



The Information Valet Project
<http://www.infovalet.org>

Mit-gathering – June 19, 2007

FOUND AT: <http://www.mediagiraffe.org/wiki/index.php/Mit-gathering>
or: <http://newshare.com/mit/mit-gathering-2007.pdf>

Sustaining democracy / sustaining journalism: A discussion

Consider this premise: To sustain democracy and journalism, the Internet needs a user-focused system for sharing identity, exchanging and settling value (including payments) for information (text, video, music, game plays, other entertainment, advertising views etc.) One challenge might be to create a system that can be ubiquitous yet never be owned or controlled by either the government or a dominant private, for-profit entity. It should to be massively distributed and -- in some fashion -- might ideally be collaboratively owned.

To consider this need, **eleven individuals** representing technology, entrepreneurship, academic, social theory and publishing convened on short notice for a half-day discussion on Tues., June 19, 2007 at the **Comparative Media Studies** offices at MIT in Cambridge, Mass. The meeting was called by **Bill Densmore**, hosted by MIT **Prof. Henry Jenkins**, and co-convened by **Geneva Overholser** and **Tom Stites**. The names of those attending, and expressing interest, appear at the end of this report.

DISTRIBUTED BEFORE THE DISCUSSION:

- Convening agenda and readings (with links) ([WORD](#)) / ([PDF](#))
- Vin Crosbie's essay: "[The Three Phases of Information Revolution](#)"
- From 1999: [The Jenkins-Densmore email exchange](#)

EXECUTIVE SUMMARY

During the June 19, 2007 discussion, a consensus emerged. For journalism and some forms of entertainment to grow or be sustained into the digital age, the Internet must support three functions:

User-centric authentication

- Some level of authentication of users by unique attributes (such as name, or numeric identifier or interest attributes), shared among information services, is an urgent requirement for Internet information and social-network resources to grow. An authentication service must vest privacy-control in the hands of the consumer.

Value exchange for viewing or using content

- The option to either systematically pay consumers for their attention or service, or charge them for use of resources, perhaps netting the two against each other, would facilitate the development of online games, archival and "mashedup" multimedia entertainment, and could perhaps help sustain news and information of unique value.

Combine authentication, value exchange for IP sharing

- The combination of identity management and value-exchange in an integrated service might support the growth of an array of "social networking" services, as well as the need to managing the sharing and use of intellectual property objects such as music, video, text, game play and software services.

The group did not take any next steps beyond this vaguely expressed consensus that the three key needs for Internet maturity are identity management, value exchange and systematic intellectual-property trading.

PRE-MEETING PREMISE

Our pre-meeting premise going into the meeting: The Internet needs a system for tracking, exchanging and settling value (including payments) for information commerce (text, music, game plays, entertainment, advertising views etc.) One challenge is how to create a system that can be ubiquitous yet never be owned or controlled by either the government or a dominant private, for-profit entity. It needs to be massively distributed and - in some fashion - collaboratively owned.

The idea was to consider and modify this premise and brainstorm how it might be achieved, in part through a more formal convening, possibly in the fall. A stated "possible goal" in the convening invitation was to "achieve consensus on an infrastructure for Internet information payments which is easy to use, allows sharing of

users and content, maintains ownership of user bases for publishers, and is capable of supporting multi-media copyright-protection mechanisms." However, we did not reach the point of discussing any consensus.

For a briefing on the goals for the convening, a statement of the perceived needs and opportunity, and a set of relevant readings, point your browser to:

<http://densmore.newshare.com/mit-agenda.html> (or .pdf)

ABOUT THE CONVENORS

A bit more about the convenors:

- Prof. Henry Jenkins, then-director, comparative media studies, MIT (now at University of Southern California), also co-manager of a \$5-million Knight Foundation grant to bring together MIT Media Lab technology with the needs of the evolving local citizen-media movement.
- [Bill Densmore](#), director, the Media Giraffe Project at UMass Amherst, and founder, Clickshare Service Corp., which developed from 1994 a integrated user identity, transaction management and social-networking technology).
- [Tom Stites](#), Unitarian Universalist Association; Center for Public Integrity (ex MSM editor), most recently noted for his observations about how newspapers have drifted away from their core audience.
- [Geneva Overholser](#), then at Univ. of Missouri, ex-editor Des Moines Register; ombudsman, Washington Post; editorial-page writer, NYTimes. Overholser through her, "Manifesto for Change," and regular convenings, is working to sustain a role for journalism as a watchdog of government and major institutions and a core sustainer of participatory democracy.

