

Latin America Program Presidential Portfolio Review

Support for Digital Media in Latin America (2008-2015)

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Our Ambitions

Background and Assumptions

For the Latin America Program, the rationale for supporting digital media – regarded as a cost-effective way of supporting ongoing analysis and reporting on the challenges faced in fragile democratic societies – has evolved considerably since LAP began funding digital media in 2008. In the 2009 strategy document¹, media initiatives were labeled as “support for media’s role as a watchdog in the public policy process” and fell under the broader transparency objective - “to foster transparency and accountability of state institutions.” In the 2012-2013 LAP strategy, investigative journalism was viewed as an important tool for supporting goals related to citizen security, in particular the challenges around organized crime and migration. More generally, in that same strategy, media support was seen as part of an effort to “strengthen a broad range of open society initiatives in the region” under the assumption that “in-depth reporting on violence, organized crime, and corruption contributes to an informed citizenry.”² The revised role of media in the 2012-2013 strategy correlates with two developments: the strategic consideration and exploration of OSF opening a regional office in Central America (finally discarded in late 2011), wherein media counterparts appeared to be among the strongest, and the gradual development of LAP’s work around organized crime and migration. Finally, in the current 2015-2018 strategy, there is little explicit mention of support for media or investigative journalism (mentioned only twice), and the field of “public interest media” is only referenced with respect to Central America’s northern triangle countries (El Salvador, Honduras, Guatemala), where support is envisioned under the rubric of “advancing democratic practices in adverse contexts.”³ After several years of grant-making to a number of mostly digital media entities, this evolution toward viewing media as more of a tool rather than an objective represents a narrowing of focus consonant with LAP’s own strategy refinement as well as our more clearly defined sense of the role of key media grantees.

Despite the fewer explicit references to digital media or investigative journalism in the current strategy, the Latin America Program – mostly in conjunction with the Program on Independent Journalism – continues to support a variety of digital media entities, from Central America to Colombia to Brazil. Whereas six years ago, media itself was seen as an objective, current support for media is viewed as a tool or vehicle for achieving LAP’s broader strategic initiatives. In Central America, for example, is a region where LAP has had few long-term partners, but where such essential information would be useful for the work of civil society actors, support for independent media outlets is viewed as a crucial element of a broader strategy for supporting civil society initiatives. Elsewhere, LAP has supported more issue-specific work in Colombia (drug policy, homicides, organized crime/violence) and elsewhere in the region (e.g., Brazil around BNDES).

Overall Hypothesis

Despite an evolving rationale, LAP’s overarching aim in supporting digital media has followed a consistent trajectory, namely, to strengthen the availability of information and objective analysis on

¹ <https://karl.soros.org/communities/foundation-strategies/wiki/latin-america-regional-program/>

² <https://karl.soros.org/communities/osf-strategy-reviews/files/2014-strategies/geographic-programs/latin-america-program/latin-america-program-2012-2013-strategy.pdf/>

³ https://karl.soros.org/communities/strategy-budget/files/strategy/2015-2018-proposed-strategies/lap-2015-2018-proposed-strategy-materials/lap_2015-2018_proposed_strategy_and_appendices.pdf/

important issues that LAP seeks to address through other explicit strategies (drug policy, organized crime, citizen security, transparency/ accountability, etc.). We believe that not only should civil society organizations working on these issues benefit from this independent perspective, but also that even in the absence of strong civil society actors, independent media ensures that coverage of open society values and issues are high on the public agenda. Independent media contributes to the generation of better conditions for civil society and government to address the same kinds of rights issues that LAP works to promote in the region.

Our Place

Among donors in Latin America, OSF has played a predominant role in support of independent journalism through digital media. Many of the most prominent independent investigative journalists in the region (taking journalism prizes as one unit of measure for prominence) come from media outlets funded by OSF. This review will look most closely at five digital media operations – **El Faro, Confidencial, Plaza Pública, La Silla Vacía, and InSight Crime** (the only entity not supported jointly with PIJ) – the only digital media to have received ongoing LAP support for five or more years, and most of which are expected to be partners in the near future. In terms of other grants, not covered here, LAP and PIJ have provided support to IDL-Reporteros (indirectly, through general support to IDL) and RedTV, both in Peru, as well as to Pública and ABRAJI in Brazil, the “Periodistas de A Pie” network in Mexico (for work on migration), and new online investigative and reporting start-ups in Venezuela, Efecto Cocuyo and Armando.Info.

OSF has also supported ongoing networking among online media organizations through support for the Austin Forum, run by the Knight Center at the University of Texas at Austin, as well as through support for regional investigative journalism prizes sponsored by IPYS/Peru. For LAP, support for both of these efforts have been broadly justified as useful to our overall strategy (e.g., providing greater support for coverage for OSF issues), or as institutional strengthening efforts (learning derived from contacts with fellow online media organizations).

Since OSF began funding digital media enterprises in Latin America seven years ago, the landscape has changed considerably. Internet use increased from only a quarter of the Latin American population in 2004 (mostly within middle-upper income) to nearly half in 2014, divisible into three zones: 56.8 percent in South America, 44.1 percent in Central America, and 41.1 percent in the Caribbean on June 2014.⁴ At the same time, media has become more consolidated, as media empires started in Mexico, Argentina and Brazil have traversed the continent. Print media also rapidly moved online in response to this trend; every print-based enterprise now has a digital presence. Use of mobile devices to access the news – in many cases, 50% of those accessing digital media are doing so from mobile devices. It’s worth noting that that figure is significantly lower in Latin America than in, say, the United States. Traditional print media, while struggling with the digital transition, still maintains a prominent role in the region as well; the uncontested supremacy of online media is not yet a done deal!

In some cases, there is competition between independent digital media: Contrapunto and Revista Factum compete with El Faro in El Salvador, Nómada competes with Plaza Pública in Guatemala, and Razon Pública and Verdad Abierta compete with La Silla Vacía in Colombia. But, by and large, digital media still competes mainly with traditional media. A short online survey filled out

⁴ See more at <http://www.internetworldstats.com/stats2.htm>

anonymously at the request of LAP in recent days received responses from 44 civil society actors (36), academics (6) and businessmen (2) in Central America, Colombia and elsewhere (out of 60 that were requested). Although the sample size was small, it was at least fairly representative of OSF grantees and partners. Not surprisingly, 93% of the respondents said that independent media remains “very important,” with the remaining 7% indicating it being only “somewhat important.” Local newspapers and internet news sources remain by far most important for those responding (above 73% considered them “very important”), but the respective independent digital media outlets in each country were also deemed “very important.” In the case of Central American media, more than double the number of national respondents considered their independent media “very important.”

Q4 How important are these media sources for your work in civil society?

Answered: 44 Skipped: 0

	Very Important	Somewhat Important	Not important	N/A	Total
National newspapers (print or internet)	72.73% 32	22.73% 10	4.55% 2	0.00% 0	44
Internet news services (from international media, news agencies, etc.)	72.73% 32	22.73% 10	4.55% 2	0.00% 0	44
Radio	26.19% 11	61.90% 26	11.90% 5	0.00% 0	42
Television	30.95% 13	52.38% 22	16.67% 7	0.00% 0	42
El Faro	53.85% 21	23.08% 9	12.82% 5	10.26% 4	39
Plaza Publica	28.95% 11	26.32% 10	28.95% 11	15.79% 6	38
Confidencial	28.95% 11	18.42% 7	15.79% 6	36.84% 14	38
Insight Crime	52.50% 21	27.50% 11	12.50% 5	7.50% 3	40
La Silla Vacía	34.29% 12	17.14% 6	14.29% 5	34.29% 12	35
Other	50.00% 12	8.33% 2	8.33% 2	33.33% 8	24

Our Work

In recent years, LAP's support to digital media has been consistently supportive in the five cases under review here. The funding history for each grantee begins in the period between 2008 and 2011, and we can foresee some level of funding for the near future. The decision to initiate a relationship with each of these media entities varied:

- LAP began funding **El Faro** in 2008 for reporting on the dangers of migration and the role of organized crime, but that followed with general support in 2009 co-funded with the then-Media Program.
- Elsewhere in Central America, support for **Plaza Pública** (Guatemala, 2011) and **Confidencial** (Invermedia/Promedia, Nicaragua, 2009) have always been jointly funded, and for LAP always responded to the logic of our overall hypothesis.
- **La Silla Vacía** was warmly embraced by both LAP and Media (PIJ) as it was felt like a natural way of following up on the Open Society Fellowship of its director, Juanita Leon, who was in the very first cohort of fellows. Continued support was justified in the context of the ongoing conflict in Colombia and its regional importance.
- **InSight Crime** was unique in that it has been solely funded by LAP, initially as an integral part of what was then a grant portfolio focused on organized crime.

Reflections on how these initial decisions played out, and what we have learned, are as follows. It is also important to state up front that while LAP considers these media to be key partners, our actual monitoring of their work has taken place mostly in the context of specific issues (around which we regularly consult with reporters) and not done regularly on any systematic basis, aside from by some Latin American team members (who daily check the sites based in their home countries) and the outfits' frequent inclusion in the Latin America Daily News Brief that our program supports.

El Faro

In many ways, El Faro has achieved an impressive array of successes. It has especially excelled at in-depth, long-form and investigative journalism on crime and security issues. Its stock of reporters has garnered almost every journalism prize possible in the US, Latin America and Spain; two staff members, Carlos Dada and Oscar Martinez, have published widely in English, including the New York Times, The Nation, The New Republic, and the New Yorker (online); founding editor Dada recently received a New York City Public Library Fellowship to look at the history of death squads; and Oscar Martinez, who received the first El Faro grant from OSF for migration work, later published his collection in English, which was noted among the top 10 nonfiction books by the Economist and the Financial Times last year (he's set to release a second book this fall). According to Jane McElhone, formerly of PIJ, El Faro reporters are viewed as one of the superstars in the global independent digital media community both for the quality of their journalism and the courage of their reporters. Indeed, no other media outlet supported by LAP has such a deep roster of award-winning journalists. I suspect that it is this prestige which explains the fact that, although only 8 of 44 respondents to our survey work in El Salvador, 21 respondents characterized El Faro's work as "very important." El Faro was an active participant in the struggle for an Access to Information Law, playing a more protagonistic role than is usually seen from media entities. In part for these reasons, LAP decided to provide a generous, 3-year grant for 2013-2015 (unique among the grantees reviewed here). (PIJ has provided core support in recent years as a complement to MDIF's business development support, while LAP has funded the crime/security coverage.)

However, it does seem that this international fame and prestige has come at a cost. First, more than any other media outlet, OSF's deep (frequently half of their overall revenues) and prolonged support has afforded its reporters the luxury of time to spend months working on in-depth stories, in lieu of shorter stories published on a more consistent basis. As someone with a wide range of contacts in El Salvador, I've frequently heard complaints (some legitimate) about stories missed, policies left unexamined, or their occasionally aggressive style. Their hard-hitting investigative reports have, in recent times, led to doors to government and police sources being closed to them. Several years ago, then publisher Jorge Siman commented to me that he felt that reporters were becoming too insular, and that he wanted to create the position of "ombudsman" position who could provide objective feedback on El Faro's reporting. That position was never filled, in large part due to lack of suitable candidates, but in retrospect it that could have provided an important corrective. Unique among these grantees, El Faro seems not to have regularly surveyed its readers (its last one was in 2012), so apart from raw data provided by Google Analytics, it has little idea of how it is perceived by its readers.

Since the beginning of our support, I've encouraged El Faro to think more about how it can provide better coverage of public policy issues. The long-form, literary journalism that they prefer to practice sets it up to compete well for journalism prizes, but they have not always provided a concise and accessible critique of policies to readers who are increasingly viewing their news on mobile devices. To its credit, PIJ carried out an administrative and financial audit of El Faro in 2014 (as it did in Guatemala and Nicaragua) that yielded important areas for consolidation. In retrospect, LAP's decision to provide three-year funding probably reduced the pressure and ability to leverage funding toward mutually agreed-upon objectives.

