

Digital Disconnect
How Capitalism is Turning the Internet Against Democracy
Featuring Robert McChesney

[Transcript]

INTRODUCTION

THE TODAY SHOW (1994)

BRYANT GUMBEL: Back now at 56 past. I wasn't prepared to translate that as I was doing that little tease. That little mark with the "a" and then the ring around it?

ELIZABETH VARGAS: "At"?

BRYANT GUMBEL: See, that's what I said. Katie said she thought it was "about"...

KATIE COURIC: Yeah.

ELIZABETH VARGAS: Oh.

BRYANT GUMBEL: ...But I've never heard it said. I'd always seen the mark, but never heard it said. And then it sounded stupid when I said it: "Violence at NBC." There it is! "Violence at NBC GE com." I mean, what is internet anyway? What do you write to it like mail?

ROBERT MCCHESENEY: Over the course of just two decades, the internet and the devices we use to connect to it have become seamless parts of our everyday existence, radically transforming how we communicate with each another and how we receive information about the world.

AUDIO MONTAGE

Now, along comes the great revolution of the internet.

The internet revolution.

The internet revolution.

Definitely this is the internet revolution.

NEWS CLIP

UNIDENTIFIED MALE: In the industrial revolution, if you wanted to change the world, you had to open a factory. In the internet revolution, you only need to open a laptop.

MCCHESENEY: But while everyone seems to agree the internet has revolutionized the world, nobody seems to agree whether this revolution has been good or bad for democracy.

NEWS CLIP

GWEN IFILL: Does the web help people to be better informed and to be better citizens? Or can an online free-for-all actually be a threat to democracy?

MCCHESENEY: Some argue that the internet has given democracy a shot in the arm by giving us unprecedented access to unprecedented amounts of information.

NEWS CLIPS

KELLYANNE CONWAY: It's what I call the democratization of information. You don't have to wait for the evening news to tell you what happened that day. Everybody can access it at the same time.

JIMMY WALES: I say having people talking to each other about real issues is always good for democracy.

MCCHESENEY: In the process providing us with a powerful tool for exposing authoritarian power.

NEWS CLIPS

REPORTER: Egypt's revolution gave social media credibility.

REPORTER: Egyptians have broken down the barrier of fear.

WAEEL GHONIM: If you want to free a society, just give them internet access.

DAVID KIRKPATRICK: Social media was effectively designed as a tool for the empowerment of the user.

MCCHESENEY: While others say the internet is making us more stupid, distracted, disengaged, clueless, and ill-informed...

ONLINE VIDEO

THOMAS CRAMPTON: With all of this distraction on the internet, you're not able to actually learn things, therefore you're becoming more stupid.

MCCHESENEY: ...especially since the rise of fake news.

NEWS CLIPS

REPORTER: Fake news articles may have influenced the presidential election.

REPORTER: Cambridge Analytica used that information, harvested, to push fake stories and conspiracy blogs to people who might be susceptible to taking them as fact.

MALCOLM NANCE: Click-baiters plus crazy people are all coming together and creating a global fake news empire.

MCCHESENEY: So, which is it? And how are we supposed to figure out who makes the better case? At a time when social media, the internet, and the broader digital revolution are transforming pretty much everything in their path, it's never been more important to ask: whose revolution is this, anyway?

TITLE SCREEN – DIGITAL DISCONNECT

MCCHESENEY: I'm Robert McChesney, and for years I've been looking at the relationship between our media system and the health of our democracy, asking some pretty basic questions about who owns the media, whose interest big media companies serve, and whether the American people have access to the kinds of information they need to function as engaged democratic citizens rather than just passive consumers and spectators. These questions couldn't be more crucial when it comes to the internet, especially given how quickly and fundamentally it's transformed virtually every aspect of human communication.

THE REVOLUTION

ARCHIVE VIDEO (c. 1960)

VOICEOVER: In our world, the speed and tempo of modern living are increasing at an ever-accelerating rate. Our control over a bewildering environment has been facilitated by new techniques of handling vast amounts of data at incredible speeds. The tool which has made this possible is the high-speed digital computer.

MCCHESENEY: It's hard to imagine now, but not too long ago, computers were ruled over by organization men in suits who talked a lot about managing systems and exerting control.

ARCHIVE VIDEO (1957)

VOICEOVER: Industry has a powerful new tool for improving management control. A machine with many of the characteristics of the human mind, it follows management's instructions, exactly.

MCCHESENEY: Back then, computers were these massive machines that filled entire rooms in remote corporate settings, operated and understood only by professionals who looked really smart.

2001: A SPACE ODYSSEY (1968)

DAVE: Hello HAL, do you read me?

HAL: Affirmative, Dave. I read you.

MCCHESENEY: In fact, if you look at popular culture in the 1960s and early 1970s, you can see all kinds of examples of computers causing major anxiety.

2001: A SPACE ODYSSEY (1968)

DAVE: Open the pod bay doors, HAL.

HAL: I'm sorry Dave, I'm afraid I can't do that. This mission is too important for me to allow you to jeopardize it.

COLOSSUS: THE FORBIN PROJECT (1970)

COMPUTER: This is the voice of World Control.

VOICEOVER (from trailer): When this emotionless creation becomes the master of man, the result is catastrophic.

COMPUTER: The choice is yours. Obey me and live, or disobey and die.

MCCHESENEY: There was a real fear that they would take over the world and evolve into dark instruments of social control, the embodiment of the kinds of authoritarian mind-control technologies predicted by George Orwell's "1984."

1984 (1956)

WOMAN: Big Brother! Long live Big Brother!

CROWD: Big Brother! Big Brother!

MCCHESENEY: But then the real 1984 rolled around. January 22nd, 1984, to be exact.

SUPER BOWL XVIII (1984)

ANNOUNCER: There's the snap. It is blocked by Derrick Jensen, going into the end zone!

MCCHESENEY: Forty-six million American homes were tuned into the third quarter of Super Bowl XVIII when a commercial came on that shook the tech world.

APPLE “1984” COMMERCIAL (1984)

BIG BROTHER: Today, we celebrate the first glorious anniversary of the Information Purification Directives. We have created, for the first time...

MCCHESENEY: Directed by filmmaker Ridley Scott, the ad introduced the Apple Macintosh personal computer to the American people for the very first time. And its message would stick. In a world of top-down technologies that turned people into passive spectators and tools of the system, the Macintosh personal computer would take a sledgehammer to the Big Brother computer technologies of the past and usher in a revolutionary new era.

APPLE “1984” COMMERCIAL (1984)

VOICEOVER: On January 24th, Apple Computer will introduce Macintosh. And you'll see why 1984 won't be like “1984.”

MCCHESENEY: The message from Steve Jobs and other champions of the new technology couldn't have been more clear: the digital revolution promised to be a democratizing revolution.