Stites was not able to be present because of responsibilities as Unitarian Universalist Association national publisher at the UUA annual convention.

THE DISCUSSION

A discussion began about 9:30 a.m. and continued through a 1 p.m. adjournment in a seminar room at MIT. We stuck roughly to an agenda which included introductions and statement of convening goals from each participant, brief reference to a history of Internet information payment, user management and loyalty/advertising systems and discussion of key needs. We did not reach a discussion of options for structure or ownership of solutions, or the scope of research and consensus-building needed within the publishing, technology or advertising fields. Some research ideas were suggested, however.

NOTES OF DISCUSSION

Here are brief notes of the discussion, taken by Bill Densmore. These notes are paraphrased, interpretive and deliberately leave out direct attribution, in keeping with the pre-convening pledge to allow participants to speak frankly and tentatively.

A key question: Who are these issues important to and when will the public become aware of rights management as a requirement for the creation of useful information?

Advertising trumped other ideas early on

As early as 1992, people began thinking about ways to compensate newspapers like the Palo Alto Weekly and the Raleigh News & Observer for information on the web but early implementations of so-called micropayments never caught on. As a result, through the current period there are few economic models for sustaining news-type information on the web, other than advertising.

The growth of Internet advertising was seen as having sidelined the development of any payment or user-identity systems. But the emergence of iTunes was cited as one example that this may be changing. Another example cited was a significant market for ringtones and text messaging on cellphone networks.

How do we pay for cultural diversity? Small payments? Fan groups?

At MIT, the Center for Media and Society has a goal of training the next generation in the use of media – so-called “applied humanities.” A close collaborator is the MIT Media Lab. A key question is “how we pay for culture.” A base concern is ensuring diversity in media culture. And one hypothesis is that micropayments – small, per-item payments aggregated across multiple websites -- might ensure greater diversity by providing a way for small and independent media creators to get paid. Thus, the question: Micropayments which disappeared after an early stage of attempts by many companies in the mid-1990s – will they emerge as a solution to this need for a diverse media culture and a need to pay for journalism seen as necessary to participatory democracy?

Artists of all kinds are having trouble finding business models for digital media. One opportunity might be to look at entertainment fan communities as potential collaborators in innovation. Could niche Internet TV communities be supported by their audiences?

How much is enough for an individual creator? Can big media help?

Another key question: How much money is enough money for a creator? Is enough what is required to sustain the marketing and promotion apparatus of a major media company, or is it sufficient to have some of the creator’s time offset sufficiently to just merely create the incentive to create?

The question is asked: What can big media companies do to help? And the answer supplied:

1. Provide a platform
2. The platform facilitates monetization
3. The platform supports insight into the audience
4. Access to innovation

As merchants take advantage of missionaries, what happens?

Concerning the relationship between innovation and monetization, we considered the notion of “missionaries” and “merchants.” Where missionaries are people on the Internet who are willing to innovate without any particular thought of getting paid. And merchants are principally interested in having a business. While the two have co-existing in the early days of the Internet, the onset of social networking sites like YouTube, is resulting in merchants making money on the work of missionaries, which then alters the willingness of missionaries to participate.

Missionary exploitation leads to need for value sharing network

This leads to the need for a monetization, or value-sharing, system that might at least compensate missionaries for some of their contribution. In the meantime, these missionary hobbyists are having to reassess their activity and whether they are willing to contribute their work to the merchants. The good news is this may be creating a market for a system which fosters small payments among a distributed group of missionaries.

Moving from anonymous transactions to user-centered identity

We heard about the [Higgins Project](#), an open-source, user-centric identity system, which permits users to have persistent as well as multiple identities across multiple markets which are loosely connect in a sort of cloud. The Higgins Project is seeking pilots.

Lack of identity leads to “clickfraud”

In the early experimental phase of net payments, the notion was that it was possible to have money – transactions – anonymously. For reasons of technology, law and credit/risk management, that turned out to be false. In addition, the lack of persistent identity leads to problems, such as advertising click-fraud rates, which were described as huge, and which inhibit accurate measurement of advertising views and effectiveness.

