

Newspaper Growth in the Television Era

The Norwegian Experience

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According to the publication *World Press Trends*, the Norwegian consumption of newspapers is the highest in the world. The figure for 1997 was 598 daily newspapers per 1,000 inhabitants¹. Next to Norway on the list are Japan (580), Finland (453), Sweden (438) and Switzerland (385). Further down, we find United Kingdom with 314, Denmark with 307, Germany with 306, the United States with 209, Belgium with 158, Italy with 103 and Greece with 69 (*World Association of Newspapers* 1998).

Such large differences, even among rich, industrialized countries, clearly demonstrate that newspapers occupy very different positions in the national media systems. The causes of these differences, however, have seldom been the subject of systematic investigation, and are therefore not very well understood.

In the United States, newspaper penetration reached a peak between 1910 and 1930, when more than 1.3 newspapers per household were sold (cf. De Fleur and Ball-Rokeach 1982:39). From the 1950s onwards, the newspaper penetration has been characterized by a slow, continuous decline. The present level is 0.6 newspapers per household. In Great Britain the newspaper penetration has followed a similar pattern, although the peak level was reached in the 1950s as compared to the 1920s or 1930s in the United States.

According to De Fleur and Ball-Rokeach, the growth and subsequent decline of newspapers in the United States is a typical example of the normal diffusion process of mass media. After the medium has reached its maximum distribution, new media are introduced which cover some of its functions in a more satisfactory way. The main alternative to the newspaper was, of course, television. In his book on the British media, Jeremy Tunstall (1983) also regards the competition from television as an important contribution to the process of newspaper decline.

Based on the American and British experience, it is tempting to view a high level of newspaper consumption as something old-fashioned, as characteristic of a society where the newspapers have profited from the slow development of television and other competing media. This seems to be the opinion of Jeremy Tunstall, for example, who told the Norwegian newspaper *Dagbladet* that "the sale of newspapers (in Norway) has been artificially high for many years because you have had only one television channel" (*Dagbladet* 2.5 1995). Some Norwegian media experts have expressed similar views.

In my opinion, such explanations miss the point. People in a modern society will not buy an average of 1.8 newspapers per household, as they did in Norway in 1990, as a compensation for a restricted television fare. The newspapers must fulfil important functions for a large majority of the population, and they must be so different that people want to read more than one.

A more fruitful approach is represented by Karl Erik Gustafsson and Lennart Weibull (1996), who have compared the newspaper situation in Western European countries and identified a number of different factors associated with high newspaper penetration. In addition to a high GNP, the countries with a high newspaper penetration all have the same kind of newspaper structure, with “a strong local press, besides a fairly strong national press”. They also have an efficient system of newspaper distribution, and they have cultural and political traditions favouring newspaper readership.

If one wants to explain the strong position of the Norwegian newspapers, the development in the 1970s and 1980s is of special importance. In this period, newspaper consumption declined in most industrialized countries. This was also the case in Sweden, where the consumption fell from 1.5 newspapers per household in 1972 to 1.3 in 1990 (Høst and Severinsson 1997). In Norway, however, a period of decline from the early fifties to the early seventies was followed by a continuous growth that lasted until the late eighties. From a level of 1.6 newspapers per household in 1972, the consumption had increased to 1.8 in 1987 (figure 1). If one wants to use the concepts of diffusion studies, the 1970s and 1980s can be regarded as a period when the Norwegian newspaper was reinvented as a medium of communication for a modern society.

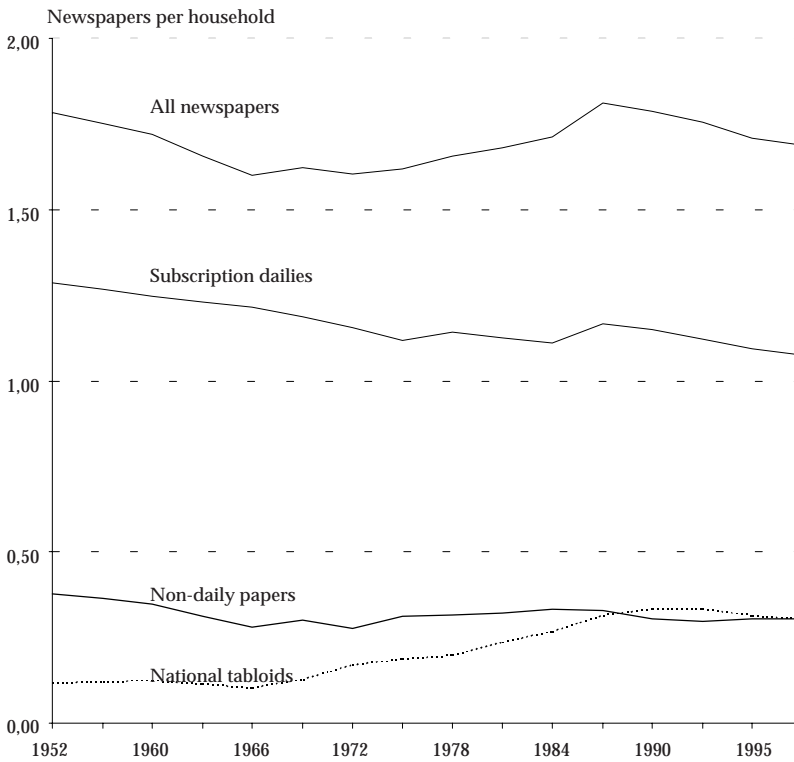
The main purpose of this article is to present a systematic description of the Norwegian newspaper system, and of the development since the early seventies. As shown in figure 1, the growth in total consumption is the net result of a complex process. Some kinds of newspapers have grown, while others have declined. A more fundamental result of this process is the transformation of the newspaper system as a whole, from a press dominated by local dailies with strong political loyalties to a non-partisan press characterized by geographical differentiation.