ARCHIVE VIDEO (1990s)

STEVE JOBS: If you look at, sort of, the process of the technological revolution that we're all in, it's a process of taking very centralized things and making them very democratic, if you will, very individualized.

MCCHESENEY: Then along came the internet.

CBC NEWS CLIP (1993)

REPORTER: For years, they've been saying these things would change the world, would mature from adding machines and typewriters to tools of the human spirit. Now, maybe it's coming true, because of internet.

MCCHESENEY: As affordable broadband internet technology has spread around the globe, the number of people online has skyrocketed from around 10 million people online in 1995 to almost three and a half billion people today, roughly half the world's population. In the United States, the rate of growth has been especially striking, surging from just 14% of Americans online in 1995 to almost 90% today, a total of more than 280 million of us in all, now spending, on average, about six hours a day online, routinely accessing the internet through our smart phones, tablets, computers, and smart TVs, immersing ourselves in a mind-blowing proliferation of digital content, and generating more and more of it ourselves.

The result is an ever-expanding universe of data, billions upon billions of text messages and emails, Facebook posts and tweets, Snapchat pictures and Instagram photos, all of it stored on hundreds of millions of hard drives in a handful of massive data centers around the world.

The data flows we're talking about are so staggering that on YouTube alone the amount of video being uploaded is the equivalent of roughly 180,000 feature-length movies a week – meaning that YouTube now generates more content on average in a single week than all of the film and television programs Hollywood has produced in its entire history. And that's just one app, YouTube. In total, it's now estimated that 90% of all the data information ever created in the history of the world has been created over just the last two years.

Now, when you look at all of this, when you look at the sheer amount of content ordinary people now have access to, and how quickly all of these changes have happened, there's no doubt we're living through a communication revolution of stunning magnitude, a moment that may prove to be as transformative as the emergence of human speech and language, as the emergence of writing and the printing press, communication technologies so powerful that they altered the way our species developed. But there's far less agreement about whether this revolution has lived up to its democratic potential and been a truly democratizing force.

SKEPTICS VS. CELEBRANTS

NEWS CLIP

GWEN IFILL: The internet and democracy. Does the web help people to become better informed and be better citizens? Or can an online free-for-all be a threat to democracy? Those questions were at the heart of a recent debate...

MCCHESENEY: People who have looked at the question of the internet and democracy have generally fallen into two camps. On one side, you have the internet skeptics.

ONLINE VIDEO

THOMAS CRAMPTON: The internet overwhelms our ability to process information. Short-term memory, which is a small thimble of short-term memory, is being filled with a firehose of information and distractions by the internet and cannot process it and bring it into our longer-term memory, which is where we can actually assimilate things and really learn them.

MCCHESENEY: In the view of skeptics, the massive amounts of content available on the internet, far from producing a smarter, more informed democratic citizenry, have actually made all of us dumber by shallowing out our thinking.

ONLINE VIDEO

NICHOLAS CARR: I noticed that I was losing my ability to concentrate. You know, I'd get a couple of paragraphs in, or a couple of pages in, and my mind wanted to behave the way it behaves when I'm online.

NEWS CLIP

BILL MOYERS: What is this doing to us as human beings? The fact that we're constantly...

SHERRY TURKLE: It's keeping us more at the surface of things.

MCCHESENEY: Other skeptics have taken it even further, arguing that the internet has undermined the democratic process itself.

NEWS CLIP

LESTER HOLT: A major crackdown announced today by Facebook. Since the election, the social media giant has come under fire for the spread of fake news on its site. You've probably heard about some of these fake stories...

MCCHESENEY: Thanks to the internet, skeptics say, an assortment of alt-right nihilistic trolls that used to operate on the fringes of American society are now able to spread hatred and sensationalistic fake news throughout the political mainstream, in the process undermining the very notion of political journalism.

NEWS CLIP

TOM BROKAW: It's very hard to know what's true and what's not. You don't have a filtration system in which you can kind of check because it keeps coming at you, bang, bang, bang, bang.

MCCHESENEY: Then, on the other side of the debate, we have the internet celebrants.

NEWS CLIP

JIMMY WALES: I think we can't neglect that there are bad things on the internet. There's bad information, there's misinformation, there's a lot of noise. But we have to always remember to look at the net effect. We can't just look at one bad thing or another bad thing. We have to say, summed up, altogether, in total, is this phenomenon as a whole good or bad for democracy? I say having people talk to each other about real issue is always good for democracy.

MCCHESENEY: Far from making us dumber and more distracted, celebrants say, the internet is making us smarter. While others say it's become a force for democracy worldwide.

NEWS CLIP

PIERS MORGAN: The revolution will be televised and tweeted. Coming up, has social media sparked Egypt's revolution?

MCCHESENEY: In 2011, the revolution in Egypt was offered as clinching evidence that the digital revolution poses a democratic threat to authoritarianism and state power.

NEWS CLIPS

WAEEL GHONIM: If you want to free a society, just give them internet access. Because people are gonna, you know, the young crowds are gonna all go out and see and hear the unbiased media, see the truth about other nations and their own nation.

ONLINE VIDEO

UNIDENTIFIED MALE: He ain't do nothing! He ain't do nothing!

MCCHESENEY: More recently in the U.S., the same kinds of claims have been made about the role of smart phones and the internet in shining a light on civil rights violations and police violence.

NEWS CLIP

REPORTER: A new video emerging this morning of another police shooting last night in Minnesota, viewed more than one million times before being taken down on Facebook.

MCCHESENEY: For celebrants of the internet, this is confirmation that the internet has given ordinary people broadcast powers that used to be reserved only for big media outlets, something that's allowed people to participate more directly in the democratic process.

NEWS CLIP

DAVID KIRKPATRICK: Social media was effectively designed as a tool for the empowerment of the user in giving them broadcast power. And once the individual has broadcast power, it tends to change politics, and that I think is what we've seen.

MCCHESENEY: No matter where you stand politically, celebrants say, the fact that the internet has allowed political leaders to reach out to people more directly, and made politics more accessible overall, is a good thing for democracy.

NEWS CLIPS

JEFF ZELENY: Bernie Sanders is not Barack Obama, no question about it. But one thing that's changed is the power of social media. Bernie Sanders's big crowds are because he puts something up on Facebook and the people come.

WILLIE GEIST: Donald Trump's campaign has spent zero dollars on campaign ads. Because he can go past the media, he can tweet to 10 million followers what he wants to say.

MCCHESENEY: So that's more or less the debate we've been hearing over the past few years about the internet. It's an interesting debate, as far as it goes. But in my view, it doesn't go far enough. Because the way it's been framed leaves out maybe the most crucial factor of all when it comes to the internet and democracy: the central role our economic system has played in shaping the internet.

NEWS CLIP

STUART VARNEY: Stellar profits to report at Amazon, same with Google's parent Alphabet.

GUEST: Google? Everything is Google. I mean I can't think of anything that I do in my life where I don't go to Google and search something. And they're making money every time I go, Stuart.

