"Under the Microscope: Examining the Censorship-Industrial Complex and its Impact on American Small Businesses"

> Committee on Small Business United States House of Representatives

> > June 26, 2024

**Statement for the Record** 

Benjamin Weingarten Investigative Journalist, RealClearInvestigations Columnist, RealClearPolitics

## I. Introduction

Chairman Williams, Ranking Member Velázquez, and members of the Committee, thank you for the opportunity to testify.<sup>1</sup>

Free speech and a free press are bedrock features of our republic.

Yet today, these fundamental freedoms are under threat from self-styled defenders of democracy.

With the dawn of the Censorship-Industrial Complex, our nation's power centers have increasingly succumbed to the illiberal temptation to silence their critics by casting dissent from establishment orthodoxy as dangerous "mis-, dis-, and mal-information" that must be quashed.

Overwhelming evidence<sup>2,3,4,5,6</sup> indicates a veritable alphabet soup of like-minded federal agencies, think-tanks, NGOs, academic institutions, "fact-checkers,"<sup>7</sup> and for-profits have cajoled, coerced, and colluded, most notably with social media companies,<sup>8</sup> to identify and purge unauthorized opinions and even inconvenient facts and stories on disputed matters of public policy and political interest – across the digital public square and at mass scale.

By demoting, deplatforming, and demonetizing not only content, or users, but entire media outlets, this censorship regime has deprived Americans of our ability to both speak and listen at breathtaking scale. The chill to this speech policing no doubt contributes to additional self-censorship. Considered together, it is incalculable just how much speech has gone silenced, on what topics, and to what end.

The Censorship-Industrial Complex may be animated by a paternalistic view that authorities know best. Or it could be fueled by a more cynical desire among authorities to suppress opposing news and views to perpetuate their power.<sup>9</sup> Just consider a simple thought experiment: Would the complex have arisen had Americans not elected Donald Trump?

Regardless, it seems clear that neither the motives, means, nor ends of this censorship regime comport with genuine democratic principles.

document/Biden-WH-Censorship-Report-final.pdf.

<sup>&</sup>lt;sup>1</sup> While appearing today as an investigative journalist at RealClearInvestigations, and columnist at RealClearPolitics – and to provide relevant testimony connected with the Censorship-Industrial Complex's impact on RealClear Media Group, under which these verticals sit – all opinions are my own and do not necessarily reflect those of these or any other media outlets with which I am affiliated.

<sup>&</sup>lt;sup>2</sup> https://storage.courtlistener.com/recap/gov.uscourts.lawd.189520/gov.uscourts.lawd.189520.214.1\_1.pdf. <sup>3</sup> https://judiciary.house.gov/sites/evo-subsites/republicans-judiciary.house.gov/files/evo-media-

<sup>&</sup>lt;sup>4</sup> https://weingarten.substack.com/p/full-testimony-dhs-and-cisas-pivotal.

<sup>&</sup>lt;sup>5</sup> https://twitterfiles.substack.com/archive.

https://www.realclearinvestigations.com/articles/2023/11/06/documents\_shed\_new\_light\_on\_feds\_collusio n with private actors to police speech on social media 990672.html.

<sup>&</sup>lt;sup>7</sup> https://www.tabletmag.com/sections/news/articles/invasion-fact-checkers.

<sup>&</sup>lt;sup>8</sup> https://www.racket.news/p/report-on-the-censorship-industrial-

<sup>74</sup>b?utm\_campaign=post&utm\_medium=web.

<sup>&</sup>lt;sup>9</sup> https://docemetproductions.com/americas-disinformation-dystopia/.

Alarmingly, absent a sea change in public policy and cultural orientation, this regime will likely only grow more sophisticated and pervasive as technology advances, and stealthy as scrutiny intensifies - to the further detriment of our republic.

It would be disturbing enough if civil society alone was driving the Orwellian phenomenon of mass speech-policing. But as noted, the federal government has played an integral part in creating and growing the Censorship-Industrial Complex. In so doing, it has violated the spirit if not the letter of the First Amendment.

