

INFORMATION AS POWER

COMM1A – WEEK 1; Sept 21, 2015

Information as Power

2

Information shapes behavior

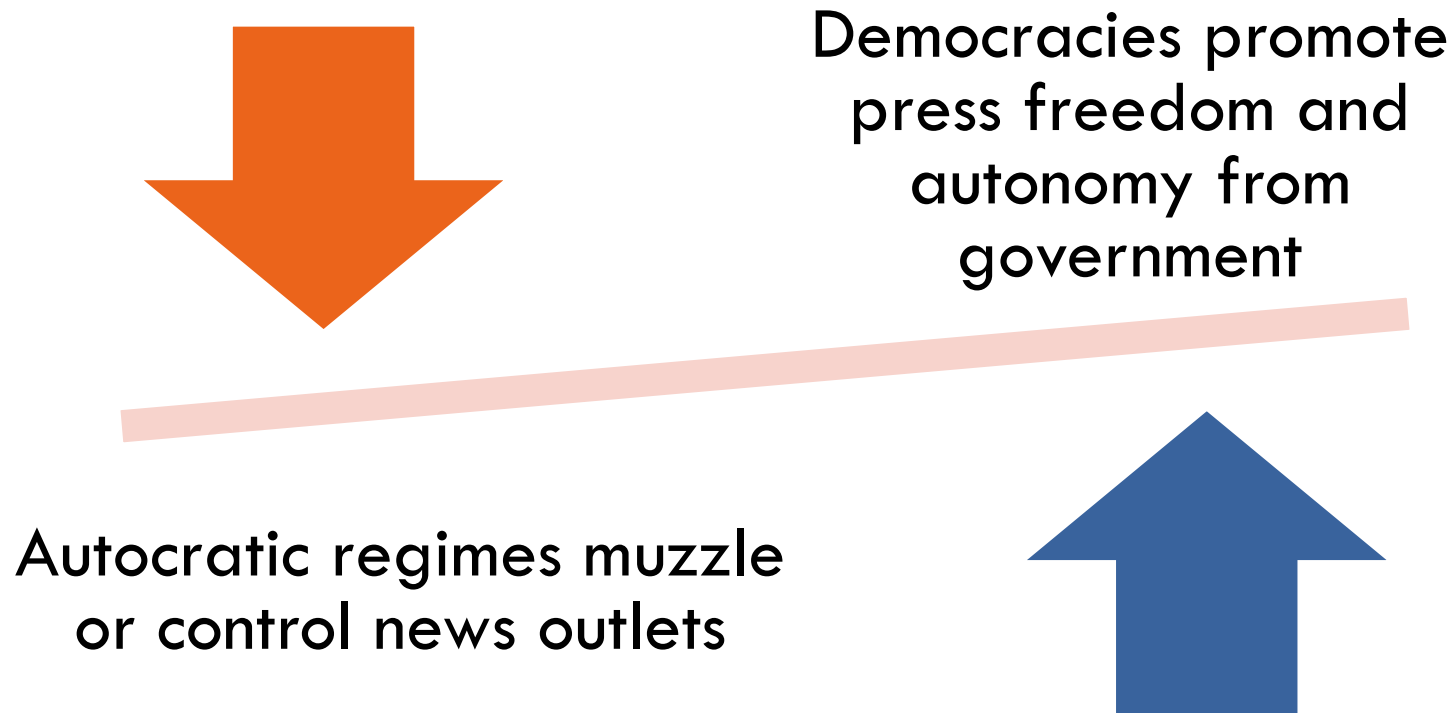
News media are the principal providers of current affairs information

Political elites and those seeking to replace them have a strong interest in shaping the content of information, thereby influencing the behavior of citizens

Official Influence on Information

3

To varying degrees:



Better to think of official influence as a continuous rather than binary variable

Outline

4

Controlling information through media ownership
(Djankov et al.)

Controlling information through censorship:

(1) The Russian case (Gehlbach)

(2) The Peruvian natural experiment (McMillan & Zoido)

(3) Social media in China (King et al., Shirk)

(4) National security journalism in the U.S.

5

Controlling information through media ownership

(Djankov et al. Who owns the media?)

Mechanisms of Control: Ownership

6

In most extreme cases of authoritarian rule:

- **Government owns and operates news organizations**
 - Pravda – owned by the CPSU
 - Xinhua – press agency of the PRC
- **Programming determined by officials (to varying degrees)**

