House Judiciary Committee United States House of Representatives

"Filtering Practices of Social Media Platforms"

Testimony of David Chavern President and CEO News Media Alliance

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Chairman Goodlatte, Ranking Member Nadler, and members of the Judiciary Committee: thank you for inviting me to testify at today's hearing.

News Media Alliance

My name is David Chavern, and I am President and CEO of News Media Alliance, a nonprofit trade association representing over 2,000 news organizations across the United States and globally. Our members include some of the largest news organizations covering events around the globe, as well as local publications focusing on issues that impact the communities and daily lives of citizens in every state.

Quality News is Essential to Our Democracy

Quality journalism is essential to a healthy and functioning democracy -- and my members are united in their desire to fight for its future.

Too often in today's information-driven environment, news is included in the broad term "digital content." It's actually much more important than that. While some low-quality entertainment or posts by friends can be disappointing, inaccurate information about world events can be immediately destructive. Civil society depends upon the availability of real, accurate news.

The internet represents an extraordinary opportunity for broader understanding and education. We have never been more interconnected or had easier and quicker means of communication. However, as currently structured, the digital ecosystem gives tremendous viewpoint control and economic power to a very small number of companies – the tech platforms that distribute online content. That control and power must come with new responsibilities.

Dominant Online Platforms Control the Information We Get

Historically, newspapers controlled the distribution of their product; the news. They invested in the journalism required to deliver it, and then printed it in a form that could be handed directly to readers. No other party decided who got access to the information, or on what terms.

The distribution of online news is now dominated by the major technology platforms. They decide what news is delivered and to whom – and they control the economics of digital news

publishing. The First Amendment prohibits the government from regulating the press. But it doesn't prevent Facebook and Google from acting as *de facto* regulators of the news business.

Neither Google nor Facebook are – or have ever been – "neutral pipes." To the contrary, their businesses depend upon their ability to make nuanced decisions through sophisticated algorithms about how and when content is delivered to users. The term "algorithm" makes these decisions seem scientific and neutral. The fact is that, while their decision processes may be highly-automated, both companies make extensive *editorial* judgments about accuracy, relevance, newsworthiness and many other criteria.

The business models of Facebook and Google are complex and varied. However, we do know that they are both immense advertising platforms that sell people's time and attention. Their "secret algorithms" are used to cultivate that time and attention. We have seen many examples of the types of content favored by these systems – namely, click-bait and anything that can generate outrage, disgust and passion. Their systems also favor giving users information like that which they previously consumed, thereby generating intense filter bubbles and undermining common understandings of issues and challenges.

All of these things are antithetical to a healthy news business – and a healthy democracy. Good journalism is factual, verified and takes into account multiple points of view. It can take a lot of time and investment. Most particularly, it requires someone to take responsibility for what is published. Whether or not one agrees with a particular piece of journalism, my members put their names on their product and stand behind it. Readers know where to send complaints. The same cannot be said of the sea of bad information that is delivered by the platforms in paid priority over my members' quality information.

The major platforms' control over distribution also threatens the quality of news for another reason: it results in the "commoditization" of news. Many news publishers have spent decades – often more than a century – establishing their brands. Readers know the brands that they can trust—publishers whose reporting demonstrates the principles of verification, accuracy and fidelity to facts. The major platforms, however, work hard to erase these distinctions. Publishers are forced to squeeze their content into uniform, homogenous formats. The result is that every digital publication starts to look the same. This is reinforced by things like the Google News Carousel, which encourages users to flick back and forth through articles on the same topic without ever noticing the publisher. This erosion of news publishers' brands has played no small part in the rise of "fake news." When hard news sources and tabloids all look the same, how is a customer supposed to tell the difference?

The bottom line is that while Facebook and Google claim that they do not want to be "arbiters of truth," they are continually making huge decisions on how and to whom news content is delivered. These decisions too often favor free and commoditized junk over quality journalism. The platforms created by both companies could be wonderful means for distributing important and high-quality information about the world. But, for that to happen, they must accept accountability for the power they have and the ultimate impacts their decisions have on our economic, social and political systems.

A New Framework for Quality

Honorable members of this Committee: too much is riding on these issues to let them pass without action. The major technology platforms are no longer new or inconsequential. The choices they make have tremendous influence on the sustainability of the news business, and many other industries across our economy.

We offer no easy answers as to the ultimate regulation of these companies. In many ways they present absolutely novel challenges to policy-makers. However, with respect to the topic of today's hearing, a strong first step would be a simple acknowledgment of the immense filtering and decision-making power that both companies possess and exercise today. Neither company is "neutral," and it's wrong to pretend they are. From that flows a clear need for both companies to have: (i) enforceable, transparent standards on their algorithmic decision-making, particularly as to fairness and openness; and (ii) systems and policies that reward original, quality information and content provided by trusted news organizations employing professional journalists. With respect to the latter, we wish to express strong support for H.R. 5190, the "Journalism Competition and Preservation Act of 2018," recently introduced by Representative David Cicilline (D-RI). We believe this bill would go a long way towards reducing the imbalances in the current system of content distribution.

The major technology platforms are wonderful and original creations, but they need to be much better stewards of the information they distribute to the public than they are today if we hope to sustain a vibrant civil society into the future.

I look forward to discussing the steps we can take to improve upon this situation, and I welcome your questions.

Thank you.