**Remarks Submitted by Dr. Courtney C. Radsch**

**Director of the Center for Journalism & Liberty at**

**OpenMarkets Institute**

**The Future of News Media: AI, Revenue Models, and Democracy**

**WSIS+20 Forum High-Level Event 2024**

**What type of public policies are needed to combat disinformation and ensure a future for journalism?**

There is widespread recognition that journalism is essential to democracy. It informs the citizenry and cultivates community engagement. And it holds those in power accountable.It is also a critical source of quality information to combat disinformation, full information voids, and improve the health of information environments.

Technology has done some amazing things for journalism, freedom of expression and participatory communication here and around the world. But over the past decade as we’ve seen innovative startups turn into or merge with monopolistic behemoths we’ve seen a concurrent degradation of the viability of news media, with thousands of news outlet closures and dramatic declines in the number of working journalists in the US and around the world. This concerning trend has been accompanied by [democratic erosion](https://freedomhouse.org/report/freedom-world/2023/marking-50-years) at home and around the world.

Platform monopolies that dominate search, social media, video sharing and now AI have propelled disinformation and propaganda even as they have damaged journalism by exploiting their dominance in digital advertising, using news content without fair compensation to journalists or publishers, and by algorithmically appropriating the role that diverse news editors used to play in influencing readers’ attention.

The crisis facing journalism and our information environment more broadly is not a problem of the news industry’s own making and can’t be solve through media and information literacy programs that put the onus on individuals when the problem is with the business models of Big Tech and result from legal regulatory frameworks that privilege tech platforms over the press *and* give the former unfettered power to set the rules for the rest of the economy.

There are several types of public policy needed to combat disinformation and ensure a future for journalism. Chief among these are antitrust and competition policy, including news media bargaining codes and common carriage requirements or what I like to call must carry, must pay; and ensuring that intellectual property rights are respected and AI companies are required to compensate publishers and other content producers for the value created from the use of their content to build large language models and other foundation models and retrieval augmented generation systems that fuel applications like generative search, content creation and summarization, and other information retrieval and creation systems. Relatedly, police requiring platform transparency, including for all paid speech and not just political ads, and access to data for independent regulators, researchers and journalists are required to enable other types of beneficial public policy and effective oversight.

Antitrust interventions and competition policy are needed to prevent Big Tech from leveraging its control over data, compute, cloud, talent and capital to further consolidate their power, preference their own lines of business, and impose dangerous and disruptive new technologies without internalizing the costs to the public and to the environment.

The way we govern competition in digital markets is intertwined with the integrity of our information environment and the future of journalism. Competition policy plays a fundamental role in structuring media markets and business models that ensure the future of a strong and independent free press where journalists can make a living and work safely and without fear of reprisal, from government or corporations. And it can be used to mitigate the control over digital advertising infrastructure that has made disinformation a profitable endeavor for content farms, junk news sites, and even foreign propagandists.

[Nations around the world are seeking to rein in](https://www.journalismliberty.org/tech-media-fair-compensation-frameworks) the power of these platforms and revitalize their news media markets, with growing support for news media bargaining codes like those already passed in Australia and Canada and under consideration in a [dozen](https://www.journalismliberty.org/tech-media-fair-compensation-frameworks) other jurisdictions that require very large search and social media firms to negotiate fair compensation rates with publishers for the [value](https://www.techpolicy.press/the-value-of-news-content-to-google-is-way-more-than-you-think/) they create for the platforms, which bring in billions of dollars in revenue each year. These policies should be extended to AI companies while empowering smaller publishers to pool their resources and collectively negotiate (as CJL [recommended](https://www.journalismliberty.org/publications/radsch-testifies-before-south-africa-competition-commission) to the South African Competition Authority in its Media and Digital Platforms Market Inquiry). These policies must include access to data needed to make determinations of value for fair compensation.