A second purpose is to discuss some possible explanations. Of special importance, in my opinion, is the interconnection between the newspaper system and Norwegian society in general. If one wants to understand the high level of newspaper consumption, the interplay between the decentralized Norwegian society and the decentralized newspaper system is probably more important than, for instance, the late introduction of commercial broadcasting or our system of newspaper subsidies.

A Decentralized Society

With 4.4 million inhabitants, Norway is slightly less populous than Denmark and Finland, which have 5.2 and 5.1 million respectively, and much smaller than Sweden with its 8.7 million. The population density is only 13 persons per square km,

Figure 1. Newspapers per Household, 1952 to 1997



which makes Norway one of the most sparsely populated countries in Europe. Another characteristic feature is the Norwegian topography, with its mountains, valleys and fjords. Most of the population live along the coast, while large internal regions are either uninhabited or very thinly populated. The majority of the population (74 per cent at the beginning of 1997) live in densely populated areas, i.e. communities with at least 2,000 inhabitants. Only 27 per cent, however, live in the four urban areas with more than 100,000 inhabitants: Oslo, Bergen, Trondheim and Stavanger.

One of the most important objectives of Norwegian post-war politics has been "to preserve the main features of the traditional residential pattern, and to ensure an equal living standard for every part of the country" (St. meld. no. 29 (1988-89) p.7). This policy is one of the main factors that have contributed to the maintenance of a scattered residential pattern. The Norwegian regional policy has often been contrasted to that of Sweden, a country that has experienced a considerable population flow from north to south and from the rural districts to the central urban areas.

This policy is a result of the part played by the geographical periphery (“distriktene”) in Norwegian politics. As Stein Rokkan (1967) and others have pointed out, the centre-periphery dimension has been an important element in Norwegian politics, often overriding the traditional conflict between left and right. Our first political party, Venstre (the Liberal party), had as its main task to defend the counter culture values (the New-Norwegian language, temperance and pietistic Protestantism) and the material interests of the periphery against the central government and the union with Sweden. The most important manifestations in later years have been the EU referenda in 1972 and 1994, where the geographical peripheries were massively against membership while the majority in the central areas were in favour. As will be remembered, at both times the membership alternative was rejected.

The Norwegian Newspaper System

In relation to the size of the population, Norway has a large number of newspapers. Counting all paid-for newspapers, which are published at least once a week, 221 newspapers were published at the end of 1997. Of these, 64 were dailies with six or seven editions per week, 16 were dailies with four or five editions, 80 were non-dailies with two or three weekly editions and 61 were weeklies. The number of papers has increased somewhat since 1969, when the total was 191.

These figures, as well as the other newspaper statistics used in this article, derive from a special archive of newspaper data at the Norwegian Institute of Journalism². The purpose of this archive is to collect information about all newspapers that have been published since World War II. The data from this archive differs somewhat from other data on Norwegian newspapers, which is based on membership statistics from the NAL (Norske Avisers Landsforening – the Norwegian Association of Newspapers). In 1997, NAL organized 154 newspapers, accounting for 94 per cent of total circulation. Most of the newspapers outside the NAL are small, local non-dailies organized in Landslaget for Lokalaviser (LLA – the national organization of local newspapers).

The Norwegian press consists of four large dailies in Oslo and a large number of small and medium-sized papers elsewhere. The four large papers are *VG* (370,000), *Aftenposten* (286,000), *Dagbladet* (205,000) and *Aftenposten Aften* (191,000), all of them among the twelve largest papers in the Nordic countries. These papers account for one third of the total circulation of 3,170,000. Of the remaining papers, eight have a circulation between 40,000 and 100,000, 18 are between 20,000 and 40,000 and 35 are between 10,000 and 20,000. 156 papers had a circulation of less than 10,000 in 1997. Median circulation was 5.200 – a normal size for a local tri-weekly paper.

The most important characteristic of the large majority of Norwegian newspapers is their local character. Each paper covers a clearly defined geographical area, which is both the main object of its journalistic surveillance and its primary market.

The 221 newspapers existing at the end of 1997 were published in 170 different places³. This means that the large majority are local monopolies. Local newspapers will be found in towns and urban settlements all over the country, but the concentration is highest along the western and northern coast. The number of places with local papers has increased more since 1972 than the number of newspapers (cf. figure 3). The growth in the 1970s and 1980s, then, has led to a further decentralization of the newspaper structure.

Until the middle of the 1980s, decentralization was also a characteristic of newspaper ownership. A large majority of newspapers had local owners. This includes the large group of social democrat newspapers, which were owned by a combination of local trade unions and Labour party chapters.

The Umbrella Model

In my studies of the Norwegian newspaper structure, I have found it useful to visualize it in terms of the umbrella model shown in figure 2. The main ideas of the model are that all newspapers have a geographically defined market, and that the markets for newspapers on a higher geographical level are made up of areas which are also covered by smaller papers. The model has four layers: a layer for national newspapers, a regional layer, a layer of other local dailies, and a layer of local non-daily papers.

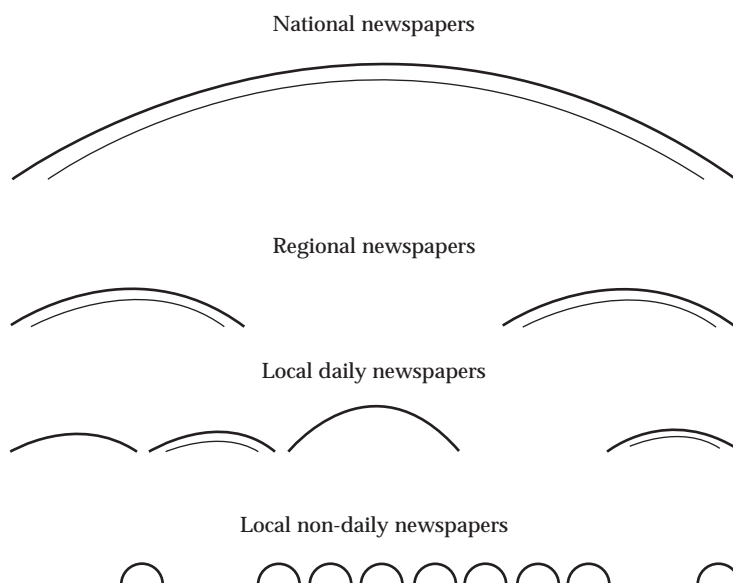
The meaning of the arches (umbrellas) representing the daily papers is both that these newspapers cover areas which are also covered by smaller papers, and that their household penetration is highest in the cities where they are published, and declines towards the periphery. Since competing papers from the same city usually cover roughly the same area, intra-city competition is represented by double arches, where the second arch is smaller and thinner than the first. Another important feature is the occurrence of "holes" in the model, which means that some areas will lack either a local daily or a small non-daily paper.