Mechanisms of Control: Ownership

7

Djankov et al. study of ownership patterns



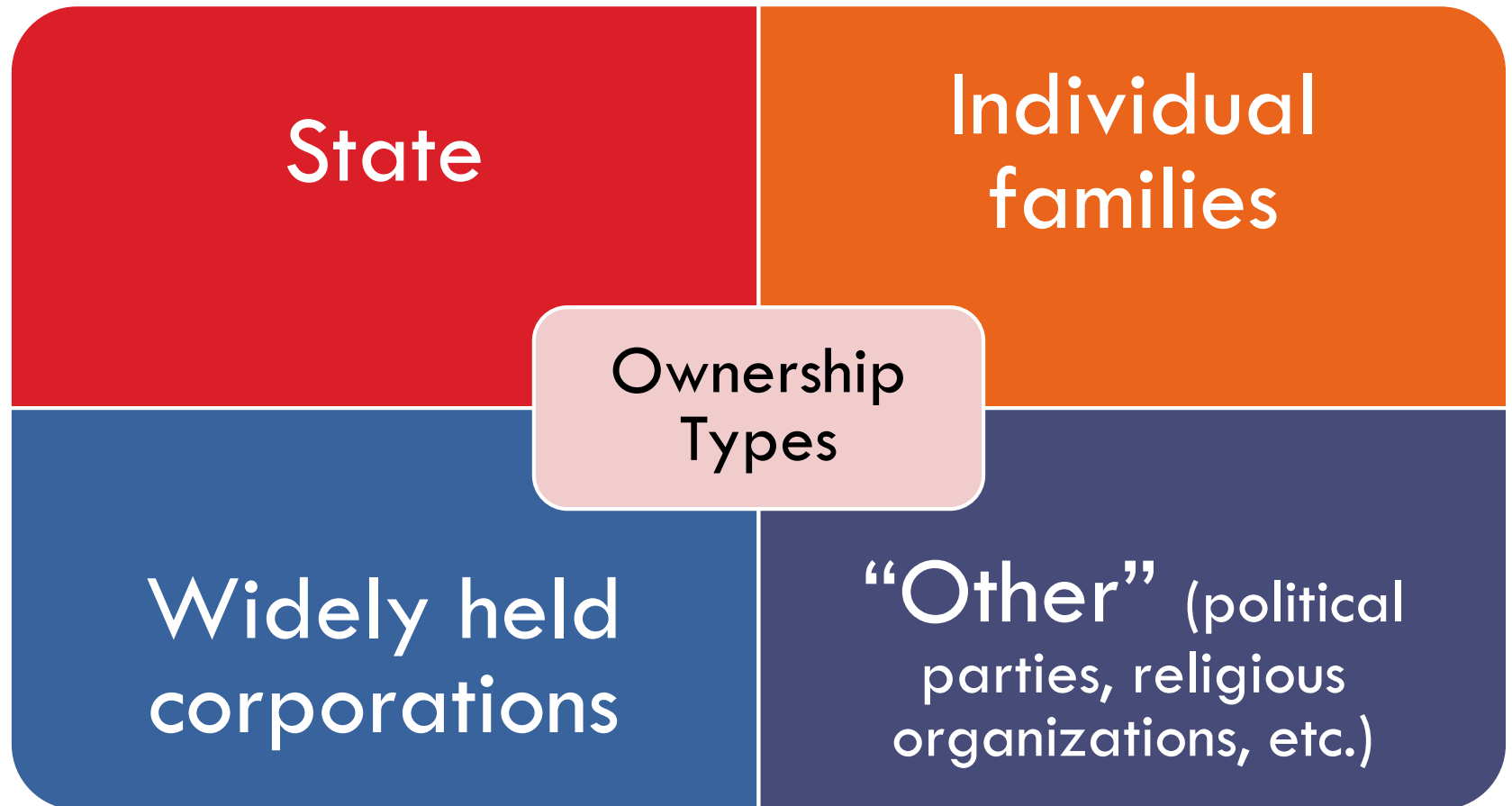
Shows that state control is frequent:

Applies to 27% of
top (largest market share)
newspapers

Applies to 60% of
top TV stations

Four Classes of Ownership Types

8



Four Classes of Ownership Types

9

Family
ownership is
extensive



57% for
newspapers
and 34%
for TV
networks

State



Family



>80% of
newspapers
and 95% of
TV

State Monopolies

10

Most extreme cases of controlled media – when government controls news outlets that have greater than 75 percent audience share

21 countries are state monopolies for newspapers

43 state monopolies for TV

General pattern: state influence significantly greater over broadcast than print media

Effects of Geography

11

Strong geographical variation in presence of state monopolies

State ownership greater in Middle East and Africa

African governments control 85% of broadcast sources

Audience Share of State-owned TV

Africa, Middle-East

• 85%

Americas

• < 11%

W. Europe

• 55%*

Asia

• 70%

State Control vs. State Subsidies

13

- Fundamental distinction between government-**owned** and government-**chartered** news organizations
- Two distinct patterns of state ownership:

Authoritarian regimes

- Media are **controlled** by government officials

Democracies

- State **subsidies** are provided to independent “public service” broadcaster

State Control vs. State Subsidies

14

Most democracies established
“public service broadcasters”

- Mandate was to provide programming in the public good
- Began with the U.K.
 - BBC

Why Not Public Service Newspapers?

15

- Public service argument applies only to broadcasting because the airwaves are a public good
- Government regulation of broadcasters predicated on a *quid pro quo*:

Government grants broadcasters access to the airwaves



Therefore government is entitled to extract concessions



Earliest case of federal regulation

Principles of Public Broadcasting

16

Publicly Owned Broadcasting

- Ensures the provision of certain types of “welfare-enhancing” programming that the market alone would not provide

Commercial Broadcasting

- Seeks to deliver largest possible audience at lowest possible cost
- Deliver programs with shallow but wide appeal

Funding Public Broadcasting

17

- **Public broadcasting** – television and radio networks funded by government
 - Funding comes in two forms:

License Fees

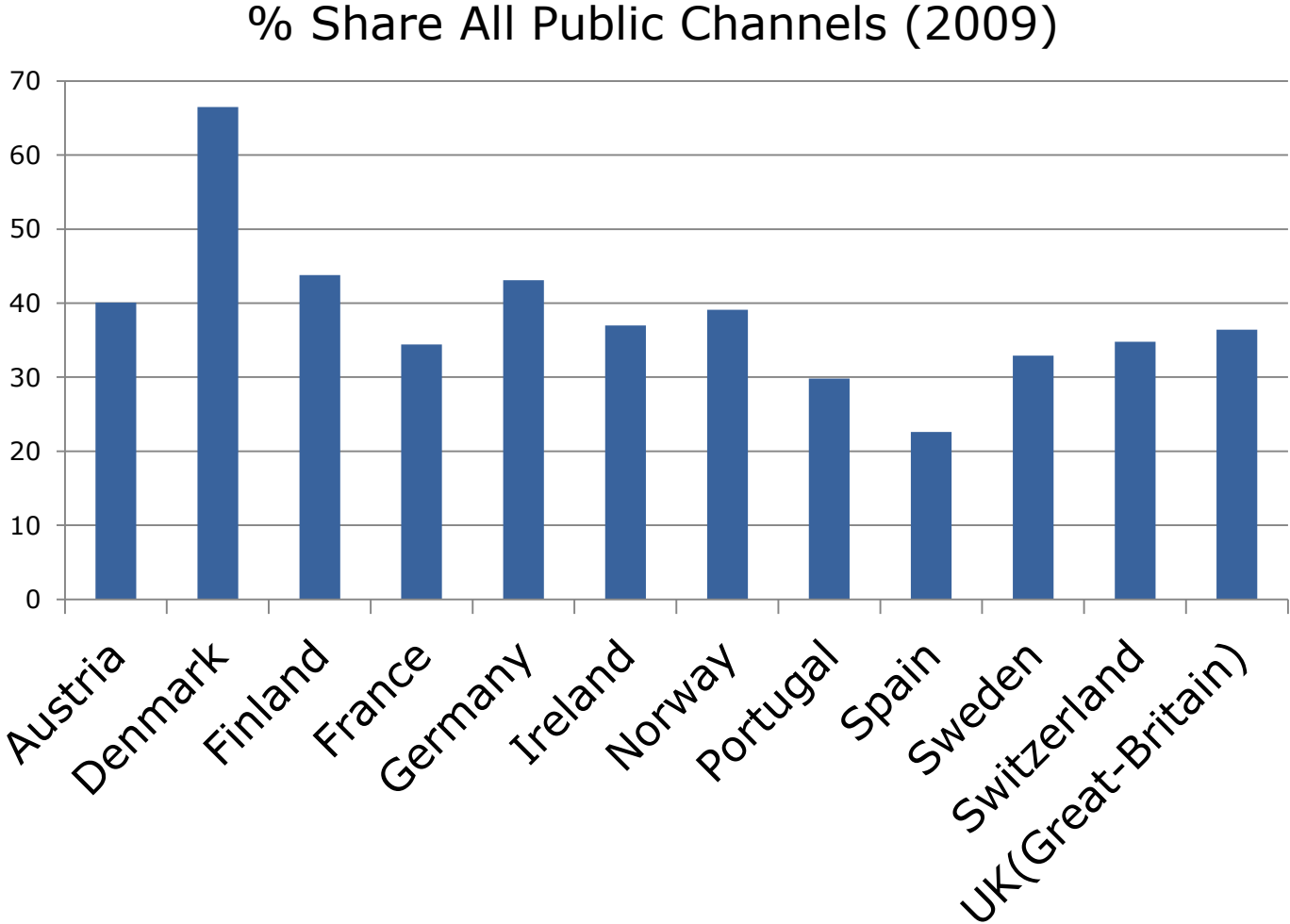
- Germany €193
- UK €178
- France €116
- Italy €94
- No license fee in Spain

General Revenues

- Some public broadcasters also run advertising to supplement their revenues
- Radio Telefís Éireann
- Korean PBS

Market Strength of Public Broadcasters

In several European nations, public broadcaster is the market leader



Broadcasting as a Public Good

19

- Overall, European governments continue to treat broadcasting,

“not simply as a private commercial enterprise but as a social institution for which the state has an important responsibility”

- Next week, we'll present evidence on the sharp content differences in programming provided by public service and commercial broadcasters

The “Inadvertent” Audience

20

Public broadcasters are required to air frequent news bulletins during prime time

- e.g. during half time of soccer matches

News therefore reaches people uninterested in politics

Size of the inadvertent audience is a major explanation of smaller knowledge gap in Europe

The regulatory “double standard”

Why are print media less subject to regulation than broadcasters?



Operation of a printing press does not interfere with any other press.

TVs and radios receive a fixed number of channels, which have to be sufficiently far apart to avoid interference

Broadcasters given access to a public resource

Unlike newspapers, "one person's transmission is another's interference"

Key Supreme Court Decisions

- Red Lion Broadcasting Co. v FCC:

“because of the scarcity of frequencies, the Government is permitted to put restraints on licensees in favor of others whose views should be expressed...”

Key Supreme Court Decisions

□ Miami Herald v Tornillo:

“the choice of material to go into a newspaper, and treatment of issues and public officials -- whether fair or unfair -- constitute the exercise of editorial control. It has yet to be demonstrated how government regulation of this crucial process can be exercised consistent with First Amendment guarantees of a free press...”

Explaining Government Ownership

Two hypotheses:

Government ownership derives from a benign attempt to cure market failures and protect consumers