Google and Facebook have unfortunately responded with [retaliatory actions](https://www.journalismliberty.org/publications/center-for-journalism-liberty-director-courtney-radsch-testifies-today-on-how-big-tech-extorts-anti-democratic-control-over-information-ecosystems-government-oversight) to dodge or influence the outcome of these regulatory efforts, including censoring news in Canada and California and deprioritizing the dissemination of news on their platforms. To avoid this type of retaliation and censorship, which exacerbates the disinformation crisis and undermines the rights of people to access information, policymakers should consider must carry, must pay provisions. This would require that critical information intermediaries, like search and social media, would be required to carry news and could not just decide to censor journalism in order to avoid paying their fair share. Furthermore, this should be extended to AI companies that build foundation models, which require access to quality information to function well and mitigate so-called hallucinations, and RAGs related to information retrieval, such as those that power chatbots, answer engines and generative search.

**How do you think about the value of journalism and news in AI systems?**

Big Tech is building its latest technology on the intellectual property and uncompensated use of expression, content, and data collected online and in databases while fueling the proliferation of synthetic media, deep fakes, and junk content that undermines the integrity of our information environment. Journalistic content, which is far more than just a collection of facts and is often gathered at [great costs](https://cpj.org/) to the [journalists](https://www.unesco.org/en/safety-journalists/observatory?hub=687) who report the news, is indispensable to these new AI technologies. The journalism sector needs a more sophisticated framework for how to determine the value of their content and what fair compensation would look like throughout various parts of the AI value chain. The legal regulatory system is lagging behind in terms of both failing to enforce intellectual property rights, allowing a handful of companies to further entrench their dominance and develop technologies and business models that undermine the viability of entire sectors of the economy, including journalism.

Journalism cannot be expected to adapt its business models to the AI era without interventions by policymakers to correct market imbalances, enforce intellectual property rights, and require data access and transparency of AI systems.

After decades of giving away their content for free and being held hostage to the power of social media and search platforms, news publishers are realizing that they need to be more proactive in the era of artificial intelligence. As AI companies rely on news content to train their large language models and make AI applications more relevant, publishers already contending with a precipitous decline in referral traffic and the continued monopolization of digital advertising by Big Tech are being exploited even further.

The damage tech corporations have wrought on news publishers by cannibalizing their original content and data, displaying them in their search results or social media feeds, and then diverting advertisers, readers and potential subscribers away from the news sites themselves is [existential](https://www.journalismliberty.org/publications/brookings-can-journalism-survive-ai). Reduced revenues earned from subscriptions, advertising, licensing, and affiliates undermines not just the ability to produce quality journalism but also the industry’s underlying business model and the integrity of our politics as journalism watchdogs go out of business.

But journalism cannot be expected to adapt its business models to the AI era without [interventions by policymakers](https://www.journalismliberty.org/publications/battle-over-using-journalism) to correct market imbalances, enforce intellectual property rights, and require data access and transparency. Industry action must go hand in hand with legislative and regulatory action.

Efforts to create a marketplace for publishers and AI companies are nascent but promising, but these voluntary efforts will still need to be shaped by public policy that ensures there is sufficient information available to determine fee structures. Also, policymakers should allow small publishers to collectively bargain given the inefficiency, difficulty, and improbability of each outlet trying to get a deal on their own. Smaller publishers are not prioritized by AI companies, according to the CEO of Perplexity AI, and is reflected in the fact that only the biggest or most prominent publishers have secured AI deals with tech firms.

How we decide to allocate intellectual property rights and what we decide about how fair use does or does not apply to developing and training artificial intelligence systems will have profound ramifications for business models in a variety of sectors and the further concentration of power in a handful of technology corporations. Over the past nearly two decades, as tech companies like Apple, Amazon, Google, Meta, and Microsoft grew to become some of the most valuable companies in the world, the United States [lost](https://localnewsinitiative.northwestern.edu/projects/state-of-local-news/2023/) a third of its newspaper and two-thirds of its newspaper journalists. They cannot be replaced with AI.

Gone are the days of passive acceptance that enabled social media and search platforms to siphon off value from publishers and journalists without compensation. We know that journalism is essential to democracy. Given AI’s well-established harms like the spread of misinformation during elections, we cannot say the same about generative AI.