BUSINESS JOURNALISM

A Critical Political Economy Approach

ROUTLEDGE

IBRAHIM SEAGA SHAW

Business Journalism

"There are few areas of greater importance and more in need of critical analysis than business journalism. Ibrahim Seaga Shaw has done us all the great service of providing just such a thorough and valuable assessment in *Business Journalism: A Critical Political Economy Approach*. It is required reading for scholars and students of journalism, media and democracy."
Robert W. McChesney, *University of Illinois at Urbana-Champaign*

"The huge expansion of business journalism in recent years reflects the ever increasing impact of corporate decisions and actions on all our lives. Yet this area of news making is rarely exposed to serious critique and analysis. Ibrahim Shaw has written an invaluable historical and theoretically informed account of business journalism, buttressed by detailed case studies and years of professional experience, that will provide this field with an authoritative and much needed major step forward."
Peter Golding, *Professor in Media, University of Newcastle*

Business Journalism: A Critical Political Economy Approach critically explores the failures of business journalists in striking the balance between the bottom line business model and their role in defending the public interest.

Drawing on historical and political economic perspectives and analysing these in relation to critical political economic theory, the book explores failures of business journalism through the dwindling of social responsibility in the business journalist's role in holding political and corporate power to account.

Ibrahim Seaga Shaw draws on a diverse range of case studies, including:

- investigative journalism in the Standard Oil and Enron scandals
- corporate propaganda in relation to business reporting
- financial journalism and the global financial crises of the late 1990s and 2008
- public business journalism and the subprime mortgage loans, horsemeat and bent iPhone 6 scandals
- ethical challenges of business and journalism from developed to emerging BRICS economies
- business or financial journalism?: modernity vs postmodernity; macroeconomics vs microeconomics
- challenges of business journalism in the digital age.

Business Journalism: A Critical Political Economy Approach is essential reading for students and scholars interested in understanding the historical failings and potential future for business journalism, and those wishing to develop specialist financial, economic and business reporting in today's globalised media landscape.

Ibrahim Seaga Shaw is Senior Lecturer in Media and Politics at Northumbria University in Newcastle upon Tyne. He is author of *Human Rights Journalism* (Palgrave Macmillan, 2012) and co-editor of *Expanding Peace Journalism* (Sydney University Press, 2012). He is also co-editor of *Communicating Differences* (Palgrave, forthcoming 2016) and obtained his PhD from the Sorbonne. He has a background in journalism spanning 20 years, having worked in Sierra Leone, Britain and France.

Business Journalism

A Critical Political Economy Approach

Ibrahim Seaga Shaw

Routledge
Taylor & Francis Group
LONDON AND NEW YORK

First published 2016
by Routledge
2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

and by Routledge
711 Third Avenue, New York, NY 10017

Routledge is an imprint of the Taylor & Francis Group, an informa business

British Library Cataloguing in Publication Data
A catalogue record for this book is available from the British Library

Library of Congress Cataloging in Publication Data
Shaw, Ibrahim Seaga, 1962–
Business journalism : a critical political economy approach / Ibrahim Seaga Shaw.
pages cm
1. Journalism, Commercial – History. I. Title.
PN4784.C7 S53
070.4 – dc23
2014048175

ISBN: 978-0-415-73907-8 (hbk)
ISBN: 978-0-415-73908-5 (pbk)
ISBN: 978-1-315-76186-2 (ebk)

Typeset in Galliard
by Taylor & Francis Books

Dedicated to my mother Haja Hassiatu Shaw
of blessed memory

This page intentionally left blank

Contents

Illustrations

Figures

Tables

Preface

This is the first book to exclusively focus on public business journalism and the first to offer a critical political economic analysis of the crisis facing business journalism in a global context. In the spotlight of this book is the criticism of business journalists in their failure to strike a balance between writing for the business bottom line and the public interest, and the potential of what I have called in this book 'public business journalism' to address this.

As discussed in this book, the failure of business journalism in striking the right balance is particularly evident during periods of financial crisis where journalists are mostly found tipping the balance in favour of boosting the corporate interests of the owners of capital or the means of production and not necessarily the real producers and consumers of goods and services. My motivation to write this book actually came one evening in the summer of 2013 after watching the video of a panel discussion focusing on the failure of business journalists to serve the public interest in their reporting of the 2008 Financial Crisis. The discussion was co-organised by Public Business and the Columbia Journalism Review (CJR) at the Columbia Journalism School on the topic: 'Has the Business Press Failed the Public Trust?'. The panel speakers were business editor Larry Ingrassia, Reuter's blogger Felix Salmon, Wall Street Journal banking reporter Suzanne Kapner, American Banker's Jeff Horwitz, and CJR's Dean Starkman. I was really struck by how the question of the failure of business journalists to serve as watchdogs on corporate malfeasance in the developments leading to the 2008 Financial Crisis was quickly overtaken by the usual excuses such as exposing these wrongs is not dramatic enough to deserve coverage, let alone sustained coverage; 'if you do the journalism beforehand, no one cares', one of the panelists said. Other excuses echoed by some other speakers were lack of resources; the will to follow up on investigative journalism pieces; and lack of knowledge of finance and accounting by journalists involved in other beats. I felt that these are excuses, among others, that we have heard over and over again, not least from those involved in reporting about business, finance, and the economy, and that it is about time that some scholarly work is undertaken to help move beyond these excuses and offer a more nuanced analysis to explain this failure of business journalism in striking the balance between the corporate interest and the public interest. That is how

I conceived of the idea of writing a book that exclusively focuses on a critical political economy approach of understanding of what I called a triple crisis of capitalism and business journalism.

As I argue in this book, the failure of business journalism to promote the public interest against the corporate interest is contrary to the social responsibility role of the business journalist which is to hold power, be it political or corporate, to account in the interest of the general public. However, business journalists walk on a tightrope! They face a kind of dilemma, or, better still, crisis! On one hand, they draw their power and inspiration from liberalism that is the freedom to hold power to account by informing and educating the public about their human wrongs. Yet, on the other hand, they depend on neoliberal capitalism to be able to perform this watchdog role since without the capital to employ them and provide the other means of producing the news and comments, they will not exist as professional business journalists.

This book employs a critical political economy approach to better understand the failure of business journalists to strike a balance between capitalism and the public interest. It calls for a shift in paradigm towards what it calls public business journalism which seeks to not only blur the distinction between reporting for the investor (the capitalist) and the general public (society), but to tip the balance in favour of the latter if it comes to making a choice because it constitutes the majority, including the former, and also because this would help address rather than reinforce the imbalances of society. It argues that a shift to the more post-modern public business journalism is crucial to averting future failures of business journalism in holding power to account, and, by extension, future global financial crises.

However, this book is not purely conceived as a manual for public business journalism. It aims to evaluate the extent, or lack, of public business journalism, and not necessarily how to practise it. Nonetheless, the issue of 'how to practise it' will be addressed by discussing the few examples of best practice of journalists who consciously or subconsciously work within this new genre of business journalism. Students will also learn lessons from the mistakes of others and become better able to emulate best practices discussed in the book. The main objective of the book is therefore to contribute a critical political economic approach to the analysis and practice of business journalism.

But some people may want to ask: who am I to write a book on business journalism, let alone a critical one, when I have no experience of working in a traditional financial or business press? Well, apart from really focusing on the critical political economy approach of business journalism rooted in my expertise in the critical theory of media and journalism, I have experience working on business and economy beats for magazines such as *New African* (both as a sub-editor and correspondent) and *Africa Week* (as correspondent) and for the *Expo Times* newspaper in Sierra Leone (as editor) that I consider enough to give me an insight into the inner workings of the corporate media world. In fact the many challenges I faced while practising watchdog journalism involving investigating state and corporate corruption in Sierra Leone, some of which landed me in prison, served as a great source of inspiration in writing this book. I still remember one such case in 1996 involving the American owner of Mammy Yoko hotel in Freetown who apparently used his close relationship with a government minister to ensure that my deputy editor and I spent the weekend in prison since the court magistrate who was to sign our bail bond papers disappeared.

My interest in this book is really not to offer a critique of the failings of business journalism for the sake of criticism since I also still consider myself a journalist but to offer public business journalism as the way forward to improve the practice of business journalism. I hope I have been able to do that.

Ibrahim Seaga Shaw, PhD
Northumbria University

Acknowledgements

My first warm thanks go to the Department of Media and Communication Design at Northumbria University, in particular the Head of Department, Gilbert Cockton, and Research Lead Peter Hutchings, for providing me with six months' research sabbatical leave in 2014, without which it would have been very difficult to finish this book on time. I would also like to thank Lee Barron who gave me the opportunity to teach Business and Journalism when I moved to Northumbria in 2011, during which time I developed a special interest in the subject, and all the students I have taught in this course whose engagement with the subject proved very useful in my conception of the idea of this book. I also thank Andrew Mullen in the politics department at Northumbria University with whom I worked on an ESRC seminar series bid on media and political economy which contributed to increasing my interest in the political economy of the media, and, in a way, in writing this book. My warm regards go to the commissioning editor and production team at Routledge, Taylor & Francis, for giving me the push and support during the writing of this book. I would also like to take this opportunity to thank Peter Golding and Robert W. McChesney, two leading authorities on the political economy of the media, for endorsing my book.

Chapter 1

Introduction

Background and rationale of the political economy of business journalism

Ever since the emergence of journalism – modern 'professional' journalism – in the nineteenth century, it has been in a state of crisis. However, the explanation offered for this, most often by technological determinists, is that technological transformations are to blame. Technological determinists such as Walter Ong (1982) argue that changes in communication technology have impacted the ways in which people produce, distribute and use news products, while their critics argue that it is the other way round, saying that technological changes are mere responses to changes in people's cultural tastes and values (Conboy, 2010).

Yet the technological determinism explanation renders the crisis that modern journalism is facing rather simplistic as it glosses over other even more complex structural challenges that it has been facing over the years. Besides, as media historian Jane Chapman (2005) argues, the history of modern journalism is characterised by both changes and continuities, as, despite many technological changes, there are some aspects of journalism production, distribution and consumption that have remained constant. For example, the coming of radio or wireless telegraphy, and most recently the internet, did not bring an end to printed newspapers, although, of course, all this has not stopped sceptics continuing to predict the death of traditional print journalism. However, scholars such as Barnard Miege (1989) and Castells (2006), while still critical of communication inequalities along gender and race lines, appear upbeat about the role of new media in enabling an increase in democratic participation. Citizen journalists have thus blurred the line between news producers and consumers, and in a way forced traditional journalists to be more accountable to them in terms of telling truth to power. But more critical political economists of mass communication such as McChesney (2004), Mosco (2009), Schiller (1996), Herman and Chomsky (1988) and Curran *et al.* (2013) see new media as merely reinforcing the existing power relations that have continued to constrain the democratic role of journalism. Moreover, the critical political economists tend to look beyond the digital revolution – as well as the industrial revolution before it – