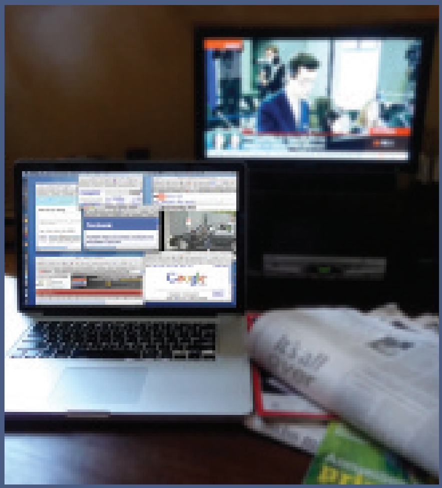
EXTRA! EXTRA! READ ALL ABOUT THE DEATH OF NEWSPAPERS



Robin V. Sears

The Internet revolution is hardly a new development, so why in 2009 are North American newspapers in so much trouble? From Los Angeles to Boston, renowned newspaper brands are in deep trouble. Even the *New York Times*, the most famous franchise in America, is bleeding hundreds of millions of dollars of red ink. In Canada, the Canwest newspapers remain in relatively good health — much better than their parent organization, which is hobbled by billions of dollars of debt. But all newspapers are losing readership to the Internet. Yet even as they provide on-line content for free, newspapers have experienced difficulty commercializing their Web sites. Contributing Writer Robin Sears, who was born into a newspaper family, considers the future of the industry. Read all about it!

La révolution Internet n'ayant rien d'une nouveauté, comment expliquer que les journaux nord-américains connaissent en 2009 de si grandes difficultés ? De Los Angeles à Boston, les quotidiens les plus réputés font face aux pires ennuis. Même le *New York Times*, le plus célèbre de tous, perd des centaines de millions en revenus. Au Canada, les journaux Canwest se portent malgré tout relativement bien, beaucoup mieux en tout cas que leur société mère, qui croule sous une dette de plusieurs milliards de dollars. Mais tous les journaux voient diminuer leur lectorat au profit d'Internet. Et même s'ils offrent un contenu en ligne gratuit, ils ont beaucoup de mal à rentabiliser leurs sites Web. Lui-même issu d'une famille de journalistes, Robin Sears s'interroge sur l'avenir des quotidiens.

Apart from Hollywood itself, few businesses have had the history, romance, cultural icons and appeal of newspapers and newspapermen. Indeed, from *Citizen Kane* until to today Hollywood has worked to make those icons universal: the scruffy paper boy and the overweaning press baron; the roar of massive presses spitting hundreds of lurid headlines a minute and the portentous thud of the early morning paper on a suburban stoop; the heavy-drinking, hard-edged beat veteran with a heart of gold; and the earnest crusading cub reporter.

We may be the last generation able to relate any of these iconic images to our own experience. It has become conventional wisdom in the face of the impact of the Great Recession to predict an inevitable end to serious newspapers. Newspapers are collapsing in alarming numbers. Century-old bastions of news and power have collapsed or are near bankruptcy in Chicago, Denver and San Francisco, just since the beginning of the year. The symptoms of the disease became visible long ago but accelerated with the arrival of the digital age. The cancer became terminal with the simultaneous collapse of ad revenue and circulation. At the same time fixed costs — newsprint, printing, communications, labour — all climb inexorably, creating pressure on the other side of newspaper owners' balance sheets.

Before we cue the funeral organist, however, a look back and a look toward the approaching horizon are in order. The glory days are gone, but a different future may be possible. Newspaper barons were often powerful and overweaning in the glory days. They could afford to be: they owned licences to print money. Press barons could count on dependable annual returns that were the envy of virtually every business competitor. Returns averaging 15 to 20 percent year after year were common in the postwar era for small-town and big-city chains. Lord Thomson bought large chunks of North Sea oil and the European tourism industry on the revenues of dozens of mostly very modest local newspapers.