Government ownership as an attempt to censor and control the flow of information

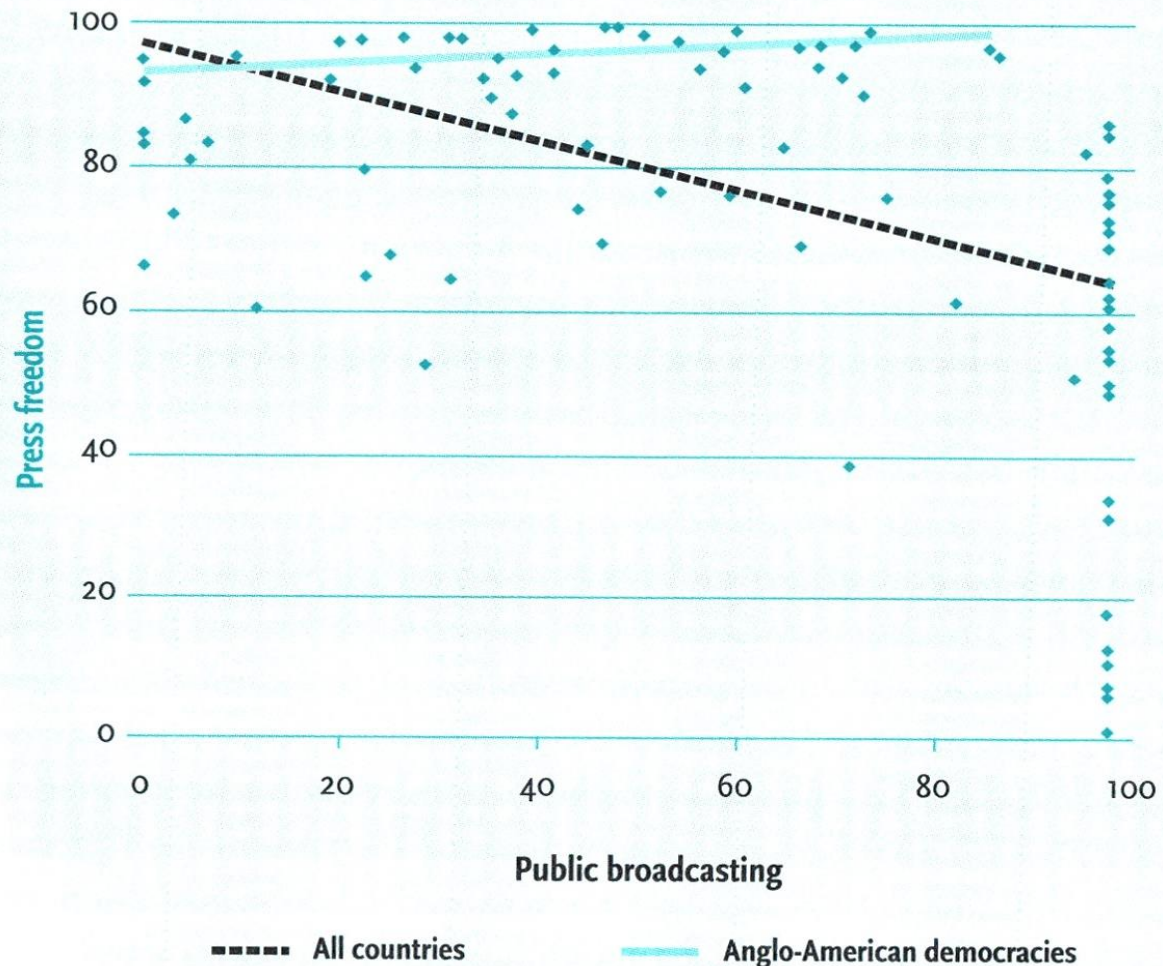
Djankov et al. interpret their results as consistent with H2. In fact, in the case of countries with established public broadcasters, the evidence is consistent with H1.

Government Ownership and Press Freedom

25

Note that the relationship between government ownership and press freedom is reversed for countries with public broadcasting

FREEDOM OF THE PRESS AND PUBLIC BROADCASTING



Consequences of Government Control

26

(1)

- Govt ownership associated with lower press freedom and reduced personal liberties (only for newspapers, not TV), weaker property rights

(2)

- Privately owned media more likely to expose corruption and force govt to address problems (only for newspapers)

(3)

- Greater govt ownership associated w/ fewer companies per capita, inferior health and education outcomes (infant mortality, pupil-teacher ratios, etc.)

The Case of Famine

27

- In *Hunger and Public Action*, Jean Dreze and Amartya Sen demonstrate significant differences in number of deaths caused by famine between China (censored press) and India (free press) in the early 1950s; some 30 million deaths in the former:

“The government of India cannot afford to not take action when large scale starvation threatens. Newspapers play an important part in this, making the facts known and forcing the challenge to be faced”

Controlling information through censorship

(1) The Russian case (Gehlbach)

Mechanisms of Control - Censorship

29

- Rulers face strategic choices; cannot control every information outlet
- Two case studies

(1)

• Putin and Russian media

(2)

• Fujimori and bribery

Broadcasting as an Instrument of State Control

30

Both cases illustrate the primacy of broadcasting as platforms for state propaganda

Putin chooses to control the three major TV networks and their news programs

Fujimori/Montesinos paid out more bribes for owners of TV stations with large market shares

The Russian Case

31

Censorship aimed at national networks (Rossiya, CH1, NTV) and their news programming

- the three networks control > 65% of the TV market

Content analysis shows they have become propaganda outlets for the Kremlin; news slanted in favor of regime

News
Content

Strong coordination between editors and officials at ministry of information

News content biased, but viewers fed enough “real” information to keep them guessing

Russia's Partial Censorship Regime

32

Russia as a “competitive authoritarian regime” with partial control over mainstream media outlets

Other forms of State control include economic influence

- Outlets that report critically find themselves without advertisers
- Case of Novoya Vrenya news magazine

Putin's media strategy appears effective

- Russians encounter pro-regime news regularly
- Yet major TV networks have suffered no significant loss in credibility

Rise of the Russian Blogosphere

33

- Because of press restrictions, criticism of government and official policy is more visible in the blogosphere
- Individual bloggers like Aleksei Navalny have become major political critics

“For me, there are no opportunities to publish materials about corruption in, say, Gazprom or Transneft,” Mr. Navalny said, referring to Russia’s large government-owned energy companies. “Through Livejournal, I can bring this information to a few million people, which is comparable to a television audience.”