There is also a significance to the uneven sizes of the arches representing local dailies and the uneven positioning of the non-daily papers. The non-dailies are concentrated in certain parts of the country, which in the model is represented by the clustering of the small arches, and most of them exist under the umbrellas of rather large daily papers.

The term umbrella model or umbrella structure was first coined by the American economist James Rosse (cf. Rosse and Dertouzos 1978:153). My version is based on Compaine's (1980) illustration of the Rosse model, but it is made less symmetrical as an attempt to make it more representative of the Norwegian situation (cf. Høst 1987, 1991). Several other Norwegian scholars (cf. Lundby and Skogerbø 1988, Lundby and Futsæter 1993, Roppen 1991, Håland 1994) have also used the model in their work.

In Norway, the umbrella model has mainly been used as an illustration of the geographical differentiation between newspapers. As Gustafsson (1996) has pointed out, this is not what Rosse intended when he formulated his model. His purpose was to study inter-layer competition, ie. competition between newspa-

Figure 2. Four-layer Model of the Norwegian Newspaper System



pers from different layers, and the central question was whether the upper layers would grow at the expense of the lower layers or vice versa.

Among geographers, the idea of a hierarchy of large and small markets has found its classical formulation in the Central place theory of W. Christaller. In this theory, the different centres (cities, towns, villages and hamlets) with their respective markets are placed in a homogeneous landscape. The result is a regular pattern of large and small hexagons, each with a centre in the middle (cf. Dicken and Lloyd 1990, ch. 1). The umbrella model is in fact the same model viewed horizontally instead of vertically, with arches (umbrellas) instead of flat surfaces.

If it is to be used for theoretical purposes, then, it is probably most fruitful to view the umbrella model as a model of newspaper geography. In addition to the question of inter-layer competition, we should for example study the functions fulfilled by newspapers at the different layers, in the same way geographers study the kinds of goods and services produced in different kinds of centres.

The classification of newspapers used in tables 1 and 2 is an operationalization of the umbrella model. The classification was originally developed by the Norwegian press committee (Dagspresseutvalget, cf. NOU 1992:14). Later I have added *Aftenposten Aften* as a separate category. *Aftenposten Aften* is an evening newspaper published by *Aftenposten*, and does not readily fit into any of the other categories⁴.

Table 1. Norwegian Newspapers by Category, 1972 to 1997

Newspaper category	1972	1981	1987	1993	1997
National tabloids	2	2	2	2	2
Specialized national dailies	5	6	6	6	6
National non-daily papers	7	12	14	15	16
Regional papers ¹	4	4	4	4	4
Number 2 papers, largest cities	6	6	5	4	3
Local daily papers, no. 1	45	49	56	58	57
Local daily papers, no. 2	25	19	14	9	7
Local papers, 2-3 weekly editions	77	96	86	74	76
Local weeklies	27	22	28	36	49
Aftenposten Aften	1	1	1	1	1
Total	199	217	216	209	221

¹ *Aftenposten, Bergens Tidende, Adresseavisen, Stavanger Aftenblad.*

The national level is made up of the three first categories, i.e. the national tabloids, the "opinion papers with national distribution" (riksspredte meningsbærende aviser) and the national non-dailies. The regional papers and their local competitors make up the second level, while the local dailies and the local non-dailies constitute the third and fourth levels.

Table 2. Household Coverage for Norwegian Newspapers, 1972 to 1997

Newspaper category	1972	1981	1987	1993	1997
National tabloids	.17	.24	.32	.34	.31
Specialized national dailies	.06	.06	.06	.07	.08
National non-daily papers	.05	.05	.07	.07	.06
Regional papers	.30	.30	.30	.30	.29
Number 2 papers, largest cities	.11	.08	.07	.06	.05
Local daily papers, no. 1	.45	.50	.54	.53	.52
Local daily papers, no. 2	.11	.10	.09	.06	.05
Local papers, 2-3 weekly editions	.20	.25	.23	.20	.19
Local weeklies	.03	.02	.03	.04	.05
Aftenposten Aften	.13	.10	.11	.11	.10
Total	1.60	1.68	1.81	1.76	1.69

As can be seen from tables 1 and 2, the Norwegian press is a combination of national and local newspapers. The local press is the most numerous, and accounts for the major part of total newspaper circulation. With the classification used, 197 of the 221 papers published in 1997 are local or regional, and they account for 74 per cent of the total circulation.

Thus, the Norwegian situation is a confirmation of Gustafsson and Weibull's (1996:38) conclusion that the combination of a strong local press and a "fairly strong national press" is a prerequisite for a high overall level of newspaper consumption. In Norway, the strong local press is in fact a combination of two different kinds of paper – the local daily, which usually brings a certain amount of national and international news in addition to the local coverage, and the purely local non-daily paper.

Developments in the Expansion Period

The development of the newspaper structure from the early 1970s to the late 1980s can be summed up in four points (cf. figure 1 and tables 1 and 2):

1. Growth of the national tabloids.
2. Decline and death of no. 2 newspapers at the regional and local level.
3. Establishment of new, local non-daily papers.
4. Increase in the publication frequency of non-dailies.