Newspapermen, and there were few women on the front line until the 1960s, hardly suffered at the hands of their often larger-than-life publishers. Expense accounts were disguised income supplements, long boozy meals a requisite of the important interview. As one Canadian war correspondent — my father, Val Sears — used to instruct greenhorns in the field, "The only place to cover a good war from, kid, is beside the pool of the nearest Hilton with a good daiquiri in hand." Newspaper owners and printers' and craftsmens' unions in the United Kingdom had written into contracts what were innocently, if offensively, dubbed "Spanish practices." These involved a variety of schemes to permit employers to avoid taxes, employees to get paid for work not done and "ghost employees" to be invented whose benefits were shared by all.

As a kid working summer hours in a big-city newspaper mailroom I was baffled by the number of guys required to perform tasks that seemed to take them relatively few minutes out of each hour. When I was a youth reporter, the amount of smoking, drinking and feet-on-desk story-telling that seemed necessary to put out a newspaper was even more puzzling. Training involved being shown a typewriter, a telephone, a pencil and a cigarette-scarred desk, often with empty mickeys of cheap rye at the back of the bottom drawer.

This strange excuse for a business or a profession necessarily attracted and nurtured eccentrics and often highly eccentric behaviour. A contemporary human rights mandarin or even a conventional human relations executive would faint at what passed for acceptable professional behaviour until a generation ago. Publishers and editors behaved abusively, often through a fog of alcohol, with impunity. Favourites were shamelessly favoured, and trouble makers well paid in trouble returned. Favours could be purchased by the guilty seeking silence, and by the powerful and offended seeking revenge. The great publishers would nod knowingly at the cynics' aphorism about business ethics in Asia today, "We don't any have conflicts of interest! We have interests, and those we manage."

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And yet, out of this impossible combination of flexible morality, notional work ethic and shambolic professional practice often emerged the stories that shaped every developed economy's democracy, national values and shared mythology. From the earliest gossip sheets, sharing trade whispers in Amsterdam coffee houses, to the more political and palace focus of early Victorian London papers, to the swaggering scandalmongering of Pulitzer, Hearst and Sulzberger in 20th-century America, newspapers became the nervous system, antennae and alarm system of modern democracy.

To bastardize a great journalist and politician, "Newspapers are the worst possible way to teach citizenship and democratic leadership, except all the others." Churchill was the archetype of a politician using press management as a tool of leadership, and his skill as a partisan journalist to move elite and public opinion. Every great democratic leader from Disraeli to Obama has had an exquisitely sensitive ability to manage the delicate symbiosis between politics and the press.

Many observers of the media in the Anglo-Saxon world draw a line at the Watergate era as dividing the pre- and post-modern worlds of newspapers. Through impressive and courageous journalism, the *New York Times* and the *Washington Post* first humiliated and then ejected a president elected with a massive majority, less than two years after his greatest victory. This revolution in their power relationship rocked politics, journalism and the bureaucracy in the United States, Canada, the United Kingdom and every other developed economy. The aftershocks continue to ripple to this day in tougher lobbying rules, privacy codes, codes of journalistic ethics and access-to-information law.

As relations between political journalists and their subjects became more hostile, more legally constrained and more professionally monitored on all sides, costs of all types rose for all the players: legal costs, training costs, costs of supervision and management, costs of production and protection. Most of all the cost of error or failure went through the roof. Politicians and journalists understood a single misquote, a small drunken misstep, could end a career. The decision to launch a Watergate-style investigation became one with serious financial implications for all concerned by the 1980s. By the 1990s, few were willing to take the risk, especially as "celebrity journalism" — surely the most oxymoronic neologism ever conceived — was so much cheaper, less risky and more profitable. The dumbing down of serious journalism was part of a larger cultural phenomenon but it is reasonable to suppose that it contributed to the beginning of a decline in loyal readers' devotion.

Television news, long attacked as simply a parasitic recycler of the work of serious newspaper journalists, as radio newsmen had been before it, turned out not to be the existential challenge to serious newspapers long predicted. Even before the arrival of Internet news aggregators, national TV news was beginning a secular decline in audience numbers, and a rise in the age of its core audience. Local news continued to be popular on television in major markets, but it was, in essence, "service journalism" — another meaningless piece of marketing jargon — weather, amateur sports, traffic and "human interest" puff. With the arrival on the Net of timeshiftable pap of similar utility, even the giants of local TV news have begun to slide. Network news shows became increasingly captive to the light, bright and trite formulas of consultants hired to stem their slides. Viewers, like serious newspaper readers, accustomed to receiving well-produced coverage of their community, their country and the world could be forgiven for realizing that and switching off.