El Faro now faces reduced funding beginning in 2016, which will likely lead to some hard choices about staffing. In addition, PIJ (with LAP involvement) is supporting the USC Media Impact Project in an effort to develop a media impact measurement model – which will include analysis of content and current audience data. Although the aim is to help El Faro build a better business plan, this kind of tool, if implemented earlier in the relationship, could have provided analysis that could have usefully facilitated greater dialogue between OSF and El Faro about mutual objectives.

Confidencial (Invermedia/Promedia)

This project actually encompasses the online newsite Confidencial (Invermedia), run by Carlo Fernando Chamorro, as well as some support to a weekly talk show and daily news programs run by him on television (Promedia). Both are widely acknowledged to be one of the last sources of independent investigative journalism in Nicaragua, a country comparable only to Venezuela in terms of government control of state institutions. Chamorro, a former Sandinista, has a well-established national and international reputation (his mother was president of Nicaragua from 1990-95, and his father was a slain journalist and famous martyr in the lead-up to the Sandinista Revolution), but has frequently been criticized by the Ortega government. Although most of the media supported by OSF are run by elites, Chamorro is in a class by himself given the prominence of his family in Nicaraguan politics. That said, while clearly critical, his journalism has been more objective and professional than might be expected in such a polarized environment.

Nicaragua is the only member of the so-called ALBA countries where OSF provides such substantial support to digital media – in large part because of our faith in Chamorro himself. PIJ has largely taken the lead in administering and monitoring these grants to Chamorro, although LAP has maintained regular contact with Chamorro, who – as one of the best analysts of Nicaragua – is a frequent visitor to Washington. Confidencial regularly surveys its readers, which most recently (in 2014) characterized its work as excellent (24%), very good (41%), or good (19%). (Our online

mini-survey yielded only the highest marks for Confidencial.) Recent investigations have included a look at the lack of transparency in the use of petrodollars from Venezuela, and a three-part look at the controversial inter-oceanic canal – both of which have been important sources of information for the public debate.

In retrospect, my colleagues and I find little to question about the modest investment we've made in these media enterprises over the years. They not only provide in-depth analysis on key issues, but through the television program amplify the public debate, including by bringing in grassroots voices. Nicaragua is extremely polarized, and Confidencial is clearly aligned with the interests of the broad opposition in civil society. Indeed, this is a case that very clearly supports our working hypothesis about the importance of independent media in fragile democracies.

Chamorro has been able to nurture a new generation of journalists, who largely drive the investigative reporting, although Chamorro himself looms large in overall management and leadership and it's unclear if new generations are being groomed for these positions. The PIJ-supported "internal controls assessment" last year also indicated a strong concern over this aspect, particularly his formal role both as executive director and chair of the board of both entities, and the lack of real board involvement. If anything, given the likelihood of a long engagement with these media outlets, we could have paid more attention to these aspects much sooner, especially given the apparent openness by Chamorro to these questions.

Plaza Pública

Plaza Pública is the most recent entry into the stable of reliable media organizations supported by OSF in the region. Uniquely, it is housed at a university (Universidad Rafael Landívar, run by Jesuits), which has proven to give it both a modicum of sustainability as well as some political cover for its investigative reporting. OSF's funding helps insure the degree of editorial independence yielded to it by the university. While largely providing general support since the beginning, in the last two years LAP also provided small grants from the human rights portfolio to Plaza Pública to cover the Rios Montt trial as well as for coverage of the selection process in the judicial sector. While core funding has been crucial to Plaza Pública's main functions, these smaller grants provided valuable news and analysis for major civil society engagements in the public sphere and helped focus Plaza Pública's work on issues OSF wanted covered. Plaza Pública also incorporates a number of prominent bloggers from civil society (something pioneered by La Silla Vacía), which further links its work to main topics of debate in civil society. One prominent newspaper, *El Periódico*, frequently republishes Plaza Pública's more in-depth investigations, which is unusual for this group of digital media.

In organizational terms, Plaza Pública also survived the departure of its founder, who left for largely personal reasons after three years (his claims of overly zealous editorial control by the university proved unfounded on further examination) and started a rival online news media, *Nómada*. (PIJ has provided minimal funding so far to this entity.) This has had two salutary effects: first, it has produced healthy competition in an environment that can probably support more than one independent media body, and second, it liberated the remaining staff to take on new organizational responsibilities, allowing for new and more diverse leadership to emerge.