This Committee's inquiries have touched on a symbolically and substantively significant aspect of government-sponsored censorship: Federal funding, direct and indirect, to the tune of several million dollars, of entities that, as this Committee has put it, "interfere with the ability of American small businesses to compete online because of their speech."<sup>10</sup>

NewsGuard and the Global Disinformation Index (GDI) are two such recipients of government largesse via the State Department's Global Engagement Center (GEC), under arrangements this Committee is rightly scrutinizing.<sup>11</sup>

I offer my testimony today in furtherance of your vital oversight efforts.

## II. GEC's Facially Dubious Support of NewsGuard and the Global Disinformation Index

Before discussing the experience that outlets with which I am affiliated, RealClearPolitics and *RealClearInvestigations*, have had with NewsGuard and GDI, it is worth stressing just how untoward the relevant relationships this Committee is probing are on their face.

GEC's stated mission is to lead U.S. government efforts to counter "foreign state and non-state propaganda and disinformation efforts..."<sup>12</sup> [Emphasis mine]

NewsGuard, a U.S.-based for-profit, rates and reviews the "reliability" of the thousands of sources foreign and domestic responsible for generating "95+% of online engagement with news."<sup>13</sup> The company's purpose is to "empower...brands, advertising agencies" and other clients to "systematically defund sources of harmful misinformation," in the words of its co-CEO Gordon Crovitz.<sup>14</sup> NewsGuard does so by providing licensees with "exclusion lists" – that is, blacklists - of "unreliable" sites for use in directing their ad agencies and ad-tech partners as to where *not* to place ads, thereby starving shunned sites of ad revenue.<sup>15</sup>

Less directly, NewsGuard may "defund sources" by reducing traffic to them. Users of browsers equipped with the raters' extension will see numerical ratings displayed prominently alongside websites when searched. When one hovers over a site's score, NewsGuard's subjective description of the site, as well as a message for a particularly low scorer like "Proceed with

<sup>&</sup>lt;sup>10</sup> https://smallbusiness.house.gov/uploadedfiles/05.16.2024 - letter 5 to global engagement center -\_\_\_\_\_public.pdf. <sup>11</sup> https://smallbusiness.house.gov/uploadedfiles/06.13.24\_subpoena\_to\_state.pdf.

<sup>&</sup>lt;sup>12</sup> https://www.state.gov/bureaus-offices/under-secretary-for-public-diplomacy-and-public-affairs/globalengagement-center/.

<sup>&</sup>lt;sup>13</sup> https://www.newsguardtech.com/solutions/newsguard/.

<sup>&</sup>lt;sup>14</sup> https://www.newsguardtech.com/press/newsguard-expands-service-to-australia-new-zealand/.

<sup>&</sup>lt;sup>15</sup> https://www.newsguardtech.com/special-reports/brands-send-billions-to-misinformation-websitesnewsguard-comscore-report/.

Maximum Caution" appears as part of a detailed "Nutrition Label." This creates something of a "scarlet letter" effect for sites deemed unhealthy by the company.

GDI, a UK-based non-profit,<sup>16</sup> likewise seeks to "reduce disinformation" by "remov[ing] the financial incentive to create it" – namely, ad revenue – through providing a "dynamic exclusion list" to ad tech companies and others.<sup>17</sup> Its blacklist consists of at least 2,000 "risky" global news publications, similarly including American ones. The purported "risk" GDI aims to help ad companies mitigate is that their clients' brands might surface on sites that traffic in "disinformation," subjecting them to boycotts and other harms.<sup>18</sup> According to its CEO Clare Melford, GDI's work has "had a significant impact on the advertising revenue that has gone to those [risk-laden] sites."<sup>19</sup>

In addition to funding these so-called "censorship-by-risk-rating" entities, GEC has also allegedly directly and/or indirectly marketed and/or promoted NewsGuard and GDI.<sup>20,21,22,23</sup>

It would seem therefore that a foreign-facing U.S. government agency has supported entities – one of which is based overseas – whose mission is to put disfavored U.S. media outlets out of business.