Hitting Back at Critics

- Beginning in 2010, Russian blog sites featuring debate and criticism have been subject to systematic denial of service attacks

“Livejournal was hit twice this week by so-called distributed-denial-of-service [DDOS] attacks, which take down a target’s server by overwhelming it with requests. It was attacked in a similar way on March 30. The Web site of the opposition newspaper Novaya Gazeta was also shut down for most of Friday, reportedly by attackers. Though the perpetrators remain unknown, many immediately blamed Russia’s security services.” - New York Times, April 8, 2011

Update on Navalny Fraud Case

35

- ***Aleksei Navalny, Putin Critic, Is Spared Prison in a Fraud Case, but His Brother Is Jailed***
- **By DAVID M. HERSZENHORN (DEC. 30, 2014)**
- Hours after being spared prison on Tuesday in a criminal fraud trial widely viewed as political revenge, the Kremlin's chief antagonist, Aleksei A. Navalny, broke out of house arrest and tried to join an unsanctioned antigovernment rally..., but in a twist that clearly caught Mr. Navalny, the normally unruffled political opposition leader off guard, the court ordered that his younger brother, Oleg, who was also charged in the fraud case, serve three and half years in prison.

(2) The Peruvian natural experiment (McMillan & Zoido)

How to Subvert Democracy? A Natural Experiment in Peru

37

- McMillan & Zoido paper exploits a unique dataset on bribes paid by the Fujimori regime to silence critics and opponents

Possible to use size of the payoffs as an indicator of the importance of different institutions to democratic rule

E.g. are an independent judiciary and opposition parties more critical to maintenance of democracy than a free media?



The evidence shows that the media, and TV outlets in particular, commanded the highest “prices”

The Peruvian Political Context

38

Fujimori elected in 1990 as a conservative

- Pledged to take a tough stance against the Maoist insurgency (“Shining Path” movement)

Peruvian economy also improved with a dramatic fall in inflation rate



Peruvian military launched significant counter-offensive and captured major rebel leaders effectively ending the protest movement




Peruvian Context (cont.)

39

Fujimori regime became more authoritarian

- Constitution suspended
- Secret courts created to try “terrorists”
- Fujimori ran for a third term in 2000 despite constitutional provision limiting presidents to two terms



After election victory, small TV station broadcast video of Montesinos (sr. advisor to Fujimori and head of secret police) paying 15K to opposition party leader to switch allegiance to Fujimori

Peruvian Context (cont.)

40

Fujimori fled to Japan (granted asylum)

In 2008 Fujimori decided to vacation in Chile; he was detained and extradited to Peru

Montesinos arrested and serving 25 year prison sentence

Convicted of corruption and war crimes in 2009 - the 70 year old is serving a seven year sentence.

The Evidence

41

Largest sums paid to owners of TV stations in amounts proportional to the station's market share

Bribes paid to TV owners 100 times larger than bribes paid to opposition party politicians

Figure 2: Counting out a bribe



Montesinos counting out \$1.5 million for José Francisco Crousillat, the vice president of América Televisión, Channel 4. (From a vladivideo.)

Source: Peruvian Congress, El Heraldo, Photo Archive

Newspaper versus TV Prices

42

Print Media	Bribe Estimates
Expreso (mainstream newspaper) Eduardo Calmell del Solar (director and stockholder)	\$1,000,000 in two installments, to buy shares in the newspaper (C) and videos 1492, 1736, 1753
El Tío , (Chicha/popular press) Jose Olaya Correa (owner and director)	\$1,500,000 between 1998 and 2000 (C) \$3,000-\$4,000 per headline, \$5,000 for full coverage inside, \$500 for smaller stories (C)
La Chuchi (Chicha/popular press) Oliveri and Estenos (owners).	\$8,000 weekly, same press house as El Mañanero, Editora Americana) (B)
El Chato , Rafael Document (founder) and Ruben Gamarra (director) out	\$1,000 each time it comes, small circulation, only comes out two to three days a week. (B)
Media Not Captured	Newspapers: <i>La República and El Comercio</i> Magazine: <i>Caretas</i> Cable News TV Channel: <i>Canal N (owned by El Comercio)</i>
State-Owned Media	Newspaper: El Peruano TV Channel: Televisión Nacional Peruana Radio Station: Radio Nacional

Greater “Demand” for TV

43

TV Channels	Bribe Estimates
<p>America Television (Channel 4) Jose Francisco Crousillat</p>	<p>\$9,000,000 in a signed contract for \$1,500,000 per month from November 1999 to April 2000, possibly more (C) \$619,000 in October 1998, promised more monthly payments (C) (BH)</p>
<p>Frecuencia Latina (Channel 2) Samuel and Mendel Winter (owners after Baruch Ivcher exiled)</p>	<p>\$3,000,000 in a signed contract for \$500,000 per month from November 1999 to April 2000, possibly more (R) \$3,073,407 on December 1999 for an increase of capital that gave 27% of shares to Montesinos (R)</p>
<p>Panamericanan Television (Channel 5) Manuel Delgado Parker (brother of Genaro) and Ernest Schutz (shareholders)</p>	<p>\$9,000,000 contract agreed by Shutz and Montesinos on video 1783. In total Montesinos claims he handed \$10,600,000 to Schutz (BH) \$350,000 handed by Montesinos to Shutz, video screened by congress 10/02/01 (BH)</p>
<p>Cable Canal De Noticias CCN (Cable Channel Network) Vicente Silva Checa (Video 1778)</p>	<p>\$2,000,000 for his shares in the CCN to the Ministry of Defense in November 1999 (C)</p>
<p>Andina de Television (ATV)(Channel 9) Julio Vera</p>	<p>\$50,000 to fire Cecilia Valenzuela and Luis Iberico (C)</p>
<p>Red Global (Channel 13) Genaro Delgado Parker (borther of Manuel)</p>	<p>In exchange business help and judicial favors, Delgado Parker fired popular commentator Cesar Hidelbrandt (C)</p>

Payment for What?

44

Not to show any other program referring explicitly or implicitly to political issues without being accepted and/or approved by the Contractor

To schedule news programs at their usual time

- Content and headlines coordinated and approved by the Contractor

In exchange for payment, they agreed...

