THE MEDIA MANIFESTO

A NEW VISION FOR MEDIA COMPANIES

We need a new vision for media companies. They're owned by billionaires, bloated with ads, and increasingly supported by extreme politics or positions.

Meanwhile, **the media matters**. Media companies are powerful, because they influence how we think, how we behave, and how we treat each other. They serve the public, not the other way around.

We envision a new type of media company that serves the public good by:

- **Focusing on great human strengths** (instead of what drives us apart);
- **Decentralizing media control** (instead of being in the hands of a privileged few);
- **Eliminating advertising** in favor of better revenue models.

1. The "Fake News Problem."
Its Solution.

A few decades ago, Walter Cronkite was "the most trusted man in America."[1] His *CBS Evening News* was the central source of truth for many Americans, just as the *New York Times* was the newspaper of record.

And that's the way it was: Walter Cronkite, "*the most trusted man in America.*"

As the Internet developed throughout the 2000s, the media landscape underwent a profound shift: suddenly there were thousands of news organizations,

millions of bloggers, all fighting for attention in Google's algorithms and Facebook's news feeds. Additionally, services like Twitter allowed everyone— even heads of state—to become their own media platform, with no fact-checking for accuracy or truth.

Against this backdrop, the catchphrase of "fake news" took hold, and the more it was repeated, the more it became a self-fulfilling prophecy. To use a phrase like "fake news" is to sow the seeds of distrust in *all* news, further eroding public trust in institutions originally built for the public good.

When we are confused about what's real and what's fake, we are confused about what's truth and what's a lie. Anger and cynicism follow.

In a decentralized world, we must create a new model for the media.

The Internet broke down our reliance on centralized media institutions, and political rhetoric broke down our trust. Yet, the founding values of those institutions—to serve the citizens of a democratic society, to independently monitor those in power, and to offer "a voice to the voiceless"[2]—are needed now more than ever.

At Media Shower, our vision is for the public to hold a financial stake in media institutions, through blockchain-based "media tokens."

These functions like **subscriptions** to a magazine, streaming service, or even Amazon Prime. The difference is that they are based on blockchain technology, which offers many advantages over traditional subscriptions.

Our vision is one in which anyone is able to buy or sell these media tokens, anywhere in the world, regardless of income or socioeconomic status. The media should be accountable to the 99% (not the 1%); it should be available to all citizens (not just wealthy investors); and it should be available to citizens around the globe (not just a single country).

The public will now own blockchain-based "media tokens" (like subscriptions)

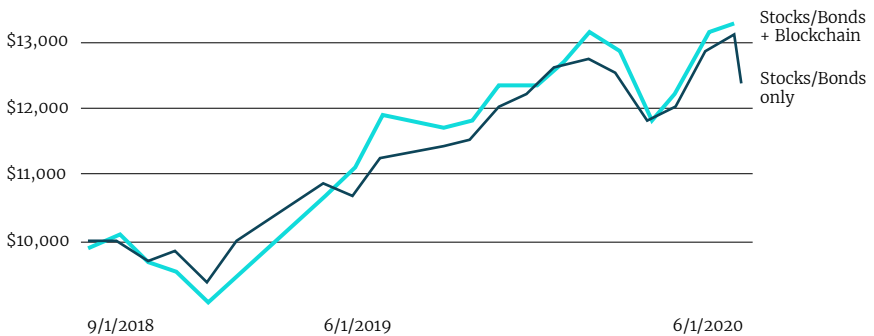**As public trust increases, the value of these tokens also increases**

If public trust decreases, the token price drops, creating incentives for truth

By radically decentralizing the media, we avoid the problems of state-controlled media (such as Fox News), billionaire-controlled media (such as the *Washington Post*), "propaganda media" (such as Facebook), and "anarchy media" (such as Twitter).

With blockchain, when the public loses trust in a decentralized media organization, the token price will plummet. As the public gains trust, the token price will soar.

Block Market vs. Stock Market

If you invested $10,000 on 9/118, then $100 each month, here`s what you`d have on 7/1/20.

Stocks/Bonds
+ Blockchain

Stocks/Bonds
only

$13,000

$12,000

$11,000

$10,000

9/1/2018   6/1/2019   6/1/2020

Assumes active investing, rebalancing each month. These are past results; the future may look different. Please invest carefully. Source: Bitcoin Market Journal.

2. The "Citizen Kane Problem."
Its Solution.

The classic film *Citizen Kane* follows the life of Charles Foster Kane, a character based on the real-life newspaper magnate William Randolph Hearst. Kane starts his media career with idealistic dreams of public service, but eventually devolves into a ruthless media tycoon. The message: power corrupts, and media power corrupts immediately.

The Citizen Kane problem: Power corrupts, and media power corrupts immediately.