Three questions immediately come to mind:

- Is our government not effectively conferring its imprimatur on some American businesses at the expense of others?
- Why is our government lavishing funds on entities that seek to destroy American businesses in the first place?
- And is it not an attack on the First Amendment by proxy for our government to lavish funds specifically on entities that seek to destroy American *media* businesses?

<sup>17</sup> https://www.disinformationindex.org/product/.

pressure\_business\_of\_selling\_woke\_corporate\_armor\_776879.html and

https://nypost.com/2023/11/22/opinion/elon-musk-exposes-media-matters-as-an-ideological-shakedown-operation/.

<sup>19</sup> https://www.washingtonexaminer.com/news/2749593/disinformation-inc-meet-the-groups-hauling-in-cash-to-secretly-blacklist-conservative-news/.

<sup>20</sup> https://dw-wp-production.imgix.net/2023/12/DailyWire-v-State-final.pdf.

 $^{21}\ https://thefederalist.com/2023/04/11/government-is-marketing-censorship-tools-to-big-tech-to-gag-conservatives/.$ 

 $^{22}\ https://thefederalist.com/2023/04/19/meet-the-shadowy-group-that-ran-the-federal-governments-censorship-scheme/.$ 

<sup>&</sup>lt;sup>16</sup> GDI operates via registered charities in the U.S. and Europe and a limited company in the United Kingdom.

<sup>&</sup>lt;sup>18</sup> For more on the "brand safety" industry, of which NewsGuard and GDI can be seen as a part, see for example: <u>https://www.realclearinvestigations.com/articles/2021/05/13/the\_high-</u>

<sup>&</sup>lt;sup>23</sup> There is a pattern of government funding, coordinating with, and/or promoting third parties to engage in, or support the activities of additional parties engaged in abridging Americans' protected speech – using them as "cutouts." See for example: <u>https://judiciary.house.gov/sites/evo-subsites/republicans-judiciary.house.gov/files/evo-media-document/EIP\_Jira-Ticket-Staff-Report-11-7-23-Clean.pdf</u>. GEC was a "stakeholder" in the Election Integrity Partnership (EIP) – a putatively private consortium created in conjunction with and fostered by the Cybersecurity and Infrastructure Security Agency (CISA), a Department of Homeland Security sub-agency. EIP surveilled and flagged Americans' protected political speech to social media platforms for suppression, most notably during the 2020 election. See also: https://www.realclearinvestigations.com/articles/2023/11/06/documents\_shed\_new\_light\_on\_feds\_collusio n with private actors to police speech on social media 990672.html.

## III. NewsGuard and GDI's Detrimental Impact on Small Media Businesses

*RealClear*'s<sup>24</sup> experience with these entities may help inform the Committee's oversight efforts.

RealClearPolitics (RCP) is a fiercely independent media outlet dedicated to viewpoint diversity.

Each day the site's editors curate what they believe to be the most insightful commentary from the left and right and across a wide variety of sources on key issues, pairing the links sequentially so readers can weigh each perspective.

This is consistent with *RCP*'s mission to "facilitate meaningful discourse on governance, campaigns, elections, and public policy."

The site's original reporting similarly aims to "present balanced, non-partisan analysis that empowers our readers to stay informed."<sup>25</sup>

Consequently, media bias ratings site AllSides positions *RCP* in the ideological center, alongside outlets such as *Reuters*, *The Hill*, and the *Wall Street Journal*.<sup>26</sup>

Despite our reputation for fairness and quality journalism, NewsGuard rates our site at 62 out of 100 - 100 being the highest possible rating – deeming us "Credible with Exceptions." It claims *RCP* has an "undisclosed" conservative bent, among other deficiencies according to the standards and subjective assessments of NewsGuard's journalists, who grade a sampling of the work of other journalists to render judgment on entire media outlets.<sup>27,28</sup>

NewsGuard itself, by contrast, might have a liberal bent – which may explain why it dings rather than rewards a site like ours that exposes the best of both sides and leaves it to Americans to decide who has the better of the relevant arguments. The "reliability" rater gives left or left-leaning outlets an average score of 91, in contrast with right or right-leaning outlets which grade out at 65, per one study.<sup>29,30,31</sup>

<sup>&</sup>lt;sup>24</sup> I refer to "RealClear" generally to encompass RealClearPolitics, RealClearInvestigations, and the other brands comprising RealClear Media Group.