In a rear-view mirror it is easy to see why newspapers boomed everywhere in Europe, North America and in most places in the developed world from the Depression to Watergate. Literacy became near universal, interest in policy and politics burgeoned along with a more educated middle class, and advertisers seeking access to slices of rising disposable incomes had no more cost-effective tool than a big-city newspaper. On a Saturday, the *Toronto Star* at the height of its reach and influence in the 1970s could claim to deliver to advertisers nearly three out of four Toronto households in the largest, richest market in Canada. No media vehicle could make half that claim today.

If you weren't offering news first, newspapers needed to offer exclusive content. For those papers that did not develop a strong enough alternative "voice," or roster of columnists or niche expertise, the decline began a long time ago. As the challenge of distribution in vast urban areas grew, newspapers were "put to bed" increasingly early. It is not uncommon today to read a local newspaper account of foreign news that has appeared on the Internet two days prior.

The business model of the newspaper business in the English-speaking markets is key to understanding how they collectively got their response to the digital era so universally and disastrously wrong. Like broadcast television, newspapers depend for their survival on massive ad revenues. In the "salad years" in North America, readers' loonies in newspaper boxes contributed less than a quarter of newspaper revenues. In recent years ad revenues have shrunk a little in percentage terms but still remain more than two-thirds of most papers' total revenues. In Europe the balance was closer to half and half, with readers in some small markets contributing more. The answer to the challenge of the Internet was obvious therefore: shift some ad buyers there and everyone's happy.

It is instructive to look at the stupid reaction of other industries to the epochal shift that was the Internet 10 years ago. The two dinosaurs most often whipped by media pundits are the music and movie industries, and for good reason. Their traditional business model was also the reason their response was so ham-handed. They depended on an early version of the venture capitalists' "10-bagger" rule. If one movie or album was a breakout hit — a 10-bagger — they underwrote the cost of the failures. In music the hit rate was expected to be one in 10, in movies less than half that. Record companies always had the supplemental insurance of their catalogues: Bob Dylan could be depended on to develop a new generation of listeners every decade or so, on product long since bought and paid for. The studios developed a version of the catalogue with the development of video and then DVD businesses. "Long tails" of modest streams of revenues could be counted on even for films that were theatrical and critical duds.

Newspapers, with the exception of the financial dailies, the *Financial Times* and the *Wall Street Journal,* curiously decided to give away their content, even to non-subscribers on competitive Web sites. This flew in the face of the furious legal battles to prevent illegitimate use of their content in the world of print competition. In the offline world publishers traditionally attempted to extract every nickel from reuse of their content. At least they did not attempt to seek felony convictions against children downloading music from pirate Web sites as the record companies bizarrely attempted. It is not clear what would have happened in that quixotic enterprise if Steve Jobs had not spotted the opportunity the music industry idiots' behaviour offered him. The piracy campaign was doomed by technology and by the public relations nightmare it created.

Jobs' intervention in the form of a music distribution system and the software and hardware to support it would never have happened if he had been a record company executive. The iTunes site and iPods now have a virtual monopoly in the electronic distribution of music. This was forced on the industry, which attempted to sabotage it regularly, as recently as last year. The companies' efforts at clunky, password-protected, limited-use competitors to the iTunes model have all failed. Surprisingly, even Apple's hardware competitors have similarly failed to find an alternative to the iPod's dominance. Most analysts say that Jobs' astonishing capture of a multi-billion-dollar industry about which he had no inside knowledge or previous experi-

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ence was based on three epiphanies: the online model had to be cheap and convenient, and guarantee access to virtually everything a discerning listener might want. Two lessons for newspapers might be drawn from the music business fiasco: a solution to distribution may be more likely to come from someone completely outside the existing industry, and a new software and hardware solution may be required.