MCCHESENEY: In fact, capitalism itself has been pretty much missing in action in most debates about the internet. And this is a pretty big blind spot. How are we supposed to make sense of something like the internet and not address capitalism, the very system that underlies virtually every aspect of how it works today? But before we get there, we need to take a step back and do something we're not all that used to doing in the United States: we need to think about the relationship between capitalism and democracy.

THE AMERICAN CATECHISM

ARCHIVE VIDEO (1948)

BOY: What is capitalism?

GIRL: Competition, profit motive, private property.

BOY: That's how a capitalistic system operates. The people own property and use it to provide the goods and services that all of us need.

MCCHESENEY: For a long time now in the United States, going back many years, the story that's been told about capitalism is that it's a system that allows little-guy entrepreneurs to compete on a level playing field to the benefit of consumers.

ARCHIVE VIDEO (1948)

BOY: We needed weenies. Mr. Brown had weenies. It's as simple as that.

ARCHIVE VIDEO (1955)

MAN: The consumer or buyer gains when we have this constant competition in the marketplace. The best products at the lowest cost emerge.

MCCHESENEY: Even more importantly, it's a story that says capitalism and democracy go hand in hand.

ARCHIVE VIDEO (1952)

MAN: And in our society, the thing we are aiming at is free choice. The freedom to choose the people we want to vote for, the things we want to buy. And our experience indicates that freedom in the market fosters freedom throughout society. This is the competitive process and helps distinguish democracy from dictatorship.

MCCHESENEY: In many ways, this is the American catechism: the belief that capitalism is in effect the natural economic expression of democracy and freedom. But while all of this sounds nice on a theoretical level, it doesn't have a lot to say about all the ways that capitalism, as it actually exists in the real world anyway, often operates without any regard for democracy. First of all, the reality is that there's no necessary or automatic correlation at all between capitalism and democracy.

ARCHIVE VIDEO (1930s)

VOICEOVER: The new Italian political party, the Fascists.

MCCHESENEY: For one thing, there have been many societies that have been economically organized around private property and markets, but politically have been dictatorships. We can think of Italy under Mussolini. We can think of Chile under General Pinochet. Or even contemporary China. At the same time, within democratic societies like the United States that have a capitalist economy, capitalism and democracy – far from being a harmonious coupling – are very often at odds with one another.

One of the biggest reasons for this is that class and inequality are built into the very DNA of the capitalist system. This is no longer even a debatable point. The data now clearly shows that the top one-tenth of 1% of the American population owns almost as much wealth as the bottom 90% – a gap between the very rich and everyone else that's wider than at any time in our history since the 1920s.

Then there's the related problem that, without government regulation, capitalism tends to create business monopolies that give inordinate power to a few massive corporations. That's exactly what happened at the end of the 19th century and into the early 20th century, when the steel industry, the oil industry, the railroad industry, and other business monopolies, or trusts, dominated the American economy and strangled competition, only breaking apart when the government passed legislation to regulate how they operated.

The thing to remember here is that these kinds of monopolies aren't some kind of aberration within capitalism. Like income inequality, they're a logical outgrowth of it.

WALL STREET (1987)

GORDON GECKO: Greed, for lack of a better word, is good. Greed is right. Greed works. Greed clarifies, cuts through, and captures the essence of the evolutionary spirit.

MCCHESENEY: Think about it. If you're a capitalist, why not try to swallow up the competition, get as big as possible, and dominate the market? The problem is that this can be terrible for economic growth and the overall health of the economy because it crushes competition and ultimately leads to economic stagnation. And worse, it's absolutely terrible for the actual functioning of the democratic system – for the obvious reason that these giant fortunes then tend to have the power to influence the government well in excess of the influence of ordinary citizens.

THE DAILY SHOW

JON STEWART: Please welcome Martin Gilens and Benjamin Page.

MCCHESENEY: Marty Gilens, of Princeton University, and Ben Page, out of Northwestern, spent ten years examining every public policy decision by the federal government between 1981 and 2002 – 1,800 different federal decisions in all – and found that wealthy individuals and business trade associations wielded incredible influence over basically all of the legislative decisions that affected them. They also determined that the vast majority of the people of the country had zero influence on any of these policy decisions. Commercial interests dominate. Corruption grows and becomes rife. And the whole system is compromised.

So, when you look at the relationship between the internet and democracy, the first question we need to ask is whether the internet has helped to push back against undemocratic concentrations of wealth and power. And even a quick glance at the business press today tells you pretty much everything you need to know about whether the internet has lived up to its promise of shattering business monopolies, opening up competitive markets, and leveling the economic playing field.

NEWS CLIPS

HOST: Facebook, Apple, Alphabet, Microsoft, Amazon, these five big techish names accounted for 28% of the overall gain in the S & P 500.

COMMENTATOR: We have a duopoly in Google and Facebook. They're gonna run the table.

COMMENTATOR: The biggest, most powerful companies right now are Google, Facebook, Apple.

MARK CUBAN: Apple, Netflix, Facebook, Google, Amazon, Twitter, they're crushing the world.

MCCHESENEY: The fact is that far from disrupting the anti-democratic tendencies of monopolies, the internet has turned out to be the greatest generator of monopoly in the history of capitalism.

NEWS CLIP

ROGER MCNAMEE: Facebook, Amazon are increasingly super monopolies. They're share of the market they operate is literally on the same scale that Standard Oil had more than a hundred years ago. Facebook's monthly user count is roughly equal to the scale of Christianity globally, Google's is roughly the size of Islam.

MCCHESENEY: The five most valuable corporations in the world today are internet monopolies, companies that didn't even exist a generation ago. Then there's the unequal playing field of the web itself, where a relatively small number of commercial websites attract the overwhelming volume of traffic. The result is a "power law" of distribution where a small number of firms and websites get the vast majority of traffic, with absolutely no effective "middle class" of robust, moderate-size websites or internet firms. Moreover, this same handful of firms is getting the lion's share of all online advertising revenue -- with Google and Facebook, alone, now accounting for an incredible two-thirds of all online advertising revenue.

And we need to remember that none of this happened by accident. The internet as it exists today is the result of a series of policy decisions that very few people have paid any attention to -- beginning with the U.S. government's decision to hand the internet over to private, commercial interests after it was created and built up over decades at taxpayer expense.

MAKING THE INTERNET SAFE FOR CAPITALISM

ARCHIVE VIDEO (1972)

ROBERT E. KAHN: Here is an instance of the ARPANET as it was recently configured, as you can see with some 25 or 30 sites in it.

MCCHESENEY: It's not talked about a lot now, but the internet began in 1969 as an experimental networking project called the ARPANET that was funded entirely by the federal government.

The idea was to build a series of interconnected networks that would allow computers to communicate directly with one another.