<sup>&</sup>lt;sup>25</sup> https://www.realclearpolitics.com/about.html.

<sup>&</sup>lt;sup>26</sup> https://www.allsides.com/media-bias/media-bias-chart.

<sup>&</sup>lt;sup>27</sup> https://thefederalist.com/2023/03/14/why-newsguard-is-just-as-bad-as-the-pro-censorship-global-disinformation-index/.

<sup>&</sup>lt;sup>28</sup> https://www.aier.org/article/who-fact-checks-the-fact-checkers-a-report-on-media-censorship/.

<sup>&</sup>lt;sup>29</sup> Bias ratings provided by AllSides.

<sup>&</sup>lt;sup>30</sup> https://www.newsbusters.org/blogs/free-speech/joseph-vazquez/2023/12/12/mrc-exposes-newsguard-leftist-bias-third-year-row.

<sup>&</sup>lt;sup>31</sup> NewsGuard has pointed to instances of right-leaning publications outscoring left-leaning publications to blunt claims of ideological bias, and more broadly defended the integrity of its practices. See for example: <u>https://www.foxnews.com/politics/house-gop-launches-investigation-federally-funded-news-ratings-groups-impact-free-speech</u> and https://www.washingtonexaminer.com/opinion/1777030/only-transparentapolitical-ratings-for-news-publishers-can-be-trusted/. Its co-founders have been affiliated with outlets and organizations that span the ideological spectrum, and its advisors include those who have served in Democrat and Republican administrations. One might argue however that there is bipartisan opposition to dissident viewpoints across the political establishment from which many of NewsGuard's advisors hail – and especially among those in the national security space, which has been a key driving force behind the rise of the Censorship-Industrial Complex. Perhaps even more salient, a cursory glance at the listed biographies of NewsGuard's editorial staffers, including those responsible for reviewing and rating media outlets, suggests few if any have worked for publications that might be characterized as "right" or "right-

Perhaps we shouldn't be too upset. Applying NewsGuard's criteria for "credibility" and "transparency" to "The Federalist Papers," the Capital Research Center recently assessed that even the Founders would only score an 82.5.<sup>32</sup>

Yet Hamilton, Madison, and Jay too fail to measure up to those who have attained perfect NewsGuard ratings – some despite their work having been riddled with shortcomings. *NPR* receives a 100 notwithstanding recent revelations about its biases and other warts.<sup>33,34</sup> So too does the *Washington Post*, peddler par excellence of the debunked Russian collusion story.<sup>35</sup> As does *Politico*, despite its integral role in discrediting the truthful Hunter Biden laptop story.<sup>36,37</sup>

*RealClearInvestigations (RCI)*, which likewise curates what our editors believe to be the most groundbreaking investigative journalism from across the web for readers, and publishes original investigations, achieves a NewsGuard score of 80.

Still, the company has taken *RCI* to task for example for our unmasking of the intelligence community whistleblower behind the first impeachment of President Trump. This was a story we proudly reported while lawmakers demanded silence and the rest of the media remained dutifully mum. Yet NewsGuard challenged our reportage, as revealed in email correspondence from 2019 that *RCI* publicized last year. When our editor, Tom Kuntz, pushed back to ask if NewsGuard had made similar inquiries of the major news organizations that seemingly unquestioningly reported dubious, obviously politically-driven, and likely illegal anonymous leaks from the intelligence community in prior years, NewsGuard did not respond.<sup>38</sup>

Previously, when presented with NewsGuard's assessment that *RCI* advances "undisclosed conservative views," challenging our credibility, Kuntz replied "We're a 'hit 'em where they ain't' operation that doesn't want to compete with the other [investigative journalism] sites we link to. But our site doesn't have a viewpoint."<sup>39</sup>