Fans of the online distribution model of news that has evolved as a result of publishers' waiving of their ownership of content say, "What's the problem? CDs died because they were no longer needed. Music survived. Newspapers will die, but the news will move elsewhere. So what?" Indeed, until this latest collapse it appeared that the ad model for serious news and journalism might work online. In advance of his takeover of the Dow Jones/*Wall Street Journal* empire. Rupert Murdoch bragged he would drop their online subscription model and double revenue on the strength of their appeal to advertisers. He quickly dropped the idea when he got to look at the numbers as an owner.

The business problem is very simple: many users of the product don't pay for it, and advertisers won't pay the same premium for online readers that they do for those reading the ink-stained version. As *Globe and Mail* publisher Phil Crawley put it in a presentation to newspaper fans recently, "The *New York Times* has never had so many readers in its history: more than 14 million every day on its Web sites, and millions more elsewhere on the Net. The problem is that only a million of them pay a penny for the privilege." The cliché among publishers has become, "We traded offline ad dollars for online ad dimes"

The Associated Press recently announced its intention to begin enforcing online the content copyrights it had defended on behalf of its publisher-owners for more than a century offline. Several newspapers and Stephen Brill, the entrepreneurial founder of Court TV, announced their intention to attempt to create a news iTunes. Some newspaper and magazine publishers have begun to fiddle with per-use charges for different types of content. The *New York Times* tried charging for columnists and other exclusive content but gave up after massive reader protest and limited advertiser interest.

Some may be tempted to say these hard times are only temporary, merely a reflection of the economic crisis; ad revenues will return, the best newspapers retain strong brands and will recover. This is almost certainly wrong for several reasons. Readership numbers among young readers have been in serious decline since the beginning of the decade; newspaper readers are literally dying off. Magazine and ad revenues never completely recovered from the dot-com bust of a decade ago, as major corporate advertisers shifted ad dollars to targeted Web sites, especially those whose advertising was controlled by Google and Yahoo. Most devastatingly for mid-level newspapers, classified and job vacancy ad dollars have fled to the Net. These two ad segments were what kept many small and mid-sized papers alive.

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Just as music buyers realized they did not have to travel to a music store to shell out $15 dollars or more for a CD on which they were interested in one or two tracks, when they could buy them instantly for 99 cents on iTunes, so advertisers have come to recognize they can buy targeted prospects far more efficiently online than by spending as much as $150,000 for a one-page ad in the *New York Times*. It is not clear how serious drama producers and distributors will overcome similar nightmares being faced in the TV and movie businesses. The dominance of iTunes has not been replicated here, some say because the prices are still too high and the pirate sites are still too convenient.

But one thing is clear: newspapers cannot survive on the basis of the current balance of users, ad sales and production costs. *The New York Times* is more than a half a billion dollars in debt. Rupert Murdoch has written off virtually the entire value of the *Wall Street Journal* since he acquired it less than two years ago. These were the profitable giants of a beleaguered industry!

Serious news production is an expensive business. There are few shortcuts for effective journalism, especially international and specialist coverage. The cost to the *Globe and Mail* of a foreign correspondent can exceed half a million dollars a year. The cost of a foreign bureau of a television network can be five times that amount. And the productivity of those investments can be terrible. Even the Kabul correspondent of a major news organization cannot promise an interesting story on a daily basis and sometimes not even weekly. Using freelance or part-time employees is a cost-saver many news organizations have reverted to, paying on a per-use or small retainer basis. This adds two potentially threatening risks for any editor or publisher, however: it dilutes the brand, as there is no promise of exclusivity, and there is a far weaker ability to demand stories relevant to home readers.

Readers of the *New York Times* expect to be assured not only access to

Policy Options photo

Why would people pay for newspapers when they can read the same information off their Web sites for free? Across North America, newspapers are going through secular change in the midst of a cyclical downturn.

the finest stable of opinion writers in the world — Paul Krugman, Tom Friedman, Maureen Dowd, Gail Collins, Bob Herbert, David Brooks and Frank Rich among others — but access to recognized correspondents in the field in the Middle East, Europe and Asia, as well as experts in business, technology, arts and entertainment. Each of these dozens of reporters and columnists costs their employer several hundred thousand dollars in salary and expenses.

