Bell-Pottinger and White Monopoly Capital: A Caveat for Setting the Agenda

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The historian Yuval Noah Harari (2018) introduces his latest book with the statement: "*In a world deluged by irrelevant information, clarity is power*". In his view the debate about the future of humanity is open to anyone, but then cautions us when he says that "*frequently we don't even notice that a debate is going on, or what the key questions are…because we have more pressing things to do*". When a transitional society like South Africa is confronted by fake news, it carries the potential to derail much of what we aspire to do. In 1994 the apartheid state made way for a new democratic non-racial state which was to be governed in terms of the Constitution of the Republic of South Africa, 1996. In its preamble the Constitution sets out various guiding principles including democratic values, social justice, and human rights and in section 1 the values on which the state is founded including human dignity, rule of law, and non-racialism. Today South Africa has a robust civil society and a free press which increased levels of transparency and accountability. However, South Africa has not escaped the destructive impact of fake news on its institutions and the fabric of nation building. White Monopoly Capital (WMC) is a case study of how fake news changed the political and social agenda in South Africa in 2017. The London based marketing firm Bell-Pottinger was instrumental in disseminating fake news to divert the national attention away from wide spread corruption involving the former South African state president and his family.

But how is fake news defined? Lazer et al (2018) defines fake news as fabricated information that mimics news media content in form but not in organisational process or intent. Fake news outlets lack the news media's editorial norms and processes for ensuring the accuracy and credibility of information. In their view fake news is an information disorder and could be viewed as either misinformation (false or misleading information) or disinformation (false information that is purposely spread to deceive people). It is possibly due to the fragile nature of the South African state and its developmental trajectory, that I prefer a more subtle interpretation of how fake news (or misinformation) is defined. With such an interpretation, even the established news publishers may be guilty of publishing fake news with their continuous subjective and often biased reporting – ignoring the context of what they report. However, for the purpose of this paper, I will resort to the more general understanding of what fake news is.

The rise of internet – also in South Africa - has lowered the cost of entry to new media competitors and undermined the business models of traditional news sources which enjoyed high levels of trust and credibility. Fake news highlights the erosion of longstanding institutional defensive instruments against misinformation. Journalistic norms of objectivity and balance arose in response to the widespread use of propaganda during World War I and the rise of corporate public relations. And these norms were maintained by the local and national print and broadcast oligopolies.

The manifestation of fake news – especially within the highly polarized political context of South Africa - seems to be fueled by multiple factors. Vosoughi et al (2018) found that falsehoods will diffuse farther, faster, deeper and more broadly than the truth. More people are likely to retweet falsehoods than they would the truth. In fact, false political news would travel deeper and more broadly than any other category i.e. urban legends, business, terrorism and war, science and technology, entertainment, and natural disasters. Although it is generally believed that social bots (automated accounts impersonating humans) magnify the spread of fake news, Vosoughi et al (2018) indicate that falsehoods travel farther, faster, and deeper because humans – and not robots – are more likely to spread it.

At this point, a short description of the Bell-Pottinger case is necessary. In October 2016, the Public Protector (Ombudsman) released a report entitled "State Capture". In this report evidence was published on the alleged involvement and undue influence in the affairs of the state by the Gupta Family. The then president of the Republic of South Africa was directly implicated. Cases of malfeasance were in abundance, including the use of the Waterkloof military airport by the Gupta family, the irregular naturalization of the Gupta family as South African citizens, the procurement of government advertising in favour of the same newly naturalized family, and numerous government contracting of good and services supplied by this infamous family. With all these cases there was one common thread: the Gupta family acquired access to the president of the Republic of South Africa and in exchange unduly benefited from government contracting and procurement.

In June 2017, the Gupta-leaks occurred. Within weeks email correspondence between beneficiaries in government and the Gupta family were leaked to the press. A network of fraud and corruption was exposed at the apex of government and what was revealed in secrecy now became public knowledge. Between January 2016 and April 2017 and to divert attention away from investigations into state capture, Oakbay (a Gupta owned company) approached Bell-Pottinger to stage an economic emancipation campaign involving one blog and one twitter account. Some of the material used were targeted towards wealthy white South African individuals and was potentially racially divisive. The campaign also targeted a former finance minister, the treasury as well as the South African Reserve Bank. The main vehicle was twitter - with its 7,7 million South African users - but protagonists also used google-, face book-, and twitter adds.