Turning to the future of journalism

The group discussed defining journalism and hence reaching a definition of what it costs to do journalism and whether that cost, stripped of the other things that have heretofore gone along with journalism – printing, delivery, ad sales and market – is the cost of journalism itself rather modest?

Propagating invasive, not endangered, species

The group discussed whether it made sense to focus on newspapers as the bearer of change vs. something else and broached the concept of so-called “invasive species.” As one person put it, there is a need to accept that newspapers are an endangered species and it doesn’t make a lot of sense to breed or save endangered species. Rather, it might make sense to identify characteristics of the invasive species that might be useful from the point of view of fostering journalism and democracy and propagate invasive species in that direction.

=Journalism as a service not a industrial product

One reason newspapers have become broken is because they are run by people who think of themselves as a profession of journeyman, who can parachute into a community and operate according to principles that are manufacturing principles that don’t reflect the uniqueness of a community. Further that the need is to focus on journalism as a service rather than newspapers as a manufacturing industry. In that context, the group considered that the change focus needs to be on standards and practices rather than technology. For example, the wax cylinder on which audio recordings were made in the early part of the 20th century is long gone, but recorded music persists. The issues are service issues, standards and practice, not particularly technologies or production processes.

Journalism packaged within entertainment?

And further that media is more than just news, that the creation of knowledge that advances democracy is not all about the creation of news. It may be about the creation of forms of entertainment as well. Gannett Co. Inc. has found in their implementation of News Centers at their former newsrooms, that the social-networking/chat aspects of its mothering sites are far more popular than any news aspects.

The conclusion: Journalism in the public interest, which is currently mired in legacy media, needs to have financial legs in the digital world. Or: How do we promote Clark Kent values on the Internet?

Some questions about valuing the news

- What is high-quality content?
- How do you get it made?
- How do you find and reward people who will make it in a democracy?

The discussion turned to valuing the news and whether individual articles could ever be seen to be valuable enough to pay for on their own merits. It was observed that highly local information about schools, sports and the like might be of enough interest to geographic-based communities to justify paying \$5 or \$6 a month for if part of a social-media context.

Separating journalism from paper, adding social context

The challenge is to parse out the notion of news – separate it from paper – to look at the way bloggers aggregate information for underserved, niche communities, but recognize

that what a newspaper does rather than what it is, is still valuable. The notion of providing a cultural context for a community. So the challenge is to forget about newspapers and focus on journalism.

Bundling journalism with the local social network

It was proposed that the goal of local news has been to provide a channel to help people find information most relevant to them in the place where they live. And so the solution to sustaining journalism may be found at the local level, creating a model where reputation and identity are not monolithic and then creating a bridge between the skilled journalist and the citizen journalist which might create thousands of local journalists. But is the reward structure for the local journalist entirely economic or might it be found in the reward from creating a sense of community and place?

A reward for journalism as part of the social network?

Do social networks need per-item payment systems, or can they be sold as bundled subscription services? Cited as an case study: The “walled-garden” approach of the Wall Street Journal’s subscription approach, which may offer a complete package resources, perhaps, to investors. But where the network requires information from many different sources to be complete, a mechanism is needed to acquire and compensate the individual contributors of that information.

Payments may be shared among content providers at wholesale level

Payments may occur in background among the content suppliers and not ever involve the social-network consumer member. In this way, markets can be made around metadata based upon policies and rules agreed among the participating content providers at the wholesale level, never reaching the consumer user.

Promoting “spreadability” rather than “stickiness”

These meta-data networks could involve trading of advertising views -- specialized ad networks are forming around every interest area, it was observed. These collaborative networks promote the notion of “spreadability” rather than “stickiness,” which was perceived as the key value for individual sites in the early phases of the Internet.

Advertising paying the “usitizers”

The concept of the “usitizer” is broached – what if you could create circles of “usitizers” – could advertisers agree to pay those “usitizers” in exchange for gathering aggregated information about them – in effect pay them for ad views?

Changing the bar to registration: The challenges

Until now, the bar against such a system has been registration, which tends to reduce eyeballs and turn-off those vendors trying to sell advertising. Now, Gannett Co. Inc. has found that in a re-design to the USAToday website, voluntary registration is working well. Does registration have to be an either-or proposition, if user

management becomes ubiquitous across an Internet “cloud” and therefore not a gate barring admittance to any website? To achieve this the challenge becomes how to:

- Manage user identity,
- Share quality content and
- Exchange value.