A detailed exposé of police racial profiling, such as the *Toronto Star* undertook a couple of years ago, or the *Globe and Mail*'s work on the sponsorship scandal can require millions of dollars with no guarantee at the outset that the investment will pay off. A reporter whose salary, expenses and equipment cost more than a hundred thousand dollars a year rarely sees even one story a day make the newspaper.

Ah, but what about the revolution emerging across North America and Europe of "citizen journalism," you ask, those college students and unemployed home husbands delivering thousands of words on local "news" for pennies a page? Well, if your vision of serious journalism is satisfied by the shopping mall newsletter stuffed in with your groceries "reporting" on the opening of several new tanning and hair salons in the neighbourhood, great. If you are worried about Iran's developing nuclear agenda, perhaps not.

Then there are the public sponsorship or foundation models. The reliably zany Nicolas Sarkozy has found a predictably *dirigiste* French solution to the collapse of newspapers there: every 18-year-old in France will get a free newspaper and be instructed to read it. Journalism distributed like mandatory cod liver oil seems an unlikely winner in the world of sloppier Anglo-Saxon values.

Subways and metros around the developed world have been covered in thousands of pages of free handout newspapers in the past decade. The Metro group of newspapers and their competitors in virtually every large metropolis distribute hundreds of thousands of copies of thin tabloids to commuters dashing down escalators. The resulting piles of refuse are not pretty; neither, in almost every case, is the product. They're free because they are entirely advertiser supported, which means ads occupy about three-quarters of the paper. They rarely make money nonetheless. Those that do, like the slightly less dreadful version owned by Torstar, get massive indirect subsidies in the form of free access to the news content of the mother paper.

And the most bizarre gambit in the increasingly desperate effort of newspaper publishers to avoid making fundamental change to their main product and its distribution but still capture some "digital dimes," all the while clinging to the traditional paradigm, is "mobile news"! Yes, readers, you can enjoy your newspaper today — on your cellphone! Now you may wonder how we have managed to condense a newspaper page to less than 1/20th the size of the original on your cellphone screen, and enable you to read it any faster than a list of phone numbers in a dimly lit phone booth. Try it, you'll be amazed at the clarity and how quickly you'll adjust.

Well, no, you won't, actually. It's a bit like trying to read a page of text while peering through an unfocused telescope, then having to wait 30 seconds while the page turns agonizingly slowly.

Like record company executives stumbling and tripping into the digital age, being dragged by their customers and markets into a terrain they hoped was just a teenage fad that would soon fade, newspaper publishers have made the same dumb mistakes and then invented a few of their own. In most cases, they ignored the Internet for years, eventually creating Web sites hilarious for their static, poorly designed and buggy operation. To this day the corporate homes of SunMedia and the Canwest papers online would not, to put it gently, win even an amateur Web design contest.

Then many decided that the solution was "eyeballs," so distributing their content far and wide for free would generate so much traffic that advertisers would compete for the opportunity to irritate readers with silly pop-up ads in the middle of a news story. It turned out that readers were not amused, and installed ad-blocking devices to stop the intrusions, and advertisers were less than thrilled with the click-through rates anyway.

Then the fad became "the walled garden": we'll lock out readers who haven't paid, except that there was a hole in the garden wall from the beginning, and readers could get the same content from a news aggregator, supported by someone else's advertisers, for free. Some papers even irritate their non-home audience by making it impossible to gain access to their online content unless you are a local print subscriber. Try explaining that business model to someone trying to send an electronic obit from the local paper to a distant parent.

Most bizarrely to this newspaper lover, I cannot even read the real newspaper online in most cases. Some publishers have subscribed to a software platform that allows online readers to see a screen image at about half the size of the real paper. Again, with a strange approach to market development, most of them require you to pay \$15 to \$20 a month, on top of your print subscription, for the privilege.

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Now this strikes me as foolish on at least three levels. First, newspaper layout and design is an art form developed over centuries, and the best in the field are genuine delights of colour, form, graphics and text. Digital newspapers mostly resemble Yellow Pages ads in design sophistication. Secondly, the blend of elegant display advertising and good page design makes a combination pleasing to the eye of the reader. Digital display advertising consists mainly of flashing, garish attention-demanders guaranteed to irritate. Finally, the limitation of a print display ad is, of course, that it is static. That same ad displayed on a computer monitor is instantly interactive, capable of linking to dealers, special offers or reader-selected data.

The same is true of every other element of the page: each photo could click to open a slide show of additional material; each graph or illustration could support thousands of lines of data and additional information at the click of a mouse; each editorial could link to every other editorial in the paper on that subject over decades, or to other newspapers' editorials on the same subject that day.

Newspaper publishers' linear, literal and lazy approach to the digital age might have been understandable in 1995 or a few years later: like the early coach makers who insisted on retaining the buggy whip holder on early motorized vehicles, or the television producers who used their radio stars to read, scripts in hand, to the camera. But we are now approaching the third decade of the digital revolution and their traditional business model is dying at a visible pace in front of everyone's eyes. So what might a braver new newspaper world look like?

It seems pretty clear that if we were sitting in a typical Canadian home on a Saturday morning a generation from now, the kids would not be fighting over who got the comic section first, Dad would be unlikely to be immersed in dense columns of sports stats, and Mom would be shaking her head at the week's political shenanigans based on the screen in front of her, not the opinion section of a newspaper.

What also seems clear is that the fragmentation of television audiences triggered by the advance of a 500-channel cable universe will have transformed the world of print journalism. Meanwhile, the transformation of sports, drama and entertainment on television has arguably been a boon for consumers: the quality of a *Sopranos* or a *National Geographic* special is available and affordable for most viewers. Experts in television predict there will be less quality programming in the future, seasons will be shorter and choice narrower, as costs mount and large audiences get harder and harder to attract. Few television forecasters predict the death of quality entertainment programming altogether, however.

It is much harder to be sanguine about the future of serious journalism, news and current affairs on television. The advertiser-supported model, beyond big-city local news, does not seem to work. Network newscast viewers are literally dying, as the audience ages and is not replaced. CBC Newsworld depends on subscription revenues from cable viewers, not ad dollars. CNN International, the BBC World Service and their smaller international competitors have never broken even, and few can see a path to profitability for them.

But it is on the far bleaker print side of the serious news world that it is hard to find hope. Experts who can see a stable future for quality writing and investigative reporting are few and divided. Some argue that a bundled online service such as iTunes is possible, and several start-ups are under way. Others see the future in micropayment models with PayPal-like services docking a credit account a few pennies an article. Newspaper publishers still struggle to transfer a subscription model to the Net, and with the exception of a few financial giants all have failed. None of these approaches has taken off despite nearly a decade of experimentation.

There is no doubt that there remains an appetite for serious news reporting around the world; the challenge, as hundreds of hand-wringing media analysts have demonstrated in thousands of gruesome bar graphs and gloomy stats, is the gap between readers and payers. The free-rider problem, as Phil Crawley observed drolly about the *New York Times*, afflicts every serious news organization in the world. Media analysts fret about the decline of "serendipity" in readers' exposure to news chosen by a range of editors across an array of subjects, as digital aggregators sort content by country, ideology and arcane subject interest. But even this more "focused" new diet of many young digital readers is rich in sources and opinions, in most cases, and it would be hard to argue that the narrow prejudices of a London tabloid offered its readers a broader view of the world.

From the perspective of an informed democratic citizenry the problem is different. The Huffington Post and Google News Alerts are not a substitute for the *New York Times* in ensuring that voters are capable of making informed decisions about war, taxes or competent leaders. For all their inadequacies, their sensationalism and their subjectivity, the *Vancouver Sun* and *La Presse* consistently do a better job of offering insights into the big decisions facing their community and their country than any collection of blogs.

To me this is the real policy conundrum of the collapse of traditional newspapers: cheap, convenient, digestible access to serious news for ordinary citizens. It's not obvious how the new media and new distribution systems will fill the void created by the collapse of the great metropolitan dailies across Europe and the English-speaking world.

My guess is that the Canadian family a generation from now will have an amazing spectrum of information choice, by source and by medium, but many of those choices will not be cheap, and therefore will be of limited reach. This spectrum may be more precisely described as a news food chain.