ARCHIVE VIDEO (1972)

J.C.R. LICKLIDER: The thing that makes the computer communication network special is that it puts the team members that are geographically distributed in touch not only with one another, but with the information base which with they work all the time. So that the coordination of the activity is essentially right there in the computer network itself. And this is obviously going to make a tremendous difference in how we plan, organize, and execute almost everything of any intellectual consequence.

MCCHESENEY: ARPANET would end up laying the foundations for today's internet, a stunning testament not only to American ingenuity and innovation, but to public sector spending. The federal government spent hundreds of millions of dollars in subsidies over a period of decades on the project. And while all of that was happening, U.S. corporations invested and risked nothing.

NEWS CLIP (1990s)

JOHN MALONE: Nobody wants to go out and invent something and invest hundreds of millions of risk capital for the public interest. I mean, one would be fired as an executive of a profit-making company if you took that stance.

MCCHESENEY: The other interesting thing that's forgotten now is that a lot of the people who were most responsible for developing the internet once the building blocks were in place weren't business majors or corporate managers, but primarily came out of the left-wing counter-culture of the '60s and '70s. Silicon Valley in the '70s was full of programmers and hackers who were committed to taking computers out of the hands of top-down corporations and opening up a democratic space free of commercial influence.

And throughout the '70s and much of the '80s, their work was enabled by federal policy that saw the internet as a public resource and a public good as well. When the National Science Foundation took over the development of the internet from the Department of Defense in 1985, it formulated a strict policy that said the main backbone of the internet was intended "to support open research and education" and that using it for other purposes, including for-profit activities and advertising of any kind, wasn't acceptable. But then, in the early '90s, things started to change in a hurry.

NEWS CLIPS (1993)

ANCHOR: Well, there's a revolution going on rec rooms, offices, and classrooms around the world, a revolution in which 15 million people are taking part. They're sharing scientific data, arguing philosophy, or passing on cooking tips and gossip, night and day through a computer network called internet.

REPORTER: Magazines, newspapers, television programs have started to take notice, and the coverage has led to an explosion of interest. The internet is growing like an embryonic brain, at a rate of 10% a month.

MCCHESENEY: As soon as the internet was up and running smoothly and corporations finally started to see some commercial value in it, people started heading to Silicon Valley with dollar signs in their eyes. Marc Andreessen, one of the first guys to strike it rich on the internet in the '90s with his browser Mosaic, summed up the mentality that started to take hold better than anyone else. He said the biggest challenge he and his colleagues had to overcome was that “the internet had developed into an almost militantly egalitarian and cooperative community,” so that “virtually nobody made any money from it directly.” For the internet to be made safe for capitalism, in other words, it would need to be liberated from bedrock democratic principles like egalitarianism, cooperation, and community. And thanks to American political leaders of both parties, that’s exactly what happened.

In the early '90s, Congress passed legislation that effectively handed the internet over to commercial interests. And one of the most remarkable things about this radical shift in policy was that it happened with virtually no public debate or discussion at all, even though it was the American people who absorbed all the up-front cost and risk to get the internet built in the first place.

ARCHIVE CLIP (1993)

AL GORE: I am announcing today that the administration will support removal, over time and under appropriate conditions, of judicial and legislative restrictions on all of telecommunications companies.

MCCHESENEY: When Vice President Al Gore laid out the newly elected Clinton administration’s vision for the commercial internet in 1993, it was simply assumed that commercializing the internet would open up competition and spur economic growth.

ARCHIVE CLIP (1993)

AL GORE: We believe the pro-competitive policies we will propose will result in lower prices and better service to more Americans.

MCCHESENEY: All to the benefit of democracy and the American people.

ARCHIVE CLIP (1993)

AL GORE: Whether our tools were the quill pens that wrote and then signed the Declaration of Independence or the laptop computers being used to write the constitutions of newly freed countries, better communication has almost always led to greater freedom and greater economic growth.

NEWS CLIP (1990s)

REPORTER: 3:49 this afternoon, the flood of buy orders sends the Dow shooting past its old record set in July to a level never seen before.

MCCHESENEY: And the assumption that capitalism would create a more competitive, free, and democratic internet would become even harder to question as the 1990s rolled along and the American economy started to turn around.

NEWS CLIPS (1990s)

ANCHOR: The economy roars along at a pace that astonishes many economists.

BILL CLINTON: We have grown the private economy as we have cut government.

MCCHESENEY: It was an economic turnaround most people didn't see coming. And most of the credit was going to the commercial internet.

NEWS CLIPS (1990s)

REPORTER: The frenzied trading in recent weeks has pushed internet stocks to heights that seem to defy gravity.

PETER JENNINGS: America Online, Yahoo, Amazon.com, and Excite, they are all doubling or tripling in stock value like nobody's business.

INVESTOR: You jump on the ride because it's the computers, it's the internet. It's the hot thing to do for today.

UNIDENTIFIED FEMALE: Anything that has dot-com or net in its name, it goes like hotcakes.

MCCHESENEY: The dot-com boom seemed to confirm every prediction that letting capitalism loose on the internet would spark competition and unleash a new wave of American entrepreneurialism, all of which would result in a much better internet experience for the American people, who were now starting to go online in greater and greater numbers and with more enthusiasm than ever.

NEWS CLIP (1990s)

REPORTER: What do President Clinton, conservative radio personality Rush Limbaugh, and rock star Billy Idol have in common? They've all got electronic mail addresses on computer systems linked to the internet.

ARCHIVE VIDEO (1993)

BOY: Now that I've gotten on the internet, I'd rather be on my computer than doing just about anything.

GIRL: It's really cool.

MCCHESENEY: But it turns out that what was really cool for the American people wasn't so cool for the phone and cable monopolies.

THE RISE OF THE CARTEL

BELL SYSTEM COMMERCIAL (1979)

SINGING: Reach out, reach out and touch someone. Reach out, call up and just say hi.

MCCHESENEY: Up until the early '90s, people relied on phone companies to communicate with each other remotely. And they had relied on cable TV companies to receive television programming.

CABLE TELEVISION AD (1985)

SINGING: Cable's right! 'Cause cable's not just more choice. It's your choice.

MCCHESENEY: So, when the internet came along, AT&T and Comcast, the phone and cable monopolies at the time, weren't quite as excited as everyone else seemed to be.

AOL COMMERCIAL (1997)

VOICEOVER: Why is America on America Online?

YOUNG WOMAN: It puts the whole internet right at my fingertips.

YOUNG MAN: You can send instant messages just like that.

COMPUTER: You've got mail!

MCCHESENEY: If everything could come to people digitally through the internet via the World Wide Web, there would be no reason for the cable and phone giants to serve as the middlemen anymore. Why pay a fee to a phone company to make calls when you'd be able to email or someday Skype someone for free? And why pay the cable company anymore if you could simply get programs online? Simply put, the internet threatened to put the lucrative phone and cable monopolies out of business, and they knew it.

But while the old telecom monopolies looked dead in the water, they still had *one* big thing going for them. They had extraordinary political influence in Washington. And they were able to

use that influence not only to avoid extinction, but to consolidate their power and actually enhance their respective monopolies.