In the same period, Norwegian newspapers have undergone an extensive modernization process. Most papers have increased their number of pages and the volume of editorial material. The journalistic and technical quality has also improved. By professional standards, the average Norwegian paper is a far better product now than it was 25 years ago.

Growth of the National Tabloids

Even in the remotest parts of the country, the two newsstand tabloids *VG* and *Dagbladet* are now available at the nearest grocery store, kiosk, gas station or cafeteria. Daily circulation in 1996 was 370,000 for *VG*, and 205,000 for *Dagbladet*, which gives them a household penetration for the country as a whole of 20 and 11 per cent. As opposed to all other Norwegian newspapers, which are mainly sold by paid subscription, *VG* and *Dagbladet* rely entirely on single copy sale. Even though they are published in Oslo, the penetration is almost the same in all parts of the country. Both papers are dominated by stories with a national appeal – national and international news, sports, consumer advice, celebrity news and human interest stories.

Despite the obvious commercialism and sensationalism of these papers, they have a much more serious profile than, for instance, British tabloids like the *Daily Mirror* or the *Sun*. *Dagbladet* has a long tradition as a literary and cultural newspaper, and is still an important forum for cultural debate. Reading *Dagbladet* is therefore most common among persons with education at the university level. *VG*'s claim to seriousness, on the other hand, lies in the quality of its news reporting. The social and demographic profile of *VG*'s readers is very close to the national average.

The growth of the national tabloids started in 1966. In that year, *VG* was bought by Schibsted, the owners of *Aftenposten*. *VG*'s circulation was a mere 34,000, as compared to *Dagbladet*'s 94,000. Most of its readers were found in the Oslo area.

For some years before the takeover, *VG* had tried to become a popular newspaper like *Expressen* and *Aftonbladet* in Sweden. With its new owners, the newspaper had the editorial resources it needed (cf. Eide 1995). It could also develop an efficient system for nationwide distribution. While the paper was sold at 2,500 different places in 1969, in 1982 the number had been extended to almost 9,000, and at present it is 13,000.

The new version of *VG* has proved to be a success beyond all expectations. *Dagbladet* was overtaken in 1972, and from 1981 *VG* has been our largest newspaper. At the same time, *Dagbladet* has also been growing. The growth accelerated in 1983, when the paper changed its format from broadsheet to tabloid, and adopted a more explicit commercial profile (Gynnild 1990, Klausen 1986). As can be seen from table 2 and figure 3, the combined result has been a very strong increase in household coverage for the national tabloids as a whole, from 0.10 in 1966 to 0.32 in 1990 and 0.34 in 1993.

Because of its remarkable success, and its visibility all over the country, *VG* has been an influence on the journalistic development and the journalistic profile of a large number of Norwegian newspapers.

Decline and Death of Local no. 2 Newspapers

From the beginning of this century and well into the post-war era, most cities with daily newspapers had two or three competing papers affiliated with different political parties. The typical combination was one liberal (Venstre), one conservative (Høyre) and one social democrat (Arbeiderpartiet) paper, but we also had a few local papers connected to the agrarian (Bondepartiet) or communist party.

In Norway, the process of local concentration did not begin until the late fifties. While we had 47 daily no. 2 papers in 1952, in 1972 the number was reduced to 30. In the Scandinavian literature, the economic mechanisms behind this concentration are described by Lars Furhoff (1967) in his theory "opplagsspiralen" (the spiral of circulation) and Karl Erik Gustafsson (1978) in the "Theory of Household Coverage". Although the actual development has often been more complicated than described by these theories, they have nevertheless been very important to the Norwegian and Swedish systems of press subsidies.

Press subsidies were introduced in 1969, and their purpose was to prevent newspaper deaths. As can be seen from table 1, this policy has only been a partial success. In 1997, we only had 10 no. 2 papers left, with a total circulation of 173,000. This corresponds to 0.10 no. 2 papers per household, only half the level of 1972 (table 2). As shown in my recent study of newspaper competition (Høst 1996), the situation for the remainder of the no. 2 papers is far from secure.

The decline and death of no. 2 papers lead to reduced circulation at the local and regional level. When a local paper has to close down, the remaining paper or papers will usually gain only a small part of its subscribers.

Decline caused by local competition is the main explanation of the decline in total consumption in the fifties and sixties. Despite the press subsidies, this process has continued throughout the expansion period in the seventies and eighties.

Establishment of New Newspapers

The closing down of newspapers because of local competition is an international phenomenon. What is characteristic of Norway, however, is the widespread establishment of new newspapers. The number of newspapers published today is therefore higher than it was 25 years ago.

The founding of new newspapers is a difficult process, and there has been a large number of failures in addition to the successes. According to the newspaper archive at the Norwegian Institute of Journalism, a total of 170 new papers have been started between 1970 and 1997. 84 of these papers are still alive, and most of them have a strong position among their readers and a viable (but not very secure) financial situation.

A large majority of the new papers are local non-dailies. Most of them were started in small or medium-sized municipalities, which lacked their own paper. Until 1989, newspaper subsidies were only given to papers with at least two editions per week. Since then, weekly papers have also been included. As can be seen from table 1, the result has been a significant increase in the number of local weeklies in the nineties.

Non-daily Papers Increase their Frequency of Publication

One kind of development that is often overlooked, is change in the frequency of publication. Most of the changes are increases, but there have also been a few examples of newspapers reducing their frequency of publication. Most important are the cases where non-dailies become dailies. Of the 80 papers with at least four weekly editions in 1997, 13 were non-dailies in 1972.

One characteristic example of such growth is *Firda* from Førde in the county of Sogn og Fjordane on the western coast. At the beginning of the sixties, *Firda* was a typical local non-daily with a circulation of 6,000 and two editions per week. When Førde grew and became a more important local centre, the paper expanded as well. *Firda* is now the leading newspaper in Sogn og Fjordane, with six weekly editions and a circulation of 15,000 (cf. Øye 1993a).