Overall, I'm not sure what my LAP colleagues and I would have done differently. I think the two most important decisions were to initiate funding (there were some doubts about the affiliation with a Jesuit university in PIJ, although LAP's history in Latin America provided evidence that this would actually be a plus) and to continue funding after its founder left. The internal controls assessment carried out at the request of PIJ last year yielded useful recommendations, and no red

flags, and also seems to have been beneficial to Plaza Pública's business development. The two small grants from LAP, while not necessarily novel, suggest a different, complimentary approach to engaging with independent media, and likely has strengthened our team's overall interest in seeing Plaza Pública succeed.

La Silla Vacía

Of the four country-focused digital media outfits discussed here, La Silla Vacía (LSV) probably has the most dynamic presence of all, on various levels: frequency of reporting, creativity in graphics, engagement in social media, and the variety of issues covered. As mentioned earlier, LSV is the brainchild of Juanita Leon, a respected journalist who was chosen in the first selection of Open Society Fellows specifically to focus on developing a business plan for this enterprise. Leon is considered a leader (internationally) in innovation, and has been invited to share the experience in numerous international fora and with other start-up media outfits. Leon was also voted one of the most influential leaders in Colombia by *Semana* magazine in 2011. With OSF support, Leon is currently the key actor in seeking to support a network of independent media (including OSF grantees as well as many others) called ALiados.

Here as well there is little to second guess about the investment of OSF (and LAP, in particular) in the start-up of La Silla Vacía. The participation of civil society actors, as bloggers and commentators, keeps LSV well-connected with civil society concerns, and has frequently been invited to moderate panels and meetings convened by civil society organizations. For the country at large, LSV has distinguished itself quite impressively, in just a few years, as the fourth most widely read digital news service (after *El Espectador*, *Semana* and *El Tiempo*).⁵

La Silla Vacía has a small staff, with ambitious plans that leave them perhaps somewhat overstretched. Like other entities discussed here, LSV's structure may be too dependent on Leon, and it is unclear what would happen should she step aside, as she is clearly the driving force of the operation. LSV's coverage is also very focused on Bogotá, and has received some critical feedback from readers, leading them recently to create "la silla caribeña" to ensure greater coverage of Colombia's Atlantic Coast. LAP has recently taken the decision to discontinue providing institutional support to LSV, but has offered a small grant to encourage a focus on homicides, as per LAP's current strategic priorities.

InSight Crime

InSight Crime is unique among the digital media reviewed here, both for their focus (regional and specific to crime/violence) as well as their leadership (US and UK). This internet-based website started from both a perceived need (by both OSF and its founders) for a clearinghouse of information and analysis about the challenges of organized crime in the region as well as the demise of journalistic opportunities for two seasoned war correspondents in Colombia. The particular focus synced well with the emerging portfolio on organized crime that I was handling at the time, and was considered complementary to support for more academic research and discussion on these challenges, which have loomed large in the region in recent years. The founders were already successful journalists: Steve Dudley had been chief correspondent for the *Miami Herald* and published a book on the M-19, whereas Jeremy McDermott had long covered the conflict for the BBC and other British news media. Both also have deep roots in Colombia: Dudley is a dual citizen of the US and Colombia, while McDermott is permanently based in Medellín with his Colombian family. Initially begun as a joint project in Bogotá with Fundación Ideas para la Paz, a few years ago it spun off and created the Fundación InSight Crime based in Medellín.

⁵ <http://cifrasconceptos.com/productos-panel-de-opinion/>

InSight Crime always intended to carry out its own investigations, while also aggregating the news content from other sources into a more digestible format. Always intended as a bilingual venture, the Spanish website has only recently become more fully operational (with a growing readership) and it is the English version which has earned it more prominence, more readers and ultimately more revenue. As they have established their reputation for independent and in-depth analysis at a regional level, InSight Crime has gradually taken on more internationally funded research projects – which as noted in the data provided in the Annex – have recently grown exponentially. Currently, OSF funds the main website (largely run out of Medellin by a cohort of young bilingual journalists and recent college graduates), whereas the more in-depth investigations are funded separately. However, the beauty of this is that, even when the final research products are not publicly available, there are public reports can be spun off utilizing essentially the same data and knowledge gained.