NEWS CLIP

DAN RATHER: A Baby Bell is getting hitched. The FCC today approved the merger of Bell Atlantic and GTE, forming the largest local telephone company.

MCCHESENEY: First, they began to merge with each other with the approval of the FCC and the Department of Justice.

NEWS CLIP

DAN RATHER: Comcast is making a hostile \$41 billion bid for AT&T's cable television division. If this deal flies, Comcast will become America's largest cable operator, serving one out of three cable customers.

MCCHESENEY: When the wave of mergers was finally done, the telecom industry went from having 15 or 20 major companies in the mid-1990s to just three giants: Verizon, AT&T and Comcast. Then, together, these three conglomerates moved to divide up the internet market between them, thanks to another FCC decision that wasn't discussed, debated, publicized, or even known to Congress. In 2002, the FCC granted the cable companies – and the phone companies shortly thereafter – exclusive use of their wires for broadband service, ruling that they would no longer have to share their wires with anyone else.

Prior to that, the cable and phone companies were required by law to rent their lines out to internet service providers, who were then forced to compete with other ISPs to deliver the best, fastest, and smoothest internet experience for customers. And it was a truly competitive industry. There were dozens of ISPs competing with each other for dial-up phone and internet access. Well, with its decision, the FCC completely eliminated the competitive market for ISPs. And we ended up where we are today: with three companies – Comcast Xfinity, AT&T, and Verizon – controlling virtually all access to the internet. And they don't compete with each other. In that sense, it's a cartel in the classic sense of the term.

LAST WEEK TONIGHT

JOHN OLIVER: It is hardly surprising that cable companies are basically monopolies now. A federal study found that 96% of the population had access to two or fewer cable broadband providers. It's almost as if they've agreed to stay out of each other's way like drug cartels.

BRIAN ROBERTS, COMCAST CEO: Both in video and in broadband, we don't compete with Time Warner. You have to start with that very fundamental point. They're

in New York, we're in Philadelphia. They're in LA, we're in San Francisco. You can't buy a Comcast in New York. You can't buy a Time Warner in Philadelphia. So, there's no reduction in competition.

JOHN OLIVER: Exactly! You can't reduce competition when nobody is competing. You could not be describing a monopoly more clearly if you were wearing a metal top hat, while driving a metal car, after winning second prize in a beauty contest.

MCCHESENEY: And the big losers have been the American people. Today, depending on which study you look at, the USA ranks way down the list by virtually every measure of internet speed, access, and quality of service.

NEWS CLIP

LOU DOBBS: A new study finds the United States ranks a shocking 33rd on the list of the world's fastest internet download speeds. That puts us behind leaders like Hong Kong, Singapore, Romania, Moldova, Bulgaria, Estonia. Feeling better?

MCCHESENEY: At the same time, even though people in Europe, Korea, and Japan have far superior internet service, we pay a lot more for our service than they do.

NEWS CLIP

ANCHOR: High speed internet in the U.S. costs nearly three times as much as it does in the UK and France, and more than five times as much as it does in South Korea. Why do Americans pay so much more than other countries? Because we don't have a choice is pretty much the answer.

MCCHESENEY: The monopoly power of the cartel also means we have a much more closed, controlled, and undemocratic internet across the board than we might have had otherwise. Look at what's going on with what's known as net neutrality.

NEWS CLIPS

ANCHOR: For everyone who doesn't know, explain what net neutrality is. How does it protect the consumer?

BRIAN STELTER: Well, theoretically, the idea, really, it's a principle, that all internet traffic should be treated the same. That certain websites shouldn't be favored over other websites.

MCCHESENEY: For years now, the goal of the net neutrality movement has been to get the federal government to step in and prevent giant internet service providers like Comcast from controlling how people use the internet. In other words, to regulate ISPs in much the same way a utility like the electric company is regulated.

NEWS CLIP

REPORTER: The debate over internet regulation has led to a record 3.7 million user comments directed at the FCC. And less than 1% of those comments were in opposition to net neutrality.

MCCHESENEY: These grassroots efforts paid off in 2015.

NEWS CLIPS

FCC CHAIR: The ayes have it.

REPORTER: Before a standing-room only crowd, the FCC for the first time voted to regulate the internet like a utility and to enforce so-called net neutrality.

REPORTER: The current rules ban internet service providers from treating internet traffic differently based on the source. They're meant to ensure corporate interests don't get favorable treatment.

MCCHESENEY: It was the largest victory for the public interest in the history of the FCC, and it wouldn't have happened if not for the millions of people who pushed the FCC to act. But the cable and phone companies haven't given up. In the years since, Comcast, Verizon, and the rest of the cartel have been lobbying the FCC hard to try to tear down net neutrality.

BLOOMBERG NEWS VIDEO

HOST: In Washington, there's lobbying, and then there's lobbying. Comcast has spent \$18,810,000 in lobbying last year. That's more than any other company except defense contractor Northrop Grumman.

MCCHESENEY: Not too long ago, these efforts paid off big time.

NEWS CLIPS

JEFF GLOR: The Federal Communications Commission today voted to roll back Obama-era regulations on the companies that provide internet service. The Commission scrapped what's called net neutrality.

REPORTER: Internet service providers like Comcast, Verizon, and AT&T stand to gain the most by being able to charge more and potentially offer less.

ANCHOR: Critics say eliminating these rules could put smaller web companies at a disadvantage and increase costs for consumers.

JIMMY KIMMEL LIVE!

JIMMY KIMMEL: As long as they tell us they're doing it now, internet service providers will be allowed to slow down or block traffic to any website or streaming service they like, which benefits the big telecom companies and does the opposite for all of us. I just want to say thank you, President Trump. Thanks to you and this jack-hole you appointed to run the FCC, big corporations are about to take full control of the internet. So, Merry Christmas, everybody.

NEWS CLIPS

REPORTER: Dissenting commissioners also claimed the majority refused to listen to public opinion.

FCC COMMISSIONER: The agency that is supposed to protect you is actually abandoning you.

MCCHESENEY: All this flies directly in the face of an open, democratic internet, and only stands to exacerbate the so-called digital divide.

NEWS CLIP

AL SHARPTON: As Americans, we've come to expect internet access wherever we go. It's become an absolutely vital tool. Yet despite this, access isn't available to everyone. And the gap is striking. Nationwide, only 40% of households below the poverty line have broadband access at home. Compare that to 93% of households with incomes above \$75,000 a year.

MCCHESENEY: The ridiculously high prices that Comcast, Verizon, and the rest of the cartel have gotten away with has meant that the poorest Americans simply can't afford it, and so have little or no access to broadband. They become, in effect, non-citizens in the digital era. None of this should be the least bit surprising. All of these things are simply the natural outgrowth of the capitalist logic that now dominates the commercial internet. And the implications for our democracy only get worse when you factor in the effects of hypercommercialization.