To review daily with the Contractor contents of all headlines and news programs before they air

To incorporate observations that the Contractor may deem necessary

- To include themes that he might decide for those news programs

Controlling information through censorship

(3) Social media in China (King et al., Shirk)

China as a Hybrid Authoritarian Regime

46

Pre-1979 all major news outlets owned and operated by the CCP

Post-1990, flourishing of regional and local “information markets” and development of large social media sites (> 100 major sites)

In 1980s China commercialized its media system



China as a Hybrid Authoritarian Regime

47

- Despite liberalization, Chinese regime seeks to:

“do whatever it takes to make sure that information reaching the public through commercial media and the Internet does not inspire people to challenge party rule.”

The Chinese Censorship Model

48

The “great firewall”

- Foreign websites blocked

Content filtering

- ISPs given primary task of monitoring content of postings
- Major sites employ >1,000 full time monitors in addition to between 25 and 50,000 “Internet police”

Censorship Model

Keyword blocking

- Easily overcome through homographs and homophones

250,000 “fifty cent party members”

- Incentivized to post pro-regime commentary

Answers: the King et al. Study

49

In scope, the Chinese censorship program is the largest ever created

But how well does it work?

And what material is most subject to censorship?

King et al. Study

50

- King et al. provide the answers:

“when the Chinese people write scathing criticisms of their government and its leaders, the probability that their post will be censored does not increase. Instead, the purpose of the censorship program is to reduce the probability of collective action by clipping social ties whenever any collective movements are in evidence or expected.”

Theories of State Censorship

51

State critique theory

- Regime aims to suppress any expression of opposition sentiment
- Predicts that sentiment is the major determinant of censorship, i.e. posts with negative commentary will be removed

Collective action theory

- Regime seeks to minimize the likelihood of organized protest
- Alternative prediction that censors are looking to suppress posts with the potential to motivate collective action

Methodology

52

Download and classify social media posts immediately after they appear and then repeatedly to learn if and when posts are censored (deleted from the site)

Downloaded approximately 4 million postings from 1382 sites (details not provided for obvious reasons)

85 topic areas ranging from low sensitivity (e.g. popular video games) to high sensitivity (e.g. discussion of dissident artist Ai Weiwei)

King et al. Methodology (cont.)

53

- Within each topic area, they identify periods of high volume posting – “volume bursts”
- Over 6 months, identified 87 bursts falling into 5 main subjects:

(1) • criticism of censors

(2) • pornography

(3) • collective action potential*

(4) • govt policies

(5) • other news/events

Definition of “Collective Action Potential”

54

Posts concerning events involving crowd formation and protest, relating to known protestors, and to feelings of nationalism or nationalist sentiment that led to protest in the past

Methodology (cont.)

55

Censorship observed as the disappearance of a post over time

In vast majority of cases, censorship occurs 24 hours after original posting, suggesting “military like precision” in actions of censors



Censors indicate when a post has been pulled:

“Sorry, the post you are looking for does not exist, has been deleted, or is being investigated.”

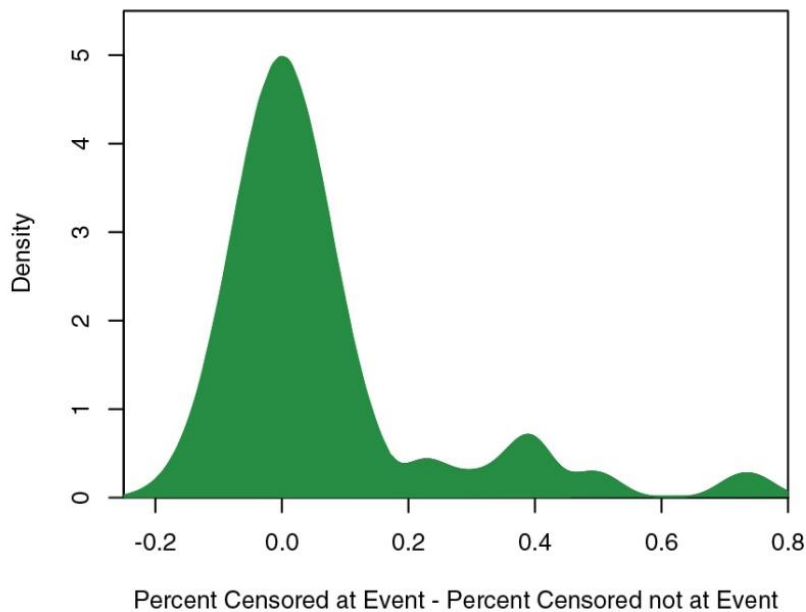


Text of posts subjected to automated text and sentiment analysis

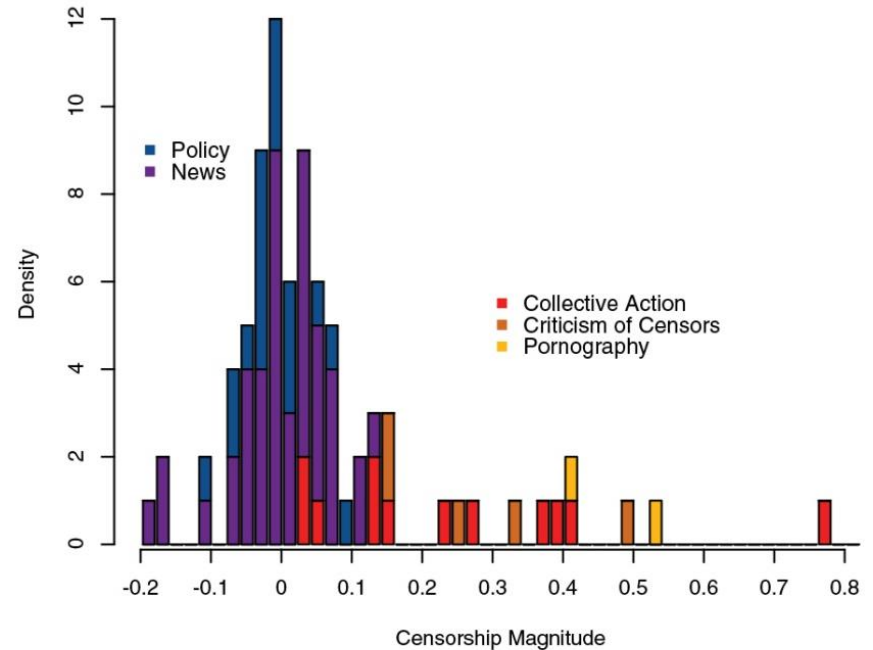
Determines which subject matter more or less likely to be censored