This can be seen in the ideologically diverse roster of journalists who publish original content at RCI – a fact that has apparently left NewsGuard unmoved. Lee Fang, who comes from a progressive background starkly in contrast to my own, is one such journalist. He reported for *RCI* that the *Daily Sceptic*, a publication that takes contrarian positions relative to establishment

<sup>35</sup> https://www.realclearinvestigations.com/articles/2021/11/24/five\_trump-

russia\_collusion\_corrections\_we\_need\_from\_the\_media\_now\_-just\_for\_starters\_804205.html. <sup>36</sup> https://www.newsbusters.org/blogs/free-speech/joseph-vazquez/2023/12/12/mrc-exposes-newsguard-leftist-bias-third-year-row.

leaning" – with a significant number coming from prominent "mainstream" publications and educated at elite journalism schools. Considering the seeming ideological monoculture prevailing in such institutions, as revealed on several occasions in tell-alls published by departing executives, one wonders if this impacts NewsGuard's ratings.

<sup>&</sup>lt;sup>32</sup> https://capitalresearch.org/app/uploads/Capital-Research-2024-3.pdf#page=26.

<sup>&</sup>lt;sup>33</sup> https://www.newsbusters.org/blogs/nb/nicholas-fondacaro/2024/04/12/will-newsguard-demote-nprs-perfect-rating-after-revelations.

<sup>&</sup>lt;sup>34</sup> https://www.grassley.senate.gov/imo/media/doc/grassley\_to\_dos\_-\_gdi\_funding.pdf#page=2.

<sup>&</sup>lt;sup>37</sup> https://thefederalist.com/2022/03/18/left-wing-rating-agency-grades-media-that-botched-hunter-bidenstory-with-100-percent-credibility/.

https://www.realclearinvestigations.com/articles/2023/11/15/verbatim\_newsguards\_inquisitiveness\_and\_re alclearinvestigations reply 992622.html.

<sup>&</sup>lt;sup>39</sup> Email correspondence with NewsGuard from 2018.

orthodoxy on matters ranging from COVID-19 to climate, had had similarly fruitless exchanges with NewsGuard when challenging its ratings.<sup>40</sup> One back-and-forth with NewsGuard concerning its issues with articles questioning vaccine efficacy and the wisdom of lockdowns culminated in the rater calling for the outlet to retract said articles, despite the fact they reportedly lacked in any falsehoods. Ultimately, the site's score dramatically declined.<sup>41</sup> Last November, *Daily Sceptic* editor Toby Young told the *Washington Times* that over the prior year its advertising revenue had declined to nearly zero, he believes "largely as a result of NewsGuard effectively blacklisting us."<sup>42</sup>

Right-of-center online educational video purveyor *PragerU* has said its former video host dropped the nonprofit because of NewsGuard's low ratings.<sup>43</sup> *PragerU* has published its seemingly Kafkaesque communications with NewsGuard regarding issues with the companies' ratings.<sup>44</sup>

*Consortium News*, which takes what might be considered left-wing foreign policy positions, claims NewsGuard has branded it as unreliable, if not treacherous, over a handful of pieces it published on the Russo-Ukrainian War dissenting from the U.S. national security establishment. In a pending suit against NewsGuard alleging it smeared the news organization pursuant to a contract it inked with the Pentagon concerning identifying purported Russian misinformation, the dissident site asserts that: "NewsGuard targets media groups, including *Consortium News*, as part of a business plan demanding that news organizations retract or 'correct' dissenting viewpoints under threat of a negative red flag and 'brand safety' warning label or face the defamation and stigmatization of their entire organization and output."<sup>45</sup>

It bears noting that when NewsGuard comes to one's site with its criticisms, it does so with substantial reach, and formidable backers.