THE RETURN OF BIG BROTHER

APPLE "THINK DIFFERENT" COMMERCIAL (1997)

VOICEOVER: Here's to the crazy ones. The misfits. The rebels. The troublemakers. The round pegs in the square holes. The ones who see things differently. They're not fond of rules, and they have no respect for the status-quo.

MCCHESENEY: Since the 1990s, the tech world giants of Silicon Valley have tried to project an image as rebel companies that are all about disrupting the status quo, fighting against the system, and thinking different. You see these images of young people working at Google and Apple and Amazon and Facebook and it looks like they exist in an oasis of progressive rebellion within capitalism, a world of open offices and laid-back liberal California cool. But what this powerful mythology leaves out is that while the people who work for these companies, and even run them, may be all about fairness and diversity and democracy and equality on the level of the big social issues of our time, it's an entirely different story when it comes to how these firms operate as corporations and actually make all their money.

Like all commercialized media, the main way the internet generates money is through advertising. You go online and you're hit with ads you have to sit through or click past in order to get to the content you came to the site for. But there's a big difference between online advertising and how traditional offline advertising has worked for decades.

ARCHIVE VIDEO (1942)

VOICEOVER: General Outdoor Advertising Company's poster panels are scientifically placed where motoring traffic is heaviest.

MCCHESENEY: For years, the way billboards and ads in every other medium have worked has been pretty simple. An advertising company puts their ad where they think the most eyeballs will see it in the hopes the right people might show up and look.

ARCHIVE VIDEO (1942)

VOICEOVER: Each location is selected on a basis of known rules of traffic. The number of persons who move past each panel over a given time is an accurate, scientifically established figure.

MCCHESENEY: Well, the rules of internet traffic have changed all of this. When it comes to online advertising, advertisers have realized the future of their trade comes down to a totally different approach: surveillance.

NEWS CLIP

STEVE KROFT: Companies and marketing firms have been gathering information about customers and potential customers for years. But today people are giving up more and more private information about themselves online without knowing that it's being harvested and personalized and sold to lots of different people. Our likes and dislikes. Our closest friends. Our bad habits. Even our daily movements both on and offline.

MCCHESENEY: Advertisers have figured out if they can track what you're doing online - watch what you're doing, who you're talking to, what you're searching for, and monitor how long you looked at it - then they'd be able compile all that information, put together a profile of you, and sell that to businesses.

And this is valuable information businesses are buying. Because once they know your habits and everything you do online, they can target you, and you alone, with ads that match up with your online tastes and interests and habits. When you're online, that's why you keep seeing the same ads no matter what page you're on. And it's why other people, even if they're visiting the same page you're visiting, will see totally different ads based on their own search histories, online habits, and the things they say on social media. Well, that of course changes everything about the internet.

MINORITY REPORT (2002)

COMPUTER: A road diverges in the desert. Lexus. The road you're on John Anderton is the one less traveled.

MCCHESENEY: In Stephen Spielberg's 2002 cyberpunk thriller "Minority Report," personalized advertisements target Tom Cruise everywhere he goes during his every waking moment.

MINORITY REPORT (2002)

COMPUTER: John Anderton! You could use a Guinness right about now!

MCCHESENEY: Well, today, thanks to the internet, this no longer seems like science fiction at all.

CLEAR CHANNEL PROMOTIONAL VIDEO

VOICEOVER: Now, with its Radar Analytic Suite, Clear Channel Outdoor brings digital audience insights and targeting to out of home's physical world. Radar measures consumers real-world travel patterns and behaviors as they move through their day. This movement data is then mapped against Clear Channel's displays, allowing advertisers to plan and buy out-of-home to reach specific behavioral audience segments.

MCCHESENEY: Not surprisingly, online surveillance practices like these have led to charges that ad agencies are violating some of our most basic democratic freedoms, beginning with our right to privacy.

NEWS CLIP

DEBORAH FEYERICK: Facebook is under fire from lawmakers after reports that they did nothing to protect the information of millions of their users. This stems from revelations the data firm Cambridge Analytica was able to access the private information of 50 million Facebook users without their permission.

MCCHESENEY: Facebook has been repeatedly accused of invading people's privacy for commercial gain. And Google has come under fire for the same reason. But that hasn't stopped either company from continuing to sell your personal information to advertisers for unthinkable amounts of money.

And there's every sign all of this is only going to get worse thanks to the so-called "internet of things." Celebrants of the internet of things can barely contain their excitement.

ONLINE VIDEO

JASON SILVA: You walk into a room, and the room knows how you like the lighting. And the song that you love starts automatically playing. And the curtains automatically raise. And the computer offers you your favorite snack. We've always been adept at dovetailing our minds to our tools. But when our tools start talking back, the loop will be finished. We will have fully spread our minds out into our universe. This is the internet of things. This is why it's a game changer.

MCCHESENEY: But, as is usually the case with internet celebrants, they leave out how the tremendous democratic potential of these new technologies is undercut by commercialism.

NEWS CLIPS

HOST: Well, the ads? They're coming! Google, in a letter to the Securities and Exchange Commission, says it plans to put its ads on everything from your car dashboard to your wrist watch to your refrigerator. What? You think we're joking? We're not.

SPENCER ANTE: These companies like Facebook and Google and Amazon, they all want to basically control the internet of things so we can deliver advertising to any device.

MCCHESENEY: The way these digital monopolies have transformed the internet into the world's most powerful surveillance tool is concerning enough to those who care about basic democratic freedoms. But it gets even worse when you factor in the national security state.

DEPARTMENT OF DEFENSE VIDEO

LT. COL. KILEY WEIGLE: From the President, to the SecDef, to the Chief of Staff on down, they've all said that while this fiscally strained environment is getting cut left and right, cyber is on the upswing.

NEWS CLIP

BARBARA STARR: Just like Central Command, European Command, Pacific Command, this is the Cyber Command that is equipped to fight a cyberwar in cyberspace.

MCCHESENEY: In the Pentagon's eyes, the internet is now nothing less than a digital continent of the world where global warfare takes place.

DEPARTMENT OF DEFENSE VIDEO

VOICEOVER: Every day the cyber-threat to the United States and its allies grows more and more dire. New vulnerabilities are constantly discovered and our adversaries are working overtime to find footholds and weaknesses in our networks.

MCCHESENEY: All of this might seem like a sensible safeguard to threats against democracy. But it's gotten a little more complicated since we learned that the NSA, with the help of the telecom and internet monopolies, has been using security fears to justify spying on Americans.

NEWS CLIP

DAVID MARTIN: Prism is a secret government program that allows the National Security Agency to tap into the data banks of internet companies in search of foreign terrorists. Slides from a top-secret briefing detailing how the program works were obtained by the Washington Post. They list the companies, including Microsoft, Google, and Apple, and the data they provide. Everything from emails to chat rooms to videos.