Results: Frequency of Censorship

Figure 3. “Censorship Magnitude,” The Percent of Posts Censored Inside a Volume Burst Minus Outside Volume Bursts.



(a) Distribution of Censorship Magnitude



(b) Censorship Magnitude by Event Type

Results (cont.)

57

Average level of censorship is 13%



Low correlation between topic sensitivity and censorship

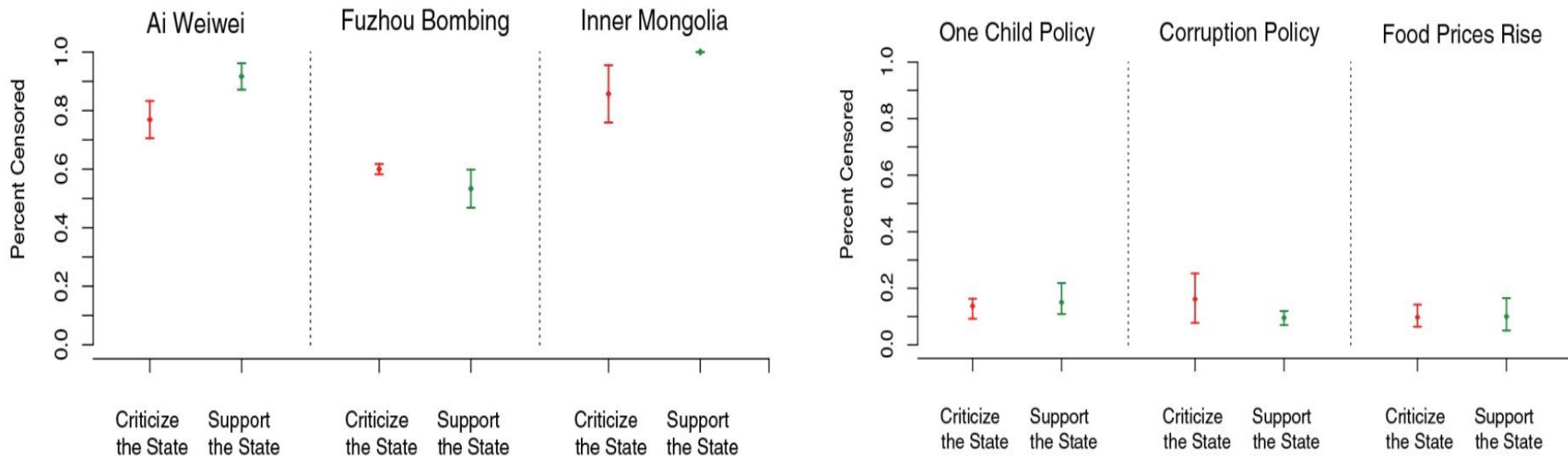
- Suggesting that something other than criticism is driving censor behavior
- 

Volume bursts produce highest instances of censorship

Irrelevance of Sentiment to Censorship

58

Figure 8. Content of Censored Posts by Topic Area



High level of censorship for posts with CAP regardless of whether these posts express anti-state sentiment

Low level of censorship for posts addressing government policy independent of sentiment

Subject Matter, Not Sentiment as the Causal Factor

59

CA Posts more susceptible to censorship, regardless of tone (pro or anti-regime) of the post

Figure 9. Content of All Censored Posts (Regardless of Topic Area)



Follow Up Study: An Experimental Test of the Collective Action Potential Hypothesis

60

- King et al., “Reverse-engineering censorship in China: Randomized experimentation and participant observation.” *Science*, August 2014.

