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“Will the internet kill good journalism?”

When I started to write this address I toyed with two titles– will the internet kill good journalism? Or, has the internet killed good journalism?

Before I had decided, another question leapt into my mind – do people care if it has or does?

Hopefully this audience and a lot of other New Zealanders do carethey are just not sure how good journalism will survive.

I'd like to look at two major themes that have impacted the media this year.

One is International and one is domestic.

The first is the now widely held view that the World's media is so out of touch that it completely misread Brexit and Donald Trump's rise to power and has become irrelevant to a large part of the population.

The second one is - what's led to the two biggest media organisations in this county feeling they have to merge if they are to keep producing the sort of journalism that matters.

In my view there are many factors that are common to both these topics.

It wasn't that long ago that technology and the internet looked like they were going to be mainstream media's greatest allies.....in what I think is its key role ...providing timely information and context to a wide audience.

The combination of technology and the internet promised so much.

As a working reporter and later a news executive through the 1990's and early 2000's I saw and experienced it first-hand.

Mobile phones, almost overnight, doubled the productivity of reporters and newsrooms.

Portable satellite uplinks or SNG as we call it, allowed live coverage from remote and difficult field environments.....think back to the first Gulf war in 1990.

PC's and innovative software transformed production systems for print, radio and TV newsrooms.

The internet allowed journalists to quickly access information that previously took, days, weeks, months to find.

FTP (file transfer protocol) and laptops meant reporters could work anywhere, file from anywhere, at almost no cost.

These were just a few of the things, there were many others, that helped journalists and reporters do more stories and better stories.....looking back, I think it was a sweet spot in media history...a great time to be a journalist, and I think the public was well served too.

Profitability and competition spawned a whole range of new products and product innovation.

In my own area of TV News we had a plethora of news offerings, nightly current affairs shows, weekly long form current affairs shows and other news magazine shows.....think about where we are now on that front..... more on that later...as they say.

I'd like to fast forward now (another cliché) to the last few years, and the rise of Google and Facebook.....particularly Facebook.

The traditional mainstream media has lost control of its distribution platforms.....50 percent of Americans now get their news from Facebook.

I don't know the figure for New Zealand but my gut tells me that is probably similar.

There are two big problems with this.

The first one is money. If you are not buying a paper, reading the advertisements in it, or watching the ads on a free to air news broadcast or paying to access material online... then the content provider is going to go broke.....and, as we know, that's what's happening around the western world including New Zealand.

It's not a quick death though, it is a slow and painful one.....as Facebook and google suck more and more money out of the market.

News providers cut staff, lower quality, steal each other's material and now try to trick the public into clicking onto nonsense stories in the hope of staying in business.

All mainstream news media now distribute their content via Facebook.....they don't make much money out of it but they don't really have a choice.

What the mainstream media has done, perhaps unwittingly, is legitimise Facebook as a news source.

So here is the second problem.

News on Facebook is often, as we now know, not real news – it is fake news.

During the US presidential campaign there were times when fake stories from fake news sites got more engagement from audiences than mainstream sites.

The Daily Beast tracked some of the stories.

Denzel Washington backs Trump in the most epic way possible – the headline read. Denzel is now team Trump.

The story was shared 10,000 times from a single source; it had 80,000 likes in half a day.

The story was completely false, but the site it was posted on - American News - has 5.5 million followers and is verified by Facebook.

It is interesting to look at other stories that trended on Facebook during the Presidential campaign; here is a selection of the headlines,

Michelle Obama exposed for the pervert she really is.

FBI agent investigating Hilary Clinton, found dead.

Hilary Clinton is to be indicted.

Pope Francis has endorsed Donald Trump.

All these stories were false or fake....but they were shared over and over.

And the fakery has continued after Trumps victory.

A site called Endthefed ran a story saying Ford had shifted its truck production from Mexico to Michigan.

It was shared 15,000 times.

Other sites picked up this story and it was shared up to 20,000 times.

Now here is the real irony in all this.....At the very same time as this fake story was going viral, Ford's CEO announced that his company was doing the exact opposite.

Reuters reported that the Ford Motor company is moving ahead with its plans to shift production of small cars to Mexico from Michigan.

When the Daily Beast pointed this out – the story from Ford, which is entirely true, had just 233 shares.

It also turns out that much of this fake news emanated from Macedonia.

Buzzfeed reported that teenagers in the Macedonian town of Veles (population 45,000) had created 140 Trump sites.

They earned easy money off Facebook advertising by targeting gullible Americans with sites like Trump vision 365.com and Donald Trump news.com

So how does it work.....well according to Buzzfeed, most of the posts are plagiarized from fringe or right wing sites in the US. The teenagers write a sensationalized headline and post it to their site. They then share it on Facebook. The more people that click through from Facebook the more money they earn from ads on their website.

If you can get something to trend on Facebook then you can make money.

Another BuzzFeed story pointed out that until recently human editors were running Facebook's trending section. That was until there were accusations they were suppressing stories from more conservative news outlets.

After outrage from right wingers, Facebook fired all the humans and replaced them with an automated process, in other words, an algorithm.

