

## Michigan's 'free-market' media machine

*The Mackinac Center for Public Policy is a major player in state media. What to make of it?*

By Anna Clark

DETROIT, MI — In a time of upheaval for both politics and media, state-level think tanks sit at a peculiar nexus of influence: they both shape the news and report it.

And few are more influential on either score than the Mackinac Center for Public Policy, a “free market” think tank based in Midland, MI, that is one of the largest of its kind in the nation. Along with an affiliated legal arm, the Mackinac (pronounced MAK-in-aw) Center uses its considerable resources to wage an aggressive and often successful campaign on behalf of smaller government and against measures that it sees as limiting personal freedoms or private markets. Often, that means targeting teachers’ unions and other labor groups, who engage in their own counter-attacks against the center.

Since its founding in 1987, Mackinac has also become a major player in the state’s media ecosystem. Mackinac has a two-part media strategy. The first, more traditional flank involves putting out a steady stream of reports designed to move the state’s news agenda, and making its analysts readily available to journalists. For example, the center’s recent release of “report cards” on Michigan elementary and middle schools drew wide coverage, some of which made little mention of the center’s philosophical outlook. Bill Shea, a reporter and editor with Crain’s Detroit Business (and past CJR contributor), described Mackinac as a professional and responsive organization, and “a serious player in the state conversation. It’s hard not to use them” as a source, he said.

And Mackinac is generally well-regarded at what are still the state’s most prominent outlets for analysis and opinion—the editorial sections of the Detroit newspapers. Ingrid Jacques, deputy editorial page editor of The Detroit News, told me that “personally, I have used Mackinac Center experts—especially on education and labor policy—quite a bit in my reporting for editorials. I find them to be extremely well-informed and helpful.” Stephen Henderson, editorial page editor of the Detroit Free Press, said his own views on the center were “mixed”—he is most critical of Mackinac’s agenda on the “right-to-work” debate and charter schools. But “they seem to want to raise the intellectual stakes in every discussion,” Henderson said, adding, “generally, they’re a plus on the policy debate landscape.”

The second, more novel part of Mackinac’s strategy is to make its own media. The center publishes the polished Michigan Capitol Confidential news site—CapCon for short. (This should not be confused with Mackinac’s blog, which offers updates on its policy priorities, or IMPACT Magazine, a colorful bimonthly delivered in print to members, with features like “Michigan’s Craziest Laws.”)

The three-year-old CapCon is the most journalistically ambitious of Mackinac’s media operations; its four-member staff

includes three former reporters for traditional outlets. On its “About” page, the site pledges to “fill [the] void” of dwindling state coverage with “balanced, substantive reporting, aided by insightful analysis, hard data and legal expertise.” But the same page makes clear that CapCon shares a perspective with the think tank:

Michigan Capitol Confidential is the news source for Michigan residents who want an alternative to “bigger government” remedies in policy debates. CapCon reports on the public officials who seek to limit government, those who do not, and those whose votes are at odds with what they say.

For CapCon editor Manny Lopez, who did turns as both the auto and opinion page editor at The Detroit News, part of the appeal of working for the site is that it is “not trying to be everything to everyone.” CapCon was developed, Lopez said, because Mackinac’s white papers were “hard to digest,” and the think tank “saw the need to create a news outlet.”

Lopez says plainly that he is “conservative,” and has found CapCon a good fit. But the site is not partisan, he said. Among its stories are “hundreds of pieces on Republicans who are doing bad things for good government”—meaning, Republicans who support policies that, from a free-market point-of-view, are problematic. For example, a recent CapCon series profiled the 28 Republicans in the Michigan House who voted for “Obamacare’s Medicaid expansion.”

In speaking of CapCon’s audience, Lopez said, “the stories we write are widely read by Republican legislators for sure, and a lot of Democratic legislators too, whether or not they admit it.” Beyond the state capitol in Lansing, “we want to be a statewide, widely-read news source,” he said.

The site has had some successes. Jacques, of The Detroit News, said, “CapCon is ... an informative site that does break stories, despite a very small staff.” Another writer at a traditional in-state news outlet agreed, saying “they’ve broken some big stories that the traditional media has ignored.” The News’s editorial page editor, Nolan Finley, suggested that CapCon’s perspective is a plus in Michigan media: “Certainly they report with a point-of-view, but it’s a point-of-view often not otherwise represented.” (Alternatively—and humorously—a Free Press staffer told me, “I haven’t paid a whole lot of attention to CapCon, at least not recently. I think The Detroit News follows them more closely than we do.”)

CapCon’s most influential reporting to date is probably its coverage of so-called “dues skimming”—an arrangement in which state-supported home-based caregivers, including parents caring for disabled children, were required to pay monthly dues to the Service Employees International Union. That was “a big story that caught the attention of the ‘mainstream’ media,” says Jacques. It’s also a story that dovetailed nicely with the Mackinac Center’s decades-long push for anti-union

legislation, which is widely credited for helping to propel swift passage of a right-to-work bill during the lame duck legislature in December—a shift once deemed impossible in a state with such a rich union legacy. (I wrote about it for *The American Prospect*, a left-leaning magazine, in December.)