Because of the changes from non-daily to daily publication, the number of dailies has been fairly constant during the last 25 years despite the deaths of no. 2 papers. The number of towns or urban settlements with at least one daily paper has increased, however, from 49 in 1972 to 61 in 1997 (table 3).

Table 3. Places with Newspapers, 1972 to 1997

	1972	1981	1987	1993	1997
Three or more daily papers	5	3	3	2	2
Two daily papers	22	21	16	12	9
Daily and non-daily paper	3	1	7	4	8
One daily paper	19	28	34	44	42
Two or more non-dailies	10	13	8	5	5
One non-daily paper	72	86	89	95	104
Places with competing newspapers ¹	40	38	34	23	24
Places with newspaper monopoly	91	114	123	139	146
All places with newspaper	131	152	156	162	170
Number of newspapers	199	217	216	209	221

¹ Hamar is counted as a market with newspaper competition, even if *Hamar Dagblad* is a local edition of *Østlendingen* from Kongsvinger, not a separate newspaper (cf. NOU 1992:14 p. 20).

Transformation of the Newspaper System

The combined result of these changes can be characterized as a gradual transformation of the newspaper system as a whole. In 1972, the most prominent characteristic was the competition between local papers with different political affiliations. Outside of Oslo and the largest cities, the reading of national newspapers was the privilege of a small minority. In the last decade, however, we have seen the emergence of a truly hierarchical newspaper structure, with a fairly strong national press and greatly reduced competition at the levels of local and regional dailies. At the same time, the founding of new papers and increase in frequency among existing papers have filled many of the former holes in the system.

The increase in newspaper penetration from 1972 to 1987 is only slightly higher than the growth of the national tabloids. It is therefore tempting to see the expansion of *VG* and *Dagbladet* as the main explanation for this growth. In my opinion, however, there are at least two arguments against this interpretation.

First, we know from other countries that the growth of national papers often takes place at the expense of local papers. In Denmark, the growth of the Copenhagen newspapers can be compared to that of *VG* and *Dagbladet* in Norway, but there it was accompanied by a recession for the local daily newspapers (Thomsen 1991). A shift from local to national papers is also a characteristic of the development in Great Britain (Tunstall 1983:76, Franklin and Murphy 1991). When people all over Norway started to buy *VG* or *Dagbladet* on a regular basis, it was not obvious that they would maintain their previous level of local newspaper subscription.

Second, the subscription papers did better than maintain the status quo. Despite the continuing deaths of no. 2 papers, there has been a small, but significant growth in the total consumption of these papers. This growth has been most prominent among the local dailies. The fact that the local papers strengthened

their position in the same period as *VG* and *Dagbladet* expanded, is in my opinion the crucial factor in understanding the high level of newspaper consumption in Norway.

Improvement in Quality

That the local and regional papers fared so well can to some extent be explained by improvements in journalistic and technical quality. "Lousy, but indispensable" used to be a typical reaction to the local paper (Nyvold 1981). Today, this characterization is much less adequate. The editorial volume has increased, mostly due to an increase in local coverage made possible by higher income and subsequent increases in the editorial staff. This change is most conspicuous among the bi- and tri-weekly papers, which used to be edited by only one person until the beginning of the sixties. These papers now have at least a couple of journalists in addition to the editor, and in their coverage they use the same journalistic techniques as the dailies (cf. Øye 1993b).

Offset printing, which was introduced from the mid-sixties on, has resulted in better layout and an extended use of pictures. Again, the largest improvements are found among the small and medium-sized papers. Following the introduction of the new offset presses, most papers have changed their format from broadsheet to tabloid. Readership surveys have repeatedly shown that this format is more popular among the readers.

There have also been fundamental changes in the newspapers' relation to the political parties and the political system in general. Until the early seventies, most daily papers were closely connected to a political party. Then followed a gradual loosening of the political ties (Simensen 1997). Professional journalism has now replaced the former partisan coverage of politics at both the national and the local level.

Newspaper Subsidies

Newspaper subsidies were introduced in 1969, i.e. a few years before the beginning of the expansion period. The important question, then, is how much the subsidies have contributed to the growth in the 1970s and 1980s and to the subsequent maintenance of the high level of consumption. It is not unusual to hear that the subsidies are the main explanation, and that our high level of newspaper consumption is artificial because it is paid for by the State.

The original purpose of the subsidies was to prevent newspaper deaths. At that time, almost all of the weak no. 2 newspapers were connected to political parties, in the same way as were their local competitors. According to the parliamentary theory of the press (cf. Høyer 1982), strong bonds between parties and newspapers presuppose local competition. Newspaper deaths resulting in local monopolies were therefore seen as a threat to the legitimacy of the political press system.

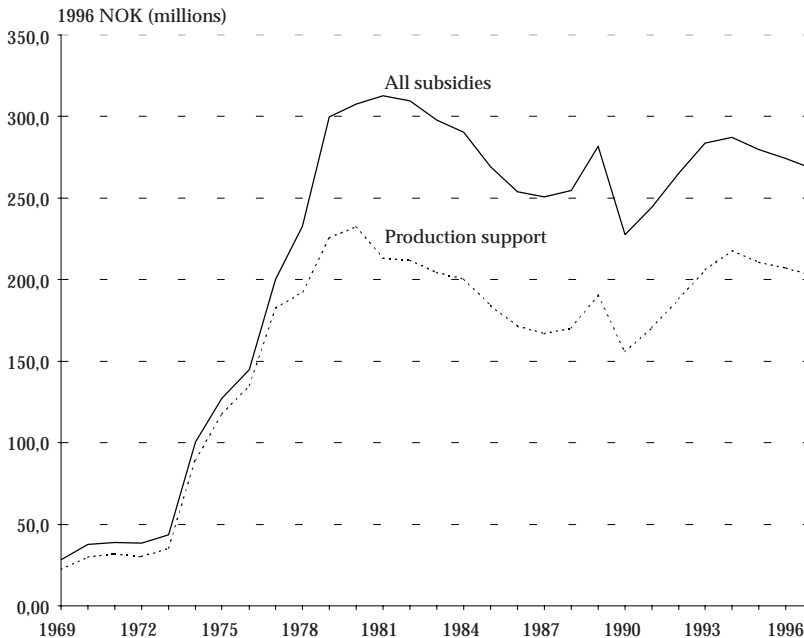
After a few years when the subsidies were far too small to meet the needs of the weakest papers, the amounts were raised to the present level of 250-300 mill 1996-kroner per year. After 1981, there has been a slow, long-term decline in subsidies, but with marked variations from one year to another. Most of the variations in figure 3 correspond to changes in government, with reductions during years with non-socialist governments and increases (or restoration of the original level) during years with Labour government.