MCCHESENEY: A few years ago, a National Security Agency analyst named Edward Snowden leaked a ream of classified documents to journalist Glenn Greenwald and filmmaker Laura Poitras. The documents revealed that the government has turned to private corporations to help them gather personal data on American citizens.

CITIZENFOUR (2014)

GLENN GREENWALD: So, I just want to get a sense of why did you decide to do what you've done.

EDWARD SNOWDEN: So, for me, it all comes down to state power against the people's ability to meaningfully oppose that power. I remember what the internet was like before it was being watched, and there's never been anything in the history of man that's like it. It was free and unrestrained. And we've seen the chilling of that and the cooling of that and the changing of that model...

ONLINE VIDEO

GLENN GREENWALD: The United States and its partners, unbeknownst to the entire world, has converted the internet, once heralded as an unprecedented tool of liberation and democratization, into an unprecedented zone of mass, indiscriminate surveillance.

MCCHESENEY: Any move in this direction in the United States should obviously trouble us a great deal. It certainly troubled the this of this country. They thought about the danger of too close a partnership between private power and the nation-state. And they were especially concerned about the danger to democracy when a government is consumed by militarism. In one of his most brilliant writings, James Madison said that no country in a state of perpetual war can remain free. He also said a country in perpetual war would be prone to propagandizing against the people. And both he and Jefferson came to the exact same conclusion about what it would take to prevent the United States from becoming a militarized society. Their answer, their emphatic answer, was free speech and a free press.

TEXT ON SCREEN

“Were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter.”

- Thomas Jefferson

MCCHESENEY: Journalism would be the one thing that would give people the ability to monitor what the leaders of government do and say, providing a crucial check and balance on authoritarian power.

Which brings us to the last question: how has the democratic ideal of a free press fared in the age of the internet?

JOURNALISM IN THE AGE OF THE ALGORITHM

ARCHIVE VIDEO (1945)

VOICEOVER: No other medium can take the place of newspapers in the lives of the people. And the fundamental reason newspapers are held in such high regard by the American public lies in that long-cherished bulwark of liberty, freedom of the press.

MCCHESENEY: The big-city newspaper was once ubiquitous in the United States, as American as apple pie. There were often two or more papers per city, with circulations that were off the charts. But today, the American newspaper is in its death spiral.

NEWS CLIPS

REPORTER: The sun has truly set on Johnson County. The Johnson County Sun has ceased publication.

REPORTER: The city of New Orleans will soon see daily prints of its only daily newspaper reduced to just three days a week.

SHEPARD SMITH: The New York Times announced a big layoff. It plans to eliminate 100 newsroom jobs.

MCCHESENEY: Every day, in city after city, there are fewer newspapers and fewer journalists than the year before. We now have maybe 35 to 40 percent of the working, paid journalists we had in 1990. Now, the internet is obviously a big reason for this trend. But we need to be careful here. We first started to see the decline of real resources to journalists in the late 1980s and early 1990s, before the internet took hold.

During the '80s, media companies had begun to merge into conglomerates and buy up local newspapers. As monopolies, they successfully eliminated competition. But they still needed to maximize profits, so they cut costs by laying off workers.

NEWS CLIP (1991)

CBS REPORTER: Retrenchment is the byword across the country. Even by the giant chains which dominate the newspaper business. The Miami Herald plans to slash 100 non-editorial jobs and has closed two news bureaus.

MCCHESENEY: And as we've seen again and again, what was terrible for American journalism and the very idea of a free press was absolutely wonderful for the giant corporations that owned all these newspapers and continued to rake in huge profits.

NEWS CLIP (1991)

REPORTER: At other papers operated by the giant Knight-Ridder chain there have been cuts. It's chief executive James Batten stresses that it's not that they're losing money.

(to James Batten) This continues to be a profitable company, doesn't it?

JAMES BATTEN: Oh, absolutely. We are a very profitable company. For many years, the newspaper business has been substantially more profitable on the average than the typical American enterprise.

REPORTER: The concern is mounting in newsrooms around the country that downsizing coverage is not just a byproduct of the recession, but a permanent fact of newspaper life.

MCCHESENEY: The point here is that American journalism was already in big trouble before the internet came along. And the reasons had more to do with the commercial basis of our news media system than anything else. All the internet did was make the collapse of journalism permanent and irreversible by putting even more financial pressure on those commercial media companies.

From the 1890s on, and throughout the 20th century, advertising provided between 50-100 percent of the revenue that paid for journalism in the United States. But after the emergence of the internet, this major source of funding for American news media began to evaporate,

especially for print journalism. Once people started realizing that a free classified ad on Craigslist was getting more response than a paid ad in the newspaper, ad revenue for papers started to dry up big time. An almost unprecedented drop in revenue for a major American business sector. And the numbers have only gotten worse since, with the rise of targeted advertising.

When the internet was still relatively new, an advertising firm would pay to advertise on a newspaper's website, the news website would run their ad, and the newspaper would get 100% of the revenues, just like they would if the ads ran in their newspaper. But today, with the rise of targeted advertising, this same newspaper is getting only about 10% of the ad revenues. Why? Because 90%, even more, is now going to those ad networks that compile personal data on us.

GOOGLE ADSENSE COMMERCIAL

VOICEOVER: All you have to do is drop a little code in your website and immediately it starts working.

VOICEOVER: It would be impossible to make it any easier. You can't beat it.

MCCHESENEY: This is where most of the ad money is going now, to these internet monopolies that surveil us and target us with personalized ads rather than to content providers like newspapers or news media themselves. All this has obviously been disastrous for traditional news media. But is it possible it's been good for democracy and the practice of journalism? After all, one of the great promises of the internet from very early on was that it was going to democratize journalism by allowing ordinary people to become participants in the system.

A few years back, none other than Rupert Murdoch, the owner of Fox News, said that "power is moving away from the old elite in our industry – the editors, the chief executives, and the proprietors." He proclaimed that "we are at the dawn of a golden age of information – an empire of new knowledge." And celebratory claims about the internet democratizing information continue to be made, especially since the rise of social media.

NEWS CLIP

KELLYANN CONWAY: I have a lot of faith in the wisdom of the American people. They can go and pull the information themselves. It's why so many people in the mainstream media don't like the president using twitter. Too bad. He's cutting out the middleman. It's the democratization of information.

MCCHESENEY: A recent Pew study found that more and more Americans are getting their news online from a handful of internet monopolies. According to the study, almost half of all American adults say Facebook is their primary news source. None of this in itself might seem like cause for alarm. Until you realize how these internet monopolies are actually delivering news to people.

Using the same surveillance tactics that they use to target their users with personalized ads, sites like Facebook have developed algorithms that allow them to filter the kinds of news and

information people see when they're on their sites. This means that people on these sites are only getting information in their news feeds that agree with their viewpoints, effectively enclosing them in a kind of ideological filter bubble.