The reach can be seen not only in the endorsements it has received from major brand and advertising networks, like the World Federation of Advertisers,<sup>46</sup> but in NewsGuard's partnerships with the likes of Microsoft<sup>47</sup> and the American Federation of Teachers<sup>48</sup> –

<sup>&</sup>lt;sup>40</sup> NewsGuard tracked and seemed to judge websites' news and analysis on COVID-19 with deference to public health authorities. See: <u>https://www.newsguardtech.com/covid-19-resources/</u>. In so doing, it also seemed to take positions favorable to major pharmaceutical companies, including Pfizer. The vaccine maker is represented by Publicis Groupe, an advertising and public relations company that is NewsGuard's third-largest investor – raising potential conflict of interest concerns. See:

https://www.washingtontimes.com/news/2023/nov/18/big-pharma-financing-newsguards-for-profitbusines.

https://www.realclearinvestigations.com/articles/2023/11/15/newsguard\_surrogate\_the\_feds\_pay\_to\_keep\_watch\_on\_the\_internet\_and\_be\_a\_judge\_of\_the\_truth\_992214.html.

<sup>&</sup>lt;sup>42</sup> https://www.washingtontimes.com/news/2023/nov/18/big-pharma-financing-newsguards-for-profitbusines/.

<sup>&</sup>lt;sup>43</sup> https://x.com/prageru/status/1623138777937088512.

https://assets.ctfassets.net/qnesrjodfi80/6rZLRCtlQfrc5howFowqIA/bd64f8a6cbb55946496c39d4da0f802b/ PragerU-Newsguard-Emails.pdf.

<sup>&</sup>lt;sup>45</sup> https://storage.courtlistener.com/recap/gov.uscourts.nysd.604160/gov.uscourts.nysd.604160.36.0.pdf.

<sup>&</sup>lt;sup>46</sup> https://wfanet.org/knowledge/item/2022/03/07/Navigating-digital-media-safety-and-suitability-in-the-time-of-war.

<sup>&</sup>lt;sup>47</sup> https://www.newsguardtech.com/insights/how-microsoft-uses-newsguard-to-support-its-trusted-transparent-technology/.

<sup>&</sup>lt;sup>48</sup> https://www.aft.org/press-release/aft-partners-newsguard-combat-misinformation-online.

partnerships impacting the news consumption of up to half a billion people, down to K-12 students.

NewsGuard's backers include influential investors, as well as prominent advisors.

Publicis Groupe is NewsGuard's original lead investor, and today its third largest.<sup>49,50</sup> The global advertising and public relations company's clients including major corporations – some, incidentally, like pharmaceutical company Pfizer, whose work has been covered by the media companies NewsGuard is rating, presenting a seeming conflict.<sup>51</sup> Publicis Groupe's chief operating officer serves as one of five NewsGuard board members.<sup>52</sup>

NewsGuard's advisors include senior ex-government officials, namely from the national security and intelligence apparatus. The former heads of the Department of Homeland Security, Central Intelligence Agency, National Security Agency, and NATO all populate NewsGuard's advisory roster. Notably, the man who led the creation of the GEC, former Obama administration Undersecretary of State for Public Diplomacy, Richard Stengel, also serves as an advisor.<sup>53,54</sup>

If these advisors do not confer a seal of government approval on NewsGuard, the company seems to have tried to convey it through other means in sales pitches. As Fang has reported, documents obtained through the "Twitter Files" show NewsGuard marketed content moderation-related services to the social media company now known as X in part by touting that clients included "intelligence and national security officials" and "government agencies."<sup>55,56</sup>

So, when a NewsGuard reviewer corresponds with an editor to question the nature or veracity of his outlet's work, or insist on editorial modifications to satisfy NewsGuard's standards, he does so with immense power over said outlet's finances and reputation. The company arguably exerts outsize sway over all U.S. media.

*RCP*'s experience with GDI is more limited, but no less disconcerting. In a December 2022 report, the not-for-profit, which serves not only advertisers but search engines and social media companies, publicly listed *RCP* as one of America's "ten riskiest online sites" pursuant to its subjective "disinformation risk assessment." GDI lumped *RCP* with right- and libertarian-leaning sites, in contrast with its purportedly "least risky" sites, whose sole constituent with any sort of

<sup>&</sup>lt;sup>49</sup> https://www.odwyerpr.com/story/public/10283/2018-03-05/publicis-groupe-antes-up-combat-fake-news.html.