The centralization of media companies with a single individual is what we call the "Citizen Kane problem." Our modern-day Citizen Kane might be Jeff Bezos, the richest person in the world, who not only owns the world's most powerful physical distribution network (through his company Amazon.com), the most powerful digital distribution network (through Amazon Web Services), but also the most powerful information distribution network (through his ownership of *The Washington Post.)*[3]

When a single person amasses that much power, influence, and wealth, it is difficult to imagine giving it away. It would be like Citizen Kane giving away his castle, his mistress, and his beloved sled at a yard sale. The blockchain represents the decentralization of all the centralized power media moguls have

worked a lifetime to build. Blockchain is their kryptonite.

A better model of decentralized influence might be Jimmy Wales, who co-founded Wikipedia, then gave it away to the world. Wales is still actively involved with Wikipedia, but the global community of Wikipedia editors is responsible for managing the project.

"The best way to prepare people for authoritarian rule is not to indoctrinate them into an authoritarian philosophy but to make them believe that there's no such thing as truth."

– Jimmy Wales, co-founder of Wikipedia

Imagine a world in which Charles Foster Kane functioned less like Rupert Murdoch and more like Jimmy Wales: a "servant leader," one who owns everything, yet nothing. This calls for a new kind of media leader: what Jim Collins, in his classic business book *Good to Great,* calls "Level 5 Leadership ... a powerful mixture of personal humility and indomitable will."[4]

Here we run into a dilemma, because decentralized projects still need decision-makers. A fully decentralized news site, *without editorial oversight,* becomes the failed Digg.com. A fully decentralized social media platform, *without moderators,* becomes the failed Steemit.com. Wikipedia solves this problem with a hierarchy of trusted editors and community leaders.

Our vision is that ownership of the media should be decentralized, but editorial oversight and decision-making should be centralized.

Editors play a key role in identifying valuable stories, building editorial teams, and maintaining integrity and excellence. This means they are employed; they are not volunteers. This, in turn, means the organization needs to earn money.

Can a media organization be a for-profit company, yet keep the decentralized values of the nonprofit Wikimedia Foundation? Can it have the community flavor of a Wikipedia, but without the constant fundraisers? It is to this challenge that we will turn next.

3. The "Propaganda Problem." Its Solution.

Advertising is broken.
The advertising model, upon which the Internet is monetized, has been tried and it has failed. Who among us actually enjoys viewing ads? Trust in media organizations is eroding partly because when you visit your favorite news site, your browser churns and hangs, struggling under the weight of all those bloated advertisements.

Worse, these ads are spyware: they track you across the internet without your knowledge or permission. And for the media organizations that rely on ad revenue, it is an addiction: once you've picked up advertising, it's awfully hard to put it down.

This addiction to advertising is what has made it easy for Russia to hack U.S. elections.[5] By creating political propaganda veiled as political advertising, it is easy to win the hearts and minds of U.S. citizens (which is ultimately what advertising is about). If we wish to be free of political propaganda campaigns and think for ourselves, we must first get ourselves free of advertising.

Our vision is to find a new revenue model for the media, and ultimately for the Internet. We have been trained to believe the Internet should be free—but ultimately, the media only works for the people if the people pay for the media.

We propose a simple solution, which is a blockhain-based media token that also buys users a subscription, like a

subscription to a magazine or streaming service. In plain English, this means that users will buy a token that not only gives them a subscription to content, but also exclusive access to subscriber-only benefits, such as:

- An exclusive subscriber newsletter
- Subscriber training and education (webinars, classes, etc.)
- Access to media thought leaders (in government, education, etc.)
- Access to subscriber networking opportunities (like local meetups)
- Access to subscriber-only events and voting (like the Berkshire Hathaway annual meeting)

Our vision is to update the media subscription model to add as much value as possible to token owners, much like Amazon Prime has built incredible value for Prime subscribers.

This not only gives media companies the capital they need to grow their businesses, but ensures the token price increases in value: as long as subscribers see increased value, the demand for a limited number of subscription "seats" (i.e., a fixed number of media tokens) will continue to increase, driving up the token price.

This conveniently solves another problem of the token economy, by giving subscribers a real-world benefit to owning the token from the start: *immediate membership* into a valuable club of like-minded members.

Token holders will also have the ability to propose or vote on important initiatives, like today's "governance tokens" allow users to propose or vote on improvements to their favorite blockchain projects.

By getting rid of advertising, we not only improve the user experience, but we rebuild trust in the media. There can be no "pay to play" when the public is paying. There can be no "fake news" when there's no incentive to fake it. And when we move media ownership into the hands of the many, out of the hands of the few, we can once again trust in the media.

We can't go back to the media organizations of yesterday, just as we can't go back to the political systems of yesterday. The blockchain genie is out of the bottle. It is our hope that this manifesto will provide a path forward for the next generation of media organizations to take their place in history.

Media by the people, and for the people.

About the Author

Sir John Hargrave is the CEO of the media company Media Shower, which creates better content for better businesses. He is the author of **Blockchain For Everyone** (Simon & Schuster, 2019) and **Blockchain Success Stories** (O'Reilly, 2020).

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