects, but as a colossal white collar crime story.

*Mother Jones* delivers 24/7 coverage of Washington politics through its 8-person DC bureau, and deep investigative journalism in the pages of its magazine. It focuses on the questions of who’s benefitting and why, on the nexus of power, money, and politics. *Mother Jones* is also interested in exploring the connection between the current economy and solutions that lead toward a more sustainable, low-carbon future.

*The Nation* is particularly interested in building on work it is doing around economic literacy – delivering information and reporting that helps people understand exactly what some on Wall Street and K Street are trying to obfuscate. It also is interested in reporting on realistic but inspiring ideas from great thinkers, and great activists.

Southern Exposure, as the name suggests, takes on the economic crisis from a southern perspective. Given the South’s deregulated banking system, the banking industry finds the South to be a great place to set up business, which partly explains the concentration of banking industry interests in the South (North Carolina was the second highest recipient of TARP bailout funding in the country).

The other two partners, The Nation Institute and The Media Consortium, will provide infrastructure support for Follow the Money.

The Nation Institute will be the primary vehicle for distribution of joint funding for Follow the Money to the partner organizations.

The Media Consortium will coordinate media training, contract with consultants to deliver booking and media outreach services, and work with the partners on a common template for online publication of the content. The Consortium will also seek to raise additional funding that it will re-grant to other organizations interested in supplementing Follow the Money reporting with some of their own.

**Communications, impact and outreach**

Communications and outreach is usually last in line for funding for journalism organizations - despite the fact that we all know this is as wrong-headed and mistaken an approach as we could imagine. With Follow the Money, we want to show how to do it right, and that’s why for every dollar invested in reporting, we propose a matching dollar of communications money.

These funds would be used for four basic communications strategies:

Media training and booking: while some of our organizations have had success in getting our reporters on cable news and radio talk shows, the fact is that we have a much deeper bench of talent than has so far been put into play. This has to change, and the first steps in that direction are to begin systematically training reporters, editors, and bloggers who have the natural talent to succeed with video and audio, whether online or on air. NEED TO HAVE A CORRESPONDING 24-7 BOOKING OPERATION THAT CAN PUSH THAT TALENT OUT EVERY DAY IN ORDER TO HELP DRIVE AND SHAPE THE NEWS CYCLE.

Target niche audiences in Washington DC: Follow the Money will place our reporting in front of decision makers and opinion shapers inside the Beltway through Hill briefings for congressional representatives and staff, brown bag lunches at key think tanks and policy shops timed to coincide with the congressional legislative calendar and backed up by persistent engagement with Beltway bloggers and columnists.

Use mass media, social media, and viral communications to upset the air of inevitability and the cult of the expert: this is where putting a human face on elite authority is so important. The “Lifestyles of the Rich and Greedy” is intended to be something other than a celebrity-driven exercise in the politics of resentment. We want to show how in an oligarchical political and economic world, a handful of extremely powerful people act to maintain the appearance that they (a) know what they’re doing and (b) have the general interest at heart. Both of those claims are, to say the least, debatable. But for the debate to start, people need to know that our elite leaders have feet of clay, and to see how wrong-headed decisions produce terrible consequences for millions of people. Follow the Money will do exactly this, by assembling a top notch team of staff and consultants to turn our reporting into humor backed up by fact, delivered in a pop culture video-based, virally-powered style.

Cross-promotion and publication: each of the participating organizations is committed to cross-promoting one another’s work, and publishing Follow the Money content on our websites. We are also investigating whether or not to build out a standalone Follow the Money site. We will also integrate social media and viral communications strategies to build the audiences and impact of our collective reporting.

**Project structure and budget**

As mentioned above, The Nation Institute will be designated as the primary vehicle for receipt of shared funding, and for distribution to the partner organizations. The Media Consortium will manage the media training and booking functions, as well as additional fundraising for a re-granting project to involve other organizations on a smaller scale. In addition to reporting and editing functions, Follow the Money envisions a mix of staff and consultant services for communications, outreach, and community engagement. Communications consulting will likely be routed through the Media Consortium, augmented by services from communications and outreach staff at each of the partner organizations. The Consortium will also assist partner organizations in designing and implementing a simple system for aggregating and distributing reported content across the participating organizations’ websites (e.g., RSS feeds, widgets, individual landing pages, etc). We anticipate contracting with a small team of technology contractors to help in the design and roll out of these elements.

Follow the Money will be managed by a full-time project coordinator and overseen by a management team made up of decision makers from the partner organizations. As currently envisioned and funding permitting, each partner organization would be allocated sufficient funds to hire a full-time journalist; all told, eight reporters would be employed for the duration of this project. Yet to be determined is the question of whether these would be time limited one- or two-year fellowships, or standard employee hires.

The eight journalists will be organized as a loosely structured “virtual newsroom.” From the outset, it will be made clear that while each reporter can and should pursue their own line of reporting and investigation, the expectation is that they (and their sponsoring organizations) will actively pursue opportunities for team-based reporting and extensive collaboration and information sharing, integrated from the outset into a larger communications and outreach strategy. The reporters will be wired together online via a simple project collaboration API and use weekly conference calls to talk over story ideas and reporting issues. We anticipate bringing the reporters and other project participants together for in person meetings at least twice a year.

Based on this project configuration, we estimate the annual operating budget for Follow the Money is about $2 million as shown below:

I’LL LEAVE EDITORIAL FOR

THINK WE NEED MORE FOR BOOKER AND MEDIA TRAINING. LIKE 75K EACH. WE MAY HIRE SOMEONE FULL-TIME?? WANT TO HAVE POSSIBILITY FOR THAT.

|  |  |  |
| --- | --- | --- |
| **Follow the Money:** |  |  |
| **An Economic Reporting Project** |  |  |
| **Draft 12 month budget** |  |  |
|  |  |  |
| **Item** |  | **Amount** |
| **Personnel** |  |  |
| Salaried |  |  |
| Project director |  |  80,000  |
| Reporters |  |  640,000  |
| Editors |  |  160,000  |
| Fact checking |  |  40,000  |
| Technology support |  |  80,000  |
| Taxes and benefits |  |  230,000  |
| Subtotal salaried |  |  1,230,000  |
|  |  |  |
| Consultants and contractors |  |  |
| Strategic communications |  |  75,000  |
| Media training |  |  50,000  |
| Media booking |  |  50,000  |
| New media/social media outreach |  |  50,000  |
| Multimedia/infographics consulting |  150,000  |
| Subtotal consultants and contractors |  375,000  |
| Subtotal personnel |  |  1,605,000  |
|  |  |  |
| Non personnel |  |  |
| Research, travel, related costs |  |  50,000  |
| Communications materials |  |  200,000  |
| Events, briefings |  |  50,000  |
| Technology services |  |  15,000  |
| Legal/Errors & Omissions |  |  25,000  |
| Telephone |  |  25,000  |
| Admnistrative support |  |  100,000  |
| Subtotal non personnel |  |  465,000  |
|  |  |  |
| **Total Expenses** |  |  **2,070,000**  |