At the bottom will be the online news aggregators, offering increasingly shallow headline news, as the content owners ring-fence their product more aggressively. Above them will be the evolving blogosphere with some semi-professional sites such the Huffington Post and the millions of gossip- and invective-driven operations run by pimply-faced boys and their middle-aged imitators in basement apartments.

Along with the search engines' news collections, those services will probably remain free and will refute daily the Internet pioneers' claim that "information wants to be free." Serious information wants to be paid for. These online services will offer the same "empty calories" as their fast-news competitors offline: the commuter throwaways.

The next rung on the evolutionary

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ladder of this new media world will be the paid news services, ranging from specialty sports and finance sites to the online services of serious magazines and newspapers. The *Economist* and ESPN are good examples of this evolving, and certainly profitable, niche. But the costs today already ensure that they will remain niches. Some sites, like the impressive new American political journal Politico, will have free teaser sites, with summaries available there and on the news aggregators. But if you don't want to pay, your access to news will be just as shallow as the services at the bottom of the heap.

Above the specialty online services will likely remain the digital offerings of the survivors of the newspaper wars globally. *Le Monde*, *Corriere della Sera* and *Die Welt,* along with the giants of the English-speaking world, will no doubt evolve successfully online, but they will be few in number and expensive. Consider the business model challenge for even these formidable publishers. They will still be producing a "dead tree" product a generation from now, but those will continue to shrink so the production costs will be higher. The costs of news gathering will have mounted inexorably: serious journalists will still cost serious money, and the *New York Times* will not risk its brand to low-cost freelance college student writers, or reprinted blog posts.

As a result the cost of providing the online equivalent of the whole newspaper, including full-colour display advertising, will not be cheap. If the daily newspaper gets more than two-thirds of its revenues from advertising, and so far achieving even half that percentage online has eluded the strongest newspaper brands, this means the "newsstand price" online will need to remain high. This is likely to exclude the young, the poor and the marginally interested as potential customers.

Then there will be the long-awaited, much-heralded new reading devices. We already have Amazon' Kindle DX and Sony's products for reading books and magazines. There are some expensive pilot newspaper subscription services offered for the devices. Some tech gurus are excited about foldable, even rolled paper-thin reading devices, even in colour! Their champions envisage these light flexible devices replacing ink-stained paper in the hands of commuters around the world. Maybe, but the history of these technological revolutions seems to be that they take far longer to gain momentum than pioneers claim and are often disappointing in the cost, reliability and performance of the first few generations. How's that video telephone of yours working, or that movie streaming onto your living room television from the computer downstairs?

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No, I suspect that the intermediate technology that will satisfy the desire for permanence that a newspaper delivers, along with the pleasure of flipping idly back and forth through the pages, is going to be a cheap high-speed printer, capable of spitting out a tabloid-sized or slightly larger full-colour newspaper in seconds. The intelligence built into the machine will give users the option of presetting the sources, subjects and volume of news they want. Instead of the pre-dawn thump of the newspaper at the front door, there will be the gentle buzz of the printer spitting the new *New York Times* into a tray on the kitchen counter beside the coffee maker. The newspapers will give away the devices in the same manner as cable companies generously gifted you with a set-top box — it will be built into your first year's subscription.

This will not be as cheap as a copy of the *Toronto Star* in the golden era: a nickel, the same price as a cup as coffee. But the instant paper might be about the same price as a grande decaf latte at Starbucks today. Indeed, one could see Starbucks subsidizing the cost of the newspaper for its clientele, hanging a couple of dozen copies of various versions of newspapers from across the country and around the world, fastened to wooden holders, hanging from racks beside the cream and sugar counter.

And then we would have come full circle in a little more than four centuries, from the handheld blurry shipping-trade gossip sheets of 17th-century Amsterdam coffee houses, to the partisan journals in Vienna and Paris cafés a hundred years later, to the racks of collected papers and magazines in the reading rooms of every London men's club in the Victorian era, to shiny 21st-century newspapers revolving on high-tech racks in Starbucks around the world.

We would have lost something along the way, however: nations made up of dedicated news readers, rich and poor, united across boundaries of distance, class and ethnicity, by their shared access to a rich daily menu of news and information about themselves, their country and their world.

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