This campaign was a well-planned orchestration of media attention to manipulate both the political agenda and the economy and was termed "white monopoly capital". This campaign sought to spread false information to deceive the South African public by distracted attention away from the many dysfunctionalities in government including wide spread evidence of corruption at high levels in government.

According to Lazer et al (2018), there exist little – if any – evaluation of the impact of fake news on society; and political behavior in particular. However, the impact of the media in general on society suggests many potential pathways of influence including an increase in cynicism, and apathy to encouraging extremism. Although the consequences of fake news may include a severe loss of trust in the media and a negative impact on the public mood, I am in particular interested in its impact on public policy agenda setting. As Vosoughi et al (2018) put it, false news can drive the misallocation of resources during terror attacks and natural disasters, the misalignment of business investments, and misinformed elections.

Agenda setting is defined as "*a deliberative planning process through which policy issues are identified, problems defined and prioritised, support mobilised and decision makers lobbied to take appropriate action*" (Cloete & de Coning, 2011: 87). Agenda setting is an instrument which officials (and other stakeholders) use to bring a policy issue to the attention of government. When officials engage in agenda setting, some of the decision criteria include: urgency of the matter, how wide the impact of the policy issue is, whether the internal capacity exist to resolve the issue, and whether the decision maker would be supported by the decision maker. Agenda setting also involves problem structuring, root cause analysis, and cause-effect linkages; conceptual processes which are all subject to the skills capacity of senior officials. Nowadays these policy issues are wicked, ill-defined, and ill-structured.

Fake news poses various challenges to policy designers. Government officials are not only expected to collect data that is valid and reliable, but must now also distinguish between legitimate news stories and false news. This requires data users to *inter alia* reflect on the sources of data i.e. the intent and processes of publishers. According to Lazer et al (2017) many of our decisions stem not from individual rationality, but rather from shared group-level narratives. We use heuristics and other social processes to take decisions. Heuristics is an approach to solve problems, learn or discover in practical ways which may not be optimal, rational, logical, or perfect. Heuristics are short cuts to ease the cognitive load in making a decision and may include common sense, intuitive judgements, and rules of thumb.

Policymakers are also expected to mitigate confirmation bias and mitigate the impact of echo chambers - where individuals follow likeminded people on social media. Echo chambers may lead to greater polarization in society inadvertently making agenda setting so much more complex. In the context of fake news, policy makers should also manage the impact of rumor cascades; especially when an assertion about a topic (which could include text, photos, or link to an online article) are retweeted. Existing evidence suggests that public officials are reluctant to conceptualise policy and use it to solve issues brought to their attention. The manifestation of fake news may even further inhibit their willingness to lead and act in a directive, problem solving and entrepreneurial way.

Problem structuring requires accessible and verifiable information. Such information mitigates against Type III errors and avoids the incorrect diagnoses of a problem and its causes. Type III errors could lead to the wrong policy decisions and therefore lead to exacerbating the policy issue or the waste of public resources (cf. Dunn, 2018). Whereas the epistemic imperative is imbedded in the work of academics, the same cannot be assumed about policy makers, journalists, publishers and society in general.

There exists an ethical and social responsibility for industry and academia to collaborate to provide data on fake news. The creation of an information (news) ecosystem with a culture that promotes objective and

credible information and the truth is an imperative. Potential interventions include those aimed at empowering individuals to evaluate the fake news they encounter and structural changes aimed at preventing exposure of individuals to fake news in the first place. Although fact checking is widely believed to act as an effective counter measure, in the context of policy design a more pragmatic solution could be educating critical information skills. In a 2016 study to explore how middle school, high school and university students critique media sources and assess their credibility, several aspects of media awareness were investigated. The results indicated that many students lacked the media literacy necessary to evaluate whether a news source is credible (DiLascio-Martinuk, 2017). Only suitable education and training interventions will enable officials to mitigate the impact of fake news on their decision making responsibilities. It is here where we should include develop public policy curriculum to enable our students to analyze news sources, editorial processes and intent.

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