<sup>&</sup>lt;sup>50</sup> https://www.newsguardtech.com/about/our-investors/.

<sup>&</sup>lt;sup>51</sup> https://www.washingtontimes.com/news/2023/nov/18/big-pharma-financing-newsguards-for-profit-busines/.

<sup>&</sup>lt;sup>52</sup> https://www.newsguardtech.com/board-of-directors/.

<sup>53</sup> https://www.linkedin.com/authwall?trk=bf&trkInfo=AQFFSoAzHMl0GwAAAZA8C UYDff-

hAfZ27gzzfwlbxMOF0pLYpHnWZGAHwqLPC5XikQGjqQ5HcRrwJPOB3pWlrHo1Z9rcvQhKW93ZDR 6AH13QLZnAnm8Tp3BnXNw0y44GmrnOFc=&original\_referer=&sessionRedirect=https://www.linkedin .com/in/richard-stengel-0ba545130/.

<sup>&</sup>lt;sup>54</sup> Though beyond the scope of this testimony, ample evidence suggests the national security apparatus has been perhaps the key catalyst behind and governmental participant in the Censorship-Industrial Complex. See for example: <u>https://open.substack.com/pub/weingarten/p/full-testimony-dhs-and-cisas-</u>pivotal?r=dqwj3&utm\_campaign=post&utm\_medium=web and

https://www.tabletmag.com/sections/news/articles/guide-understanding-hoax-century-thirteen-ways-looking-disinformation.

<sup>&</sup>lt;sup>55</sup> https://nypost.com/2023/12/10/opinion/newsguard-extorts-sites-to-follow-the-government-narrative/.

<sup>&</sup>lt;sup>56</sup> https://www.leefang.com/p/newsguards-for-profit-censorship.

right-leaning component was the *Wall Street Journal*. We do not know if *RCP* is on GDI's "dynamic exclusion list." But at least one former adopter of its blacklist, the Microsoft-owned ad company Xandr, flagged *RCP* as a site to avoid placing ads on per reporting in the *Washington Examiner*.<sup>57</sup> Either way, the lack of transparency<sup>58</sup> and due process involved in GDI's work is troubling. As is the fact that *RCP*, a site that aggregates links from many of the risk assessors "whitelisted" sites, alongside the "blacklisted" sites, is tarnished by this entity.

For its part, GDI claims its business of targeting the economic viability of media companies it disapproves of is working. In addition to Melford's aforementioned comment about outlets it has blacklisted experiencing revenue declines, a colleague provided further insights during a GEC-sponsored 2021 event that. Then, Melford's co-founder Danny Rogers indicated that "over a dozen ad-tech companies," covering "20 different media markets," had used GDI's services, more than halving their ad options and "redirecting millions of dollars away from disinformation peddlers toward quality journalism."<sup>59</sup> Perhaps relatedly, like NewsGuard, it too is endorsed by the World Federation of Advertisers.

At least one outlet that claims to have suffered as a result of GDI's targeting is *UnHerd*, a publication whose mission is to "challenge herd mentality wherever we see it." In April, its editor-in-chief Freddie Sayers reported that the site had "only received between 2% and 6% of the ad revenue normally expected for an audience of our size."

"Meanwhile, neatly demonstrating the arbitrariness and subjectivity of these judgements, Newsguard, a rival ratings agency, gives UnHerd a 92.5% trust rating, just ahead of the New York Times at 87.5%," he continued.<sup>60</sup>

For *RealClear*'s part, while we have continued to flourish in the years since these entities emerged, and despite the mushrooming of the Censorship-Industrial Complex more broadly, the likes of NewsGuard and GDI have made a highly competitive business substantially harder and placed *RealClear* at a competitive disadvantage.

Our experience is consistent with what the right-leaning *Daily Wire* and *The Federalist*<sup>61</sup> allege in their lawsuit against the State Department. They assert that NewsGuard and GDI's targeting has reduced not only their revenue but "their visibility on social media, and ranking results from browser searches, thereby reducing their circulation, readership, and reach, and otherwise negatively impacting their operations."<sup>62</sup>

RealClear too has seen a material drop in advertising revenue.