Newspaper subsidies benefit four groups of newspapers. The first is the traditional no. 2 newspaper. Despite the subsidies, the number of such newspapers has been dramatically reduced. Of the remaining no. 2 newspapers, all are probably dependent on newspaper subsidies.

The second group is the specialized national dailies (riksdekkende meningsbærende aviser). Except for *Dagens Næringsliv*, which has grown to become a profitable business newspaper, and *Finansavisen*, which is not included among the recipients, newspapers in this group are also dependent on government subsidies for their survival.

The third group is the national non-daily newspapers. This group has benefited from generous grants, and as a result the number of such publications has increased since 1969. Many of the new papers in this category are weekly papers published by political parties and aimed at members of the party. This kind of newspaper is partly a successor, partly a supplement to the traditional political

Figure 3. Press Subsidies, 1969 to 1997



press. Thus a new kind of non-daily opinion press has evolved as a result of the subsidies.

The fourth group is the smallest local newspapers. During the first 15 years subsidies were given to all newspapers with two editions or more per week and a circulation of at least 2,000 but not larger than 10,000. In 1984, the upper limit was reduced from 10,000 to 6,000. Some years later, in 1989, weekly newspapers with a circulation of at least 1,000 were included. As a result, there has been a marked increase in the number of small weeklies and a corresponding increase in editorial resources and journalistic quality (cf. Øye 1993ab, Roppen 1993).

For most of the recipients, the press subsidies account for a relatively small part of their total income. In 1990, press subsidies accounted for 11.5 per cent of the income of the no. 2 papers (NOU 1992:14 p. 11). Among the local papers with two or three weekly editions, the percentage is even lower. (In 1996, the amount was 200,000 NOK for a local weekly, 275,000 for a bi-weekly and 350,000 for a local paper with three weekly editions. In Sweden, as a comparison, the production support for weeklies was 1,494,000 SEK in 1994.)

It is therefore not correct to say that the high level of newspaper consumption is paid for by the state. If the newspapers cannot cover the main part of their expenses through income from readers and advertisers, the present level of press subsidies is not sufficient to keep them alive. The only exception is some of the national non-dailies, whose large subsidies are regarded as support to political and cultural groups (eg. the Sami population of northern Norway).

Press subsidies have been an important part of the Norwegian newspaper business for more than 25 years. They can explain why we still have some local no. 2 papers left, and why there has been a growth in the number of national non-daily papers and local weeklies. What the press subsidies cannot explain, however, is the growth of the national tabloids and the strong position of all the local dailies in a number one or monopoly situation.

One way to estimate the importance of the press subsidies, is to imagine that all papers with subsidies suddenly disappeared. For 1997 this would mean that the number of copies per household would fall from 1.69 to 1.29, while daily papers per 1,000 would fall from 589 to 514. This is a considerable reduction, but 514 newspapers per 1,000 is still a very high level.

From Local Ownership to Newspaper Chains

Until the beginning of the eighties, most Norwegian newspapers had local owners. Some were owned by their founder or his descendants, others were owned by local companies or co-operative societies. Many of the local shareholders did not regard their shares as investments, but rather as some kind of social obligation. As a result, much of the profit was retained by the newspapers, where it was used for further investments or to increase the editorial staff. The only large owners were Schibsted and A-pressen (the Labour press), and Schibsted was the only owner with a commercial motivation.

Schibsted is the family company behind *Aftenposten*, and from 1966 it has also been the owner of VG. The success of VG, and the stability of *Aftenposten Morgen* and *Aftenposten Aften*, has increased the company's percentage of the total circulation from 19 in 1966 to 27 in 1997. Schibsted has also acquired substantial holdings in the regional newspapers *Adresseavisen*, *Bergens Tidende*, *Stavanger Aftenblad* and *Fædrelandsvennen*.

A-pressen used to be a group of Labour party newspapers, each organized as a local company with shares owned by trade unions, local party organizations and Norsk Arbeiderpresse, the central holding company. In this way, the Norwegian Labour party press had a more decentralized structure than the social democratic press in Denmark and Sweden.

In the post-war period A-pressen has consisted of approximately 40 newspapers, and they have accounted for almost 20 per cent of the total circulation. While some of their no. 2 papers have been closed down during the period, they have also acquired several new papers (Høst 1996). Most surprising (even to most Norwegians) is the fact that the majority of papers are alone or number one in their respective markets. Of the 38 papers belonging to A-pressen in 1987, only 11 were in a no. 2 position. This group of newspapers was by far the strongest social democratic press in Europe.

In 1989 Norsk Arbeiderpresse was reorganised, and the local newspapers are now daughter companies of the new media corporation. Only two newspapers have maintained the old ownership structure. Shortly after the reorganisation, Norsk Arbeiderpresse (later named A-pressen ASA) started to behave as a typical commercial media corporation: buying new newspapers, going into new areas like commercial television and the Internet, and selling their shares on the commercial market. At the end of 1996, foreign investors, with State Street Bank (9,8 per cent) and Chase Manhattan Bank (9,2 per cent) as the two largest, owned 26 per cent of the shares.