A few days after the humans were exited, BuzzFeed says a fake story about Fox news anchor Megan Kelly being fired made the trending list and ever since then Facebook has been awash with Fake news.

As one of Facebook's former editors posted – and I quote -

“Sadly news feed optimises for engagement. As we have learned in this election, bullshit is highly engaging. A bias towards the truth isn't an impossible goal. But it is now clear that democracy suffers if our news environment incentivises bullshit”

Facebook's boss Mark Zuckerberg initially claimed that it was a crazy idea to suggest fake news stories played a part in Trump's victory and blamed low voter turnout.

But the pressure has been mounting on Zuckerberg, including from Facebook's own staff. In fact the employees formed a taskforce to question the role of their company in promoting fake news.

Last weekend he announced several projects to take misinformation seriously, including stronger methods of detection and verification.

He said Facebook would work with third parties and journalists - yes journalists - on fact checking and would explore putting warning labels on content that had been flagged as false.

Zuckerberg has also said that Facebook will try to prevent fake news sites from making money through its advertising system.

Up until now Facebook has claimed it is a technology company and not a publisher, therefore it is not responsible for whether articles are true or false.

But does this actually ring true? This year we have seen Facebook remove the Pulitzer Prize winning photo of the little girl fleeing a Napalm attack during the Vietnam War because she was nude.

They also removed a breast cancer awareness video for the same reasons.

I believe Facebook is a media company, not a technology company and it is responsible for and should to be held accountable for ALL the content in its digital pipeline.....not just when it suits it.

I agree with the Robert Thomson the chief executive of News Corp when he says quote “These companies are in digital denial – of course they are publishers and being a publisher means there is a responsibility to protect and project the governance of news.”

It feels to me that Facebook acts like a publisher when it wants to, but maybe not when money is at stake.

Trumps digital director Brad Parscale told a reporter after the Election - “Facebook and twitter were the reason we won this thing.” He added that 90 million US dollars went to digital advertising and most of that went to Facebook.

Other commentators blame Facebooks culture and the type of people it has hired for its lack of editorial sensibility.

Perhaps just as worrying and dangerous as fake news is the emergence of filter bubbles.

Filter bubbles happen where algorithms guess what information users would like to see based on past click behaviour and search history.

Filter bubbles leave users of social media inside an echo chamber of similar views.

Trumps digital guru, Brad Parscale, refers to them as “lookalike audiences.”

What we have seen in the US and we are starting to see here in New Zealand, is now being referred to as virulent tribalism.

Effectively people never get to see or hear information that disagrees with their viewpoints or prejudices.....as one commentator in the financial times put it “these platforms – Facebook and twitter – are central to democracy. Something has started to go wildly wrong.”

So let’s come back to New Zealand.....is it likely we will see fake news and filter bubbles play a role in next year’s election campaign?

The answer unfortunately, is yes.

We have already seen one example of fake news after the recent earthquake. A Post by a Geo net employee claimed the alpine fault could be about to unzip and cause a catastrophic event.

This was false.....the claim was not made by a Geo net employee.

The rise of social media platforms has had a severe impact on mainstream media in this country.

So much so, that our two biggest media organisations NZME and Fairfax say they need to merge if they are to continue producing quality journalism.

My analysis of the situation is they are looking for more runway, in other words if they stop competing with each other they will have longer to work out a new business model.....its public knowledge that the Herald wanted to bring in a paywall but feared losing most of their traffic to Fairfax’s stuff site if they did.

The merger, which given the Commerce commission’s preliminary ruling now seems unlikely, would seriously impact media diversity and I don’t think it would help Stuff me (as it is called) survive in the long term.

Yes, the plane would rumble down the runway for longer but eventually it crashes.....A merger wouldn’t stop Facebook, Google and Twitter taking all the money.

So what are the solutions? If we are to have a fully functioning democracy and an informed public debate in this country, then we are going to need a solution.

Paywalls are a possibility.....more people are beginning to recognise that we need to pay for good journalism, but I suspect there will never be enough of them.

Google and Facebook could volunteer to help.....this is not as farfetched as it sounds.

Last week Google announced that it is supporting 124 media projects across 25 European countries with 24 million euros as part of its Digital news initiative fund.

Interestingly a lot of the money is going to fact checking projects.

Partly, this is in the wake of Brexit and the Scottish referendum where “facts” turned out not to be facts but a politicians opinions.

Wouldn't it be nice if Google funded something similar here, before the next election.

The other solution and it would be a controversial one, would be to place a tax on Facebook's and Google's revenues generated in this country and redirect at least some of this money back into local media.

Public money is already allocated to media companies through NZ-On Air.

It does a good job but is now swamped with applications.....far more than it can possibly fund....it needs more money.

Imagine what it could do help journalism in New Zealand if it had an extra, say 20 million dollars.

That sounds like a lot of money right? Well consider this.....last year Google's revenue was 74 billion US dollars.....that easily exceeds the entire tax take in New Zealand.

Add in Facebook and the combined revenue figure comes to more than a hundred billion New Zealand dollars.

It is my submission that these two Giants should stop avoiding tax around the world and make sure that the internet does not kill good journalism.

Thank you.