Renumeration, reputation, validation

The identity system has to be open, light, accessible and it has to be tied in with a robust reputation system. You can't talk about renumeration without talking about reputation and validation of the source and perhaps also of the user. And particularly where users are now creators as well as mere users. So a challenge is to build communities which will sustain community journalism. What would be the tools and conditions that would do that? Might they include a payment system? But is that sufficient, or just necessary? What else is needed from a social-networking point of view, not just a technical point of view? A consensus starts to emerge about the enumerated problems:

1. Finding a way to enumerate, exchange value
2. A valid way to measure reputation and therefore have accountability
3. A mechanism for sharing content which involves effective distribution and aggregation --sustainability
4. How to find users and information
5. A mechanism for user identity.

NEXT STEPS

First, some observations:

1. A robust identity system is needed that breaks away from silos and moves into the notion of an identity cloud.
2. Whether the service offered is based on per-item payments or subscription is dependent upon the community.
3. A new funding system to support responsible journalism is needed.
4. Identify what conditions are needed to foster pilots and experiments.
5. How do you determine what's out there then let 100 flowers bloom?
6. What research ideas haven't been explored enough already?

Ideas for research: Education, election, reputation, accountability, spotlighting

How do we identify issues that are still to be looked at and then research them without specifying the outcome desired? Among the things for which research is needed:

- How to understand how you create a context which will incent the kind of civic behavior we want. Is that through media education in schools? Elsewhere?
- Take the presidential election as a research topic and see what could be done with it – including connecting individual stories through emerging platforms like YouTube and MySpace. By using the presidential election, the pilot efforts could be amplified by the mainstream media, which will follow the race closely.
- What does reputation look like online? How important is it? And will people pay to get information about the reputation – read quality – of information?
- Survey the public interest in transparency and accountability – does anybody care?
- Consider the distinction between a “community” and an “audience.”
- Develop capability to shine light on other examples of real innovation. Too often insiders cover the same people over and over again. Track the innovation with a matrix of parameters of whether what they are doing is working or not working.

MISCELLANEOUS NOTES

- John Clippinger said he was working with [Mike Jensen](#) of the (Social Science Research Council on reputation systems. (Not sure if reference is CQ)
- Look at [Rapleaf](#), an open reputation system that eBay has been blocking because it competes with their own system.
- Get back to Tom Grubisch about his offer to involve the publisher of 14 community newspapers in the DC area.
- How is what [Buffalo Rising](#) doing different from the community journalism model?
- LINK: [Old Media 'Violently' Impacted by Online Advertising](#) -- U.S. advertising spending is predicted to grow a mere 3.1% to \$290.3 billion this year, says forecaster Robert J. Coen of Universal McCann. "The outlook for advertising this year is not very good." Online advertising and search marketing have "violently" impacted established media.

Excerpting "The State of the Media, 2007": Finding an economic model

The [Project for Excellence in Journalism](#) produces an exhaustive annual report entitled "The State of the Media". The 2007 report includes [this statement](#):

The evidence is mounting that the news industry must become more aggressive about developing a new economic model. The signs are clearer that advertising works differently online than in older media. Finding out about goods and services on the Web is an activity unto itself, like using the yellow pages, and less a byproduct of getting news, such as seeing a car ad during a newscast. The consequence is that advertisers may not need journalism as they once did, particularly online. Already the predictions of advertising growth on the Web are being scaled back. That has major implications, (which some initiatives such as .Newspaper Next. are beginning to grapple with). Among them, news organizations can broaden what they consider journalistic function to include activities such as online search and citizen media, and perhaps even liken their journalism to anchor stores at a mall, a major reason for coming but not the only one. Perhaps most important, the math suggests they almost certainly must find a way to get consumers to pay for digital content. The increasingly logical scenario is not to charge the consumer directly. Instead, news providers would charge Internet providers and aggregators licensing fees for content. News organizations may have to create consortiums to make this happen. And those fees would likely add to the bills consumers pay for Internet access. But the notion that the Internet is free is already false. Those who report the news just aren't sharing in the fees.

THE PARTICIPANTS

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