Our third newspaper chain is Orkla Dagspresse, a daughter company of Orkla, which is one of Norway's largest industrial conglomerates. The establishment of this chain started in 1985, when Orkla Communication bought Moss Avis (circulation 14,000) and large holdings in two other local dailies (cf. Roppen 1997). At the end of 1997, Orkla Dagspresse was the majority owner of 23 local newspapers with 11 per cent of the national circulation.

Between them, these companies now own 68 newspapers with 55 per cent of the total circulation. From an international perspective, this is a high degree of concentration. We also have two local chains, *Adresseavisen*, which is the owner of six small papers from the same area, and *Harstad Tidende*, with a total of six papers from the northern part of Norway. Chain ownership is most prominent at the level of local dailies. Among the non-dailies, most papers have the same kind of local ownership as before (cf. Høst 1994).

The competition between the Labour party newspapers with a strong local profile, and non-socialist papers with local owners, may well be one of the reasons why the local dailies have fared so well in the past. For the owners, a high

circulation figure was usually a more important goal than economic profit. It was also realized by both groups of papers that the quality of their local coverage was the key to success.

For an owner with a commercial motive, it is tempting to raise the rates of subscription and advertising and reduce the editorial budget, even if this would mean a somewhat lower circulation. What we have seen, is that most papers have made substantial raises in their rates of subscription since the end of the eighties (Høst and Severinsson 1997). This tendency is most prominent among the papers owned by A-pressen. At the moment it is not clear if these raises have resulted in a lower circulation.

Newspaper Readership

The high level of newspaper sales is the result of a strong and widespread interest in newspaper reading among the general public. Of the adult population, more than 90 per cent reads at least one newspaper on an ordinary weekday (table 4), and most of the readers read two papers or more. Non-reading is usually caused by factors particular to the days surveyed, while permanent non-reading (one week or more without reading a newspaper) has been confined to 2-3 per cent of all adults (Høst 1988).

Table 4. Newspaper Reading on Working Days 1971 to 1996 (per cent)

	1970/71	Febr. 1983	1991	1994	1997
All persons 15 year and older	88	93	93	93	91
15-19 years	83	84	88	81	77
20-24 years	86	92	89	90	86
25-29 years	89	91	89	91	87
30-44 years	89	94	93	94	91
45-64 years	88	95	96	96	97
65-79 years	88	94	95	95	93

Sources: *Faktas mediarapport 1971*, S. Høst: *Avisen og leserne 1988*, special tables from *Kultur- og mediebruksundersøkelsen 1991* and *1994* and *Norsk mediebarometer 1997*, Central bureau of Statistics, Norway.

Table 4 shows comparable results on daily readership from surveys conducted between 1971 and 1997⁵. As can be seen, the level has been somewhat higher in 1983 and the 1990s than in 1971, i.e. a pattern consonant with the development of household coverage.

In countries where the newspaper habit is declining, the decline has often started among young people. Norwegian newspaper editors and owners, therefore, are very much concerned about this group. The results in table 4 seem to

show a strengthening of the newspaper reading among youngsters and young adults from 1970 to 1991, followed by a possible decline. Due to the rather small samples of the three surveys from the 1990s, however, the results for these groups are uncertain.

One important finding from readership surveys is the absence of cleavages along social or demographic lines. Naturally, there are differences: men read slightly more than women, extensive time use among the old, extensive and qualified reading among the best-educated, but these differences are only variations on the main theme of high and almost universal newspaper readership. The equality between different groups is most prominent at the local level, where the newspaper is obviously a medium for everyone.

The Newspaper and the Local Community

Two factors make the bonds between local newspapers, local society and the individual especially strong in our country. The first is the importance of the local community and the local culture. Most of the local communities are relatively stable, dominated by persons whose families have "always" lived there. The local paper has often been an important part of the community for several generations. Thus, the subscription and regular reading of the local paper may be regarded as a continuous reaffirmation of one's identity as a member of the local community.

The other factor is the composition and importance of our municipal system. The municipalities play an important part in Norwegian society and Norwegian political life. After the municipal reform in the mid-sixties, there have been approximately 450 municipalities (454 from 1978 to 1988). In 1990 the average population was 9,500, and the median size was 4,400 (NOU 1992:15 ch.4).

Despite their moderate size, the municipalities are responsible for an increasing share of public administration and public services. While the municipal expenses constituted slightly less than half of total public consumption in 1960, the proportion had increased to about 60 per cent by 1980 (NOU 1992:15 p.85). The municipalities are responsible for many of the services which are most important to people, such as primary schools and kindergartens, homes for the aged, social care, sports facilities, cinemas and libraries, urban planning, water supply and sanitation.

Most of the characteristics of the Norwegian municipal system are typical for the Nordic countries in general. Within the Nordic model, as it is commonly known, the municipalities "perform a wide variety of functions and services. The municipal sector's share of the public sector is considerably larger than in other European countries". Within the mid- and south-European model the municipalities are "less developed and less independent as institutions of public administration" (NOU 1992:15 p. 236).

Small, self-governed municipalities with a wide range of important tasks encourage local political activity and create a need for local information. The Nor-

wegian local newspapers have traditionally played an active role in the local democracy. First, this was a natural consequence of their political partisanship. As explained by Ola Kirkvaag (1968:30), the first director of Norske Avisers landsforening:

Norway can be compared to a union of 450 municipalities, and the struggle for the political power in the municipalities is just as intense as the struggle for power at the national level. Since the daily press is the most important weapon in this struggle, it is preferable for all parties to have their own local paper.

As a result of the professionalization of the 1970s and 1980s, the local coverage is now much more independent and critical (NOU 1992:14 ch.11). In the same period, the growth and bureaucratization of the municipal administration has created a greater need for local information.

