

## FAKE NEWS

**WHEREAS:** In the same year that the Oxford English Dictionary crowned its international word of the year, “post-truth,” Facebook has faced sharp criticism for providing a financial mechanism supporting fabricated content or “fake news” on the Internet.

The “fake news” controversy undermines a core tenet of US democracy — an informed electorate. A December 2016 Pew Research survey found 64 percent of Americans say fabricated news stories cause a great deal of confusion about basic facts of current issues and events. This view was shared widely across incomes, education levels, and partisan affiliations.

*Buzzfeed* reports in the last three months of the presidential campaigns, false headlines generated more shares, reactions and comments than the 20 best performing mainstream news stories.

Although Facebook has announced that it will experiment with strategies designed to “address fake news and hoaxes” — including make it easier for users to report, and working with third-party fact-checking organizations — the problem is complex.

*The Wall Street Journal* reports Yann LeCun, Facebook’s director of artificial intelligence, told reporters artificial intelligence technology could be used to address fake news but “the ethical questions his team considers deserve more attention, such as how AI can be properly tested without causing harm and how it can be designed to avoid systematic bias.”

LeCun questioned: “What’s the trade-off between filtering and censorship? Freedom of experience and decency?”

Facebook is highly vulnerable, as fake news promoters are spamming their way to visibility for fake news through strategically gaming Facebook’s algorithms and publishing platform.

In light of the societal crisis generated by the explosion of fake news and related hate speech, failure to effectively manage this issue creates public policy risk. Free speech rights and freedom of expression are also at risk in the face of information blacklists, censorship, legal liability or regulation.

Pew Research found about half of both U.S. Republicans and Democrats say the government has a “great deal of responsibility” to prevent the spread of “fake news.” The German government is contemplating a law to levy fines if Facebook does not promptly remove fake news posts. Handling of such content has profound implications for the Company’s brand and reputation.

**RESOLVED:** Shareholders request Facebook issue a report (at reasonable cost, omitting proprietary or legally privileged information) reviewing the public policy issues associated with fake news enabled by Facebook. The report should review the impact of

current fake news flows and management systems on the democratic process, free speech, and a cohesive society, as well as reputational and operational risks from potential public policy developments.

**SUPPORTING STATEMENT:**

The proponents recommend the report include:

- The extent to which Facebook blocks posts, ads or spamming from fake news sites;
- Strategies and policies to appropriately manage the issue without impact on free speech;
- The extent to which technology, staff or third-parties evaluate fabricated content claims.