Investigators created accounts on Chinese social media sites

Wrote posts on various topic categories and randomly assigned posts to sites

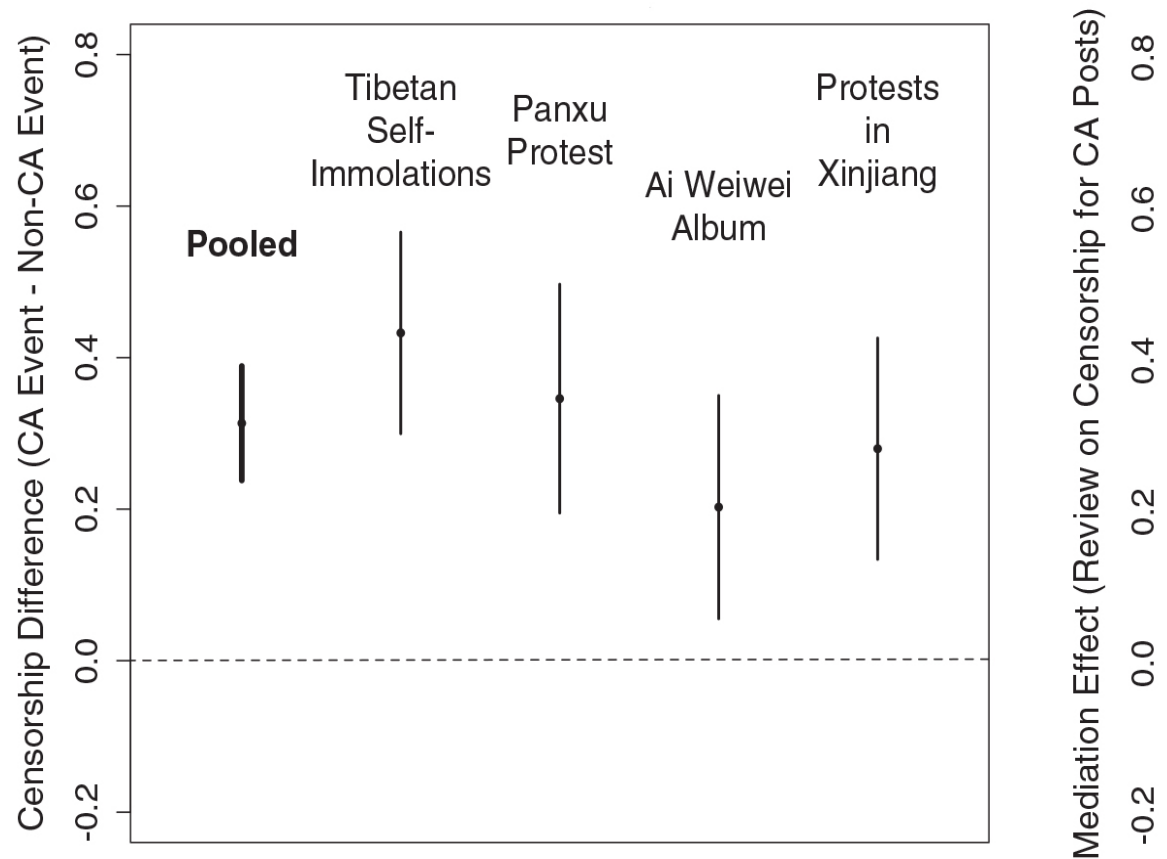
Evidence shows clearly that collective action potential is the subject matter deemed most worthy of censorship

Experimental Test of CAP Hypothesis

61

Note significant level of the difference in rate of censorship between CA and non-CA events

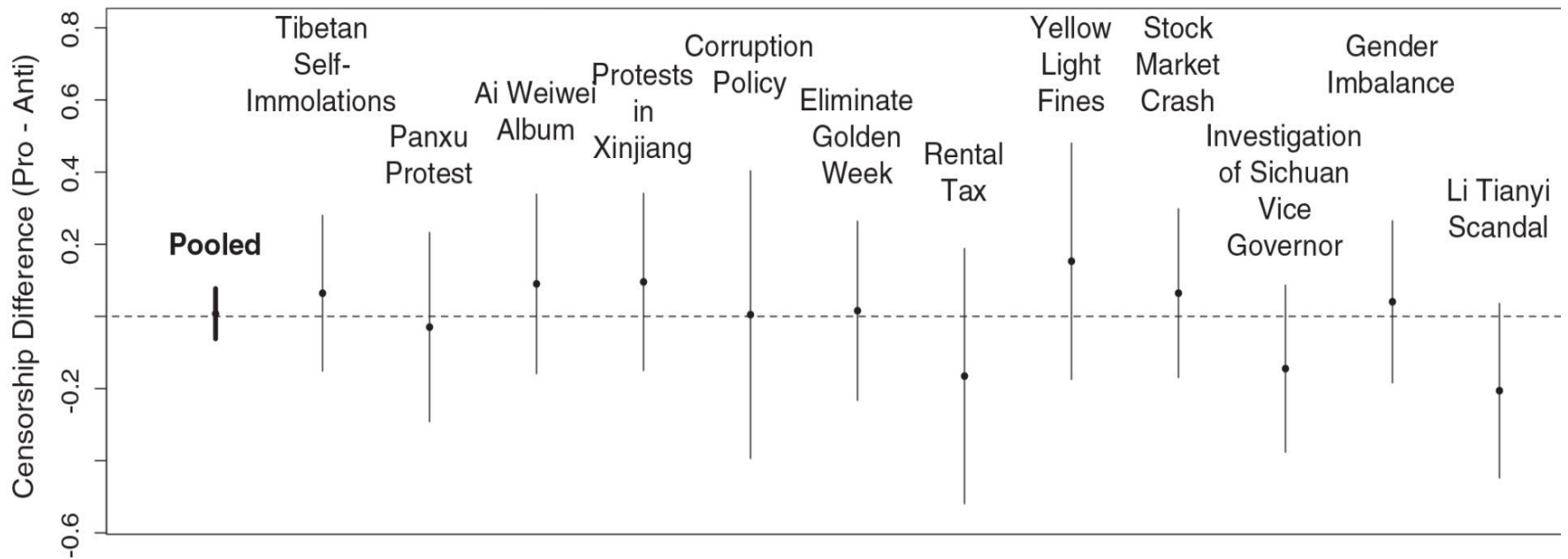
Fig. 2. The causal effect on censorship of posts with collective action potential



Null Effects of Criticism

62

Fig. 3. The causal effect on censorship of posts for or against the government



No difference in probability of censorship between posts supporting or criticizing government

Interpretation of Results

63

Regime may tolerate criticism of officials in order to identify and weed out those who are targets of public protest

Censorship data provide a more convincing measure of governmental intent; superior to “reading tea leaves” based on interviews or other forms of research

Conclusion

64

(1)

- Key difference between democratic and authoritarian regimes is treatment of the news media
 - Free versus controlled or censored news

(2)

- News sources with larger audiences much more likely to be censored

(3)

- Inciting protest considered a more dangerous form of communication than criticisms of the regime