More recently, CapCon reporting provoked a large state union on a touchy issue—and in the process, revealed the benefits and limitations of CapCon’s journalistic model.

The occasion was Michigan’s 2012-13 Teacher of the Year Award, which the state bestowed on Grosse Pointe North High School science teacher Gary Abud Jr. CapCon submitted a records request to obtain Abud’s salary. (While newspaper journalists here tell me that strapped budgets limit their ability to make records requests, CapCon uses the strategy frequently, and one of its staffers is described as a “FOIA expert.” Mackinac is hosting a series of town halls this summer explaining how FOIA works.)

In a June 10 story, CapCon’s Tom Gantert revealed the salary information online, and noted that Abud, a relatively junior teacher, made less than both the state and district average. The story makes a case for merit pay, a key topic for school reform advocates (who, as I wrote recently for *CJR*, are experimenting with many models in Michigan). Gantert’s story also highlights a specific policy fix to what is presented as an injustice—House Bill 4625, introduced in the state legislature this spring.

The June 10 piece is no screed: the article maintains a balanced newspaper-style voice throughout. CapCon spoke with officials at Abud’s school and gave them space to explain the district’s pay structure. Abud is quoted at length, and in his first quoted comment, he de-emphasizes the importance of compensation for retaining high-quality teachers. CapCon also reached out to the Michigan Education Association, a teacher’s union, which did not respond.

Still, it’s hard to shake the sense that the story’s reason for being is less to present a debate on an issue—or even make the case for a specific policy—than it is to use a fairly innocuous news event to pump up a particular pending legislation, and to give a Mackinac wonk an opportunity to opine. The center’s education policy director is quoted as arguing that “unions and school boards have historically agreed to ignore teacher effectiveness altogether when determining salaries,” and so Michigan’s best teachers are underpaid. Though there is a tagline below the site’s logo that says CapCon is “a news service for the people of Michigan from the Mackinac Center for Public Policy,” there is no disclaimer about the relationship in the text, and no other experts are cited.

Gantert followed up with a June 21 story on an earlier Teacher of the Year finalist earning a comparatively low salary. Again, a Mackinac think-tanker was prominently quoted without a disclaimer, and again, HB 4625 was presented as a possible solution. (This time, the MEA provided a local education professor to argue against the bill.) A July 8 article repeated the formula, though without mentioning the bill.

The initial teacher-of-the-year story was picked up widely by education reform advocates, conservative news sites, and blogs. It also inspired an angry counter-reaction from Mackinac’s liberal-blog antagonists, and a more measured but still critical response from Abud himself. While many complaints suggested that Abud’s story had been co-opted by CapCon and

school reform groups to back a policy that he doesn’t support, Abud also claimed one of his statements was misrepresented by CapCon. (Lopez, CapCon’s editor, disputes this, but a blog post Abud published, which echoes his comments to CapCon, backs up his claims.)

From *Mother Jones* to the *National Review*, aggressive point-of-view reporting has a long and often proud tradition in American media. But the teacher-of-the-year stories highlight the tensions in CapCon’s model. Lopez said the site distinguishes between news and commentary much like a traditional newspaper, but straight news is unapologetically framed in ways that are friendly to Mackinac’s policy preferences. (See also this.) The site promises “insightful analysis,” but stories recite talking points from in-house experts. There is formal balance, but often, little sign of real grappling with opposing views—a formula that works okay for muckraking, but less well for wisely hashing through policy disputes.

Also problematic is Mackinac’s—and thus, CapCon’s—lack of disclosure about its funding sources. As a 501(c)(3) non-profit, the center does not have to disclose its supporters, and says on its website only that it “enjoys the support of foundations, individuals, and businesses who share a concern for Michigan’s future and recognize the important role of sound ideas.” By contrast, the nonprofit Wisconsin Center for Investigative Journalism, which I wrote about last month, makes a point of disclosing its financial supporters online and even makes its tax returns readily available for download, noting that these are public documents: “... as investigative journalists, we use (them) all the time to understand what organizations do. So here’s a look at us.” In contrast, various parties have attempted to bring sunlight to Mackinac’s ties—for example, this *American Prospect* article explores the State Policy Network, of which the center is a prominent member. But CapCon should have beat them all to the punch.

Bill Shea, the *Crain’s* reporter, sees CapCon filling a niche. “They obviously reflect a certain ideological point of view, and I think it’s important that statewide dialogue reflect as many of those points-of-view as possible,” he said. It’s a good point, and one CapCon embraces. “We’re not trying to... hide anything,” Lopez said when I asked about the site’s transparency norms. “We’re proud to be a product of the Mackinac Center.”

But while filling a niche and even breaking news is important, it’s not enough. The best news organizations demand transparency of others while practicing transparency themselves—particularly when it comes to funding sources and conflicts-of-interest. The best policy reporting—even reporting from a particular point of view—offers a fair-minded representation of other arguments. There’s no reason a pro-free-market news site can’t do those things consistently. Even amidst our modern media turmoil, these are journalism standards we should all be able to get behind.

Correction: This post originally identified Watchdog Wire as a publication of the Mackinac Center. It is not. *CJR* regrets the error.

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