The growth of local papers has strengthened the link between the municipal structure and the newspaper structure. Every municipality is now covered on a regular basis by at least one local newspaper. If we count only the newspapers with a household coverage of 50 per cent or more, 93 per cent of the municipalities had at least one such newspaper in 1990, and 22 per cent of them had two (NOU 1992:14 p.28). In the latter case it was usually a combination of a daily newspaper from the nearest town and a local non-daily paper, i.e. the typical umbrella pattern.

In Great Britain, Franklin and Murphy (1991:192-193) has described a development where "the net effect (...) has been to hijack many of local government's key functions to an increasingly centralist state located in Whitehall and Westminster. (...) A major consequence of this development is that local newspapers have been deprived of their bread-and-butter news sources". In their opinion, this development is one of the main causes for the rapid decline of the local weekly press.

In Norway the development has taken the opposite turn. The growth of the municipalities has led to a strengthening of the local papers, and thereby strengthened the newspaper system as a whole.

Fears for the Future

Compared to the development in many other industrialised countries, the decline from the late 1980s on is modest indeed. The total newspaper circulation has been fairly constant (3,048,000 in 1987, 3,163,000 in 1993 and 3,170,000 in 1997), while the number of households has increased. In addition to the continuing growth of population, there is also a development towards smaller households. In the 1990 census, the size of the average household was 2.4, as compared to 2.7 in 1980 and 2.9 in 1970.

The only papers with substantial losses of circulation in the 1990s, are some of the no. 2 papers and the national tabloids. From 1994 to 1997, VG lost 16,000 (4 per cent), while *Dagbladet* lost 24,000 (10 per cent).

As can be seen from figure 1, the losses since 1994 came after some years where the tabloids only grew enough to compensate for the growth in population. The line for these papers look just like the media diffusion curve described by De Fleur and Ball Rokeach, with a period of growth followed by stagnation and then decline. What most commentators regard as the obvious explanation, is that the tabloids are more vulnerable to the competition from commercial television than subscription papers. The first satellite channels aimed at a Norwegian audience (TV3 and TVNorge) were introduced in 1988 and 1989, while TV2, the national, commercial channel, came in 1992. Until the middle of the eighties, most Norwegians had access to one television channel only.

Another possible explanation is that the decline is a natural reaction to a long period of growth. For many years, *VG* and *Dagbladet* have used all means available to attract the maximum number of buyers. When the appeal of some of the effects has worn out, the sales will decline. In Sweden, the household penetration of the national tabloids ("kvällstidningar") fell from 0.39 in 1972 to 0.23 in 1995 (Høst and Sverinsson 1997). For the Norwegian tabloids, the crucial question is whether they have entered a similar period of long-time decline.

For most of the subscription papers, the circulation has changed very little in the 1990s. Although they are making greater efforts in the acquisition of new subscribers than ever before, it is difficult for them to obtain a substantial increase. As a result, most of the papers are not able to maintain their former level of household coverage.

What makes the stagnation of the subscription papers important, is that it seems to be accompanied by an increase in households without papers. In a national survey in 1980⁶, only 5 per cent of people living outside Oslo and Akershus said that their household did not subscribe to a newspaper. In five local surveys conducted for newspapers owned by Orkla Dagspresse in 1995, the proportion living in non-subscription households was 11 per cent⁷. Although the samples are somewhat different, these results imply that there has been a real increase in non-subscription households. A more detailed comparison of the results shows that the rise in non-subscription has mainly occurred among people under 40 years of age. While 10 per cent of people between 20 and 29 lived in a non-subscription household in 1980, in 1995 the figure was 24 per cent.

Other data from the Orkla Dagspresse surveys show that newspaper reading and newspaper subscription vary according to the ties one has to the local community. Young people in one-person households, with weak ties to the municipality where they live, also have the lowest rate of local newspaper reading and the highest level of non-subscription.

There is reason to fear that many of the ties now connecting people to their local community will be weakened in the future. Decline of the traditional family pattern, increased mobility and identification with national or international lifestyles instead of the local community are some important examples. There is probably a threshold value where it becomes socially acceptable to be without a newspaper. When this occurs, an acceleration of the downward trend may be the result.

Notes

1. In their calculation, FIEJ seems to have divided the circulation figure for 1997 by the mean population in 1994. A more correct calculation is to divide it by the mean population in 1997. The result of this calculation is 589 dailies per thousand.
2. A more complete description of the base is given in the article "The Norwegian Newspaper System" (Høst 1991), while the difference between my data and the NAL data is discussed in *MedieNorge 1995* (Engen (ed.) 1995).
3. The definition of a newspaper's place of issue is usually straightforward: it is the town, urban settlement or municipality where the editorial staff is located. The only problems are some newspapers published in the suburbs of the largest cities. The solution I have used is to regard newspapers which are located in an independent municipality outside the city, or in a place that was an independent municipality prior to 1970, as newspapers with a separate place of issue.
4. *Aftenposten Aften* is a separate paper published by *Aftenposten* and distributed in the afternoon. While the editorial content is totally different from the morning edition, until the late eighties subscribers in the Oslo area received it as an integrated part of their subscription. For this reason, NAL did not recognize *Aftenposten Aften* as a separate paper before 1989. Since it is more local than the morning paper some researchers have regarded it as a local daily for Oslo while *Aftenposten* (the morning edition) is seen as a regional paper for the greater Oslo area.
5. The sources are *Faktas mediarapport 1971*, Høst 1988, own tables based on three surveys made by the Central Bureau of Statistics: *Kultur- og mediebruksundersøkelsen 1991* and *1994, Norsk Mediebarometer 1996*.
6. Unpublished data from the radio and television survey conducted for the Norwegian Broadcasting Corporation by the Central Bureau of Statistics.
7. The surveys are part of a programme for continuous surveillance of 13 different local markets. Each year local surveys with approximately the same questionnaire are conducted in half of these markets. Each survey has 600 respondents aged 18 years or above. The fieldwork is conducted by Opinion, while the planning is conducted by a working group from Orkla Dagspresse in cooperation with this author.

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