ONLINE VIDEO

ELI PARISER: If I search for something and you search for something, we may get very different search results. You get what I call a filter bubble. And what's in your filter bubble depends on who you are and it depends on what you do. But the thing is, you don't decide what gets in. And more importantly, you don't actually see what gets edited out. So, what this suggests is actually that we may have the story about the internet wrong. You know, this is how the founding mythology goes, right? In a broadcast society, there were these gatekeepers, the editors, and they controlled the flows of information. And along came the internet and it swept them out of the way and it allowed all of us to connect together and it was awesome. But that's not actually what's happening right now. What we're seeing is more of a passing of the torch – from human gatekeepers to algorithmic ones.

MCCHESENEY: And when you factor the rise of fake news into all of this, things only get worse.

NEWS CLIPS

BRIAN WILLIAMS: And lately there's been a lot of coverage on the real news about the growing and booming business of creating fake news.

REPORTER: Facebook is coming under increasing criticism that fake news articles may have influenced the presidential election.

HOST: We all have what's termed as an internet bubble around us. Different people will see slightly different results when googling topics... based on our browsing history and likes and dislikes. Cambridge Analytica used that information, harvested, to push fake stories and conspiracy blogs to people who might be susceptible to taking them as fact.

MCCHESENEY: The rise of alt-right news sites during the 2016 election made headlines for promoting the most lunatic, paranoid, and patently false stories.

INFOWARS

ALEX JONES: There it is, breaking bombshell, NYPD blows whistle on new Hillary emails. Money laundering, sex crimes with children, child exploitation, pay-to-play, perjury. They're demons. And of course, you get into it and it involves the occult. Because the occult always involves the abuse of children. They're demons! They're freaking interdimensional invaders, okay? I'll just say it! Make fun of me all you want on CNN or whatever, but everyone already innately knows this: These people are not freaking humans, okay! Hillary Clinton is a demon damned to hell! Excuse me.

MCCHESENEY: Thanks to sites like Facebook, these stories were presented on social media sites as real news.

NEWS CLIP

REPORTER: A BuzzFeed analysis found that fake election news generated more buzz on Facebook than stories from 19 mainstream news outlets combined.

MCCHESENEY: And because these internet monopolies are filtering what people are seeing based on personal preferences and not journalistic standards, they're not likely to see a lot of stuff to counter these kinds of bogus views.

NEWS CLIP

CRAIG SILVERMAN: People are seeing these headlines go by on a Facebook newsfeed, where the real ones and the fake ones in some ways present as the same thing. A lot of the context is taken out of it. And I think that is a factor in people believing them.

MCCHESENEY: The problem here isn't the internet itself, but the commercial logic that now dominates it.

NEWS CLIP

ROGER MCNAMEE: Let's get real. All of these problems exist because of an advertising business model that creates perverse incentives and gives them the incentive essentially to create these bubbles around people where each person has their own set of facts and where they're easily manipulated by bad actors.

MCCHESENEY: Making it more important than ever to ask whether a democratic society like ours should be relying on a commercial media system for its journalism to begin with. Every year the highly respected British magazine The Economist, a leading source for business and political leaders, publishes something called "The Democracy Index." What they do is rank all of the countries in the world according to how democratic they are. They measure things like freedom, how easy it is to participate in the system, voter participation rates, standard political science stuff. Well, when you look at their rankings of the most democratic nations in the world over the past few years, the U.S. has been falling down the list pretty sharply. And here's the thing: if you look at the countries in the top ten, all of these countries spend a fortune per capita subsidizing public media and journalism and keeping creative dissident voices alive.

Now you might say, well, that's an interesting correlation, but it doesn't necessarily mean there's some kind of cause and effect going on between government investment in news media and the level of democracy in a society. It could be just a fluke, a coincidence. So, let's look at another source, a group called Freedom House. This is an organization that was started to monitor the evils of communism and totalitarianism, and one of the things they do is evaluate all the press

systems of the world every year, from top to bottom, best to worst, with a complex ratings system. Well, guess what they've found? They found that the most uncensored, freest, and best press systems in the world belong to the same countries that top The Economist's list of the most democratic nations. In other words, nations with a government-subsidized press rank higher than us. We're known as the leaders of the free world, but we're falling on that list like we've got lead balloons attached to our feet. So, despite everything we've been taught, there's no necessary correlation at all between a commercial, capitalist media system and a truly democratic media system. And, in fact, there's a ton of evidence that says exactly the opposite: that capitalism, left to its own devices, can turn media – and communication technologies like the internet – against democracy.

THE GROWING RESISTANCE

ONLINE VIDEO

CROWD CHANTING: We got sold out! We got sold out!

MCCHESENEY: For years now, we've seen the emergence of a powerful movement that's been fighting on multiple fronts to level the playing field for ordinary Americans. A movement to fight economic inequality, break up the consolidation of wealth and power, and push back against the corrupting influence of corporate money on our political system. And the battle for control of our media system and the future direction of the internet has emerged as one of the key fronts in this fight - especially since the FCC made its crucial decision to tear down net neutrality.

ONLINE VIDEO

MALKIA CYRIL: I believe that the technology that the people have made belongs to us. I believe that these companies come in and they tear up our streets, they move through our neighborhoods, they use our public dollars, and then they call that shit theirs!

NEWS CLIPS

KEITH ELLISON: They are doing this so that they can reap more monopoly profit, so they can buy more political influence, so that they can give themselves more bonuses, so that they can create more mergers, so they can get rid of more jobs. It is to screw the American people! And we are not going to stand by for it. We're gonna stand here, we're gonna fight back, and we are going to win!

CRAIG AARON: I mean, I'm blown away, honestly, by what happened over just the last few weeks. I've been fighting on net neutrality since 2005, and we've never seen more public energy, more public awareness. We had more than a million phone calls going into Congress. We saw the internet, all corners of the internet, really just exploding with awareness and interest. I can point to all the incredible things that the internet has made

possible, even us being able to have this conversation right now. But we know that these are all tools. They can be used to liberate or they can be used to oppress.

TEXT ON SCREEN

83% of Americans now support the government regulating internet service providers through net neutrality rules. Including 3 out of 4 Republicans.

MCCHESENEY: Thanks to the tireless work of grassroots groups, more and more Americans have realized that what was supposed to be a free and open democratic frontier is closing down to serve the interests of a few major players, in the process violating any known understanding of privacy, democracy, and freedom.

TEXT ON SCREEN

75% of Americans now say they oppose the government tapping into their internet activity to combat terrorism.

Only about a third of Americans say they trust Google, Facebook, and Twitter with their personal information.

And 77% of Americans now say they're uncomfortable with companies selling their personal data to advertisers.

MCCHESENEY: We still don't know exactly what kind of revolution the digital revolution will turn out to be. But its greatest legacy may end up being just this: that it's brought the long-simmering tensions between capitalism and democracy to a head and reminded us that our most cherished ideals aren't for sale.

[END]