<u>news/</u>. Subsequent to the *Washington Examiner*'s reporting on the work of NewsGuard and GDI, Xandr, as well as Oracle, another user of GDI's dynamic exclusion list, severed ties with the not-for-profit. See: https://www.washingtonexaminer.com/news/1411473/disinformation-inc-massive-corporation-oracle-severs-ties-with-conservative-blacklist-group/.

<sup>&</sup>lt;sup>57</sup> <u>https://www.washingtonexaminer.com/restoring-america/news-restoring-</u> america/2773442/disinformation-inc-read-one-of-the-blacklists-used-secretly-to-defund-conservative-

<sup>&</sup>lt;sup>58</sup> https://www.washingtonexaminer.com/news/2124713/disinformation-network-blacklisting-conservative-news-hides-tax-forms-over-harassment/.

<sup>&</sup>lt;sup>59</sup> https://www.youtube.com/live/FmcbVhx99yg?si=456aBwfNyxdF\_6Zv&t=4225.

<sup>&</sup>lt;sup>60</sup> https://unherd.com/2024/04/inside-the-disinformation-industry/.

<sup>&</sup>lt;sup>61</sup> I am a Senior Contributor to The Federalist.

<sup>&</sup>lt;sup>62</sup> https://dw-wp-production.imgix.net/2023/12/DailyWire-v-State-final.pdf#page=27.

One ironic example illustrates the difficult environment for ad revenue generation that media companies like ours face. We recently posted video footage from an event celebrating censored Stanford medical professor Dr. Jay Bhattacharya's courageous stand against the Censorship-Industrial Complex. Google flagged the video for raising purportedly "[u]nreliable and harmful claims."

Consequently, we have had to devote substantially more time and resources to fundraising to support our journalism.

We have also seen a meaningful decline in certain search engine rankings, reducing one source of traffic.

Lastly, though we would like to see these challenges to our platform as validators of our commitment to independence and viewpoint diversity, there is no doubt an unquantifiable reputational hit to being targeted.

One would have thought instead that these rating entities would hold *RealClear* up as a whitelisted entity for providing readers with a balanced diet of news, information, and analysis.

That they do not speaks volumes about the aims of these entities – if not indirectly the authorities that have funded them.

## IV. Tax Dollars Should Not Fund Entities that Abridge Our Speech

In the final analysis, even if NewsGuard and GDI were wholly objective and unbiased arbiters of journalistic excellence and integrity – and even if *RealClear* concurred with their assessments – the fundamental issue facing this Committee, and our country, would remain: Through its funding and support of entities like these, government agencies, directly and by proxy, have been abridging Americans' speech, including by undermining the business models of media companies these entities disapprove of.

Inadvertently too, they have provided what amounts to a subsidy for the largely like-minded corporate media sources who have benefited from seeing small and independent media companies demonetized and delegitimized.

Even more disturbingly, such agencies have often done so under cover of offices or initiatives originated to combat our foreign enemies – with no domestic authority – and at times hidden behind third-party cutouts and opaque funding schemes that seem designed to obfuscate.

Perhaps worse, as the stonewalling this Committee has encountered in its relevant oversight efforts would seem to suggest, years after these initiatives were set in motion, relevant government authorities still believe they have something to hide.

The Censorship-Industrial Complex must be dismantled to save free speech, and as this Committee is exposing, a free press.

Getting government out of the speech-policing business will not be a panacea.

But it must be the starting point, which is why the legislative and oversight efforts this Committee is undertaking are so critical.

Last May I came before another congressional committee with a simple message: Not a single penny of taxpayer dollars should be used to silence ourselves.

Today I come before this Committee with a corollary: Nor should a single penny of taxpayer dollars be used to fund those who would silence others by targeting their business models.

Thank you for the honor of appearing before you to discuss these important issues, and I would be happy to answer any questions from the Committee.