Perhaps more than any other LAP media grantee, InSight Crime is seen as a key reference by a multitude actors: *press* – it currently averages one citation per day in English and Spanish media; *policymakers* – its two main editors are frequently sought after by government, security and other policymakers for their perspective, in the US and Latin America; and *civil society* – most importantly, it translates, summarizes and conveys media published solely in Spanish for an English-speaking audience. InSight Crime says it receives 5-10 information requests a day from civil society organizations and individuals from around the region via email. Indeed, their collaboration and coordination with independent media and individual journalists throughout the region has been important, both for its own content as well as for the benefit of these journalists. For example, on occasion InSight Crime will publish content too dangerous for journalists to publish as original reporting, but which are more easily cited once published by InSight Crime. Also, local media use their reports to launch their own investigations or to ask questions they would normally refrain from posing. InSight Crime has expanded its network as well through their contracts (often from US government entities) for journalist training throughout the region.

As noted, the initial decision to fund InSight Crime came from LAP, and although co-funding was sought, the (then) Media Program declined. From their perspective, it was not easy to visualize the need to start a new entity and didn't fit easily into their categories of funding. As someone with the vantage point of being able to survey the field of research on organized crime and violence, and being increasingly frustrated with the slow pace of analysis and debate from civil society in a field dominated by officialdom, this felt like a risky but worthwhile investment. InSight Crime does a monthly analysis of its internet presence (averaging 7000 unique visitors daily) and an annual readers' survey to help it adjust and adapt to reader expectations and feedback. In our recent convenience sample, it was noteworthy that InSight Crime was rated as the most important source for those surveyed (slightly above El Faro), all but one of whom were based in Latin America. For LAP, InSight Crime has assumed a greater strategic importance as it collaborates with OSF and counterparts on discussions around homicides, which have long been a subject of their reporting and a current focus of LAP.

Although InSight Crime can be commended for its recent boom in funded proposals, I've long had a concern that receiving funds from official (mostly US) funding sources would compromise the journalistic integrity of reporting. Dudley and McDermott, as former international correspondents, have been able to maintain access to US and other law enforcement and intelligence sources that are the envy of national-level actors. However, I've consistently found that its reporting frequently question the *status quo* approach to fighting organized crime and drug trafficking, have a consistent focus on transparency and anti-corruption, and increasingly have covered broader aspects of drug policy that deal with production and consumption.

Final thoughts

By way of summary, the following points were (and will continue to be) important considerations and lessons learned from our previous engagements with digital media outlets.

- While funding digital media outlets is a cost-effective way of supporting the broader goals civil society and open society values, it might have been better not just to offer funding simply based on our broad hypothesis, but rather to build in measures – both in our monitoring and in that of the grantees’ – to ensure that our goals are being met (through focus groups, surveys, etc.) It would have been helpful to understand earlier on how digital media interacts with civil society, in both positive and negative ways.
- Often our decisions for funding particular digital media were based on faith in a particular individual combined with the direness of the national or regional situation. In retrospect, and despite the involvement of PIJ, we could have been more conscientious about ensuring the growth of new journalistic teams. In most cases, it worked itself out, but we could have been thought of ways to go beyond grant-making to providing technical assistance and a set of tools that might be helpful in the short and long-run to these organizations.
- OSF funded independent media *because* they are independent of external influences, and thus are more likely to be critical, but that independence should include donor influences. Separating core funding from project funding (for coverage of particular issues) may be a way of exercising influence on coverage of particular issues without the media organization sacrificing any independence. Such project funding seemed to work better when carried out in a shorter time frame and on more focused topics that might be more easily evaluated.
- Digital media in Latin America is still an elite affair, largely run by elites with elites as a primary audience. Readers are typically young or middle-aged, college graduates (even with post-graduate degrees), with middle and upper-middle incomes, according to a variety of surveys. However, digital media can also give voice to the underrepresented and marginalized, particularly when civil society actors are seen as important counterparts.