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Why Newspaper Closures Lead to Higher Government Costs and Inefficiency.

You know how democracy dies in darkness? A new study says bureaucratic effectiveness might, too.

Local newspaper closures can lead to higher borrowing costs and more government inefficiency, according to a working paper made public last month—and the authors say it's bad news for cities and their taxpayers.

"[The findings] mean the taxpayers are paying higher expenses to finance the same projects," Chang Lee, an assistant professor of finance at the University of Illinois at Chicago and one of the study's authors, told Chicago. And when it becomes more expensive to borrow money, public works projects, like the construction of schools, hospitals, and roadways, might never even get off the ground, adds Dermot Murphy, also an assistant professor of finance at University of Illinois-Chicago and an author of the paper.

The idea for the study came from a 2016 Last Week Tonight with John Oliver segment on the implications of the decline of newspaper journalism, in which Oliver likens not having reporters at government meetings to "a teacher leaving her room of seventh graders to supervise themselves." Oliver's point was this: When a newspaper closes, the community loses an important watchdog.

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