

Rupert Murdoch wants Facebook to pay for news

January 26 2018, by Levi Sumagaysay, The Mercury News

Media mogul Rupert Murdoch has seized the moment and weighed in as Facebook struggles to deal with the aftermath of its role in the spread of fake news that affected the U.S. presidential election: He wants Facebook to pay for news.

Murdoch, whose disdain for <u>tech companies</u> and their use of news articles is nothing new, is weighing in as Facebook is announcing new ways it will handle news on its platform.

Recently, Facebook said it would survey users to find out which news sources they find "trustworthy."

"If Facebook wants to recognize 'trusted' publishers then it should pay those publishers a carriage fee similar to the model adopted by cable companies," Murdoch said in a recently released,

Facebook also said recently that it would de-emphasize content from publishers and brands and play up Facebook users' friends' posts instead, which rattled the nerves of both the company's own investors and the news publishers that rely on it for online traffic.

Murdoch is a longtime vocal critic of tech companies' handling of online news. In 2009, Murdoch's News Corp. reportedly talked about pulling links to its news stories from Google and displaying them exclusively on Microsoft's Bing search engine. Murdoch has said that Google and others "steal our stories."



"The publishers are obviously enhancing the value and integrity of Facebook through their news and content but are not being adequately rewarded for those services," Murdoch said in his statement. He also blamed Facebook and Google's algorithms for popularizing "scurrilous news sources."

Facebook and Google have not responded to our request for comment.

Facebook and Google are so dominant—gobbling up 60 percent to 70 percent of online ad revenue, according to different tracking firms—that many American news publishers last year formed the News Media Alliance. The alliance is asking Congress to let it bargain collectively with the Silicon Valley companies.

"A carriage fee would be one clear way to bring more economic balance to the system," said News Media Alliance President & CEO David Chavern in a recent statement. "We need a digital ecosystem that provides a viable economic return to publishers, and we don't have that today."

Murdoch's News Corp. is parent <u>company</u> of Dow Jones, which is a member of the News Media Alliance.

But some public advocacy groups question what Murdoch's proposal would mean for an open internet.

"The idea that you have to pay a site to link to it undermines the entire purpose of the web, and calling linking 'carriage' is either disingenuous or ignorant," John Bergmayer, a tech policy lawyer for consumer advocacy group Public Knowledge, told the Washington Post.

In nations such as Germany and Belgium, news publishers have tried—and so far failed—to get tech companies to pay up. In Spain, a



"Google tax" that aimed to charge internet companies for <u>news</u> links backfired when Google shut down Google News in that country a few years ago.

©2018 The Mercury News (San Jose, Calif.) Distributed by Tribune Content Agency, LLC.

Citation: Rupert Murdoch wants Facebook to pay for news (2018, January 26) retrieved 9 April 2024 from https://techxplore.com/news/2018-01-rupert-murdoch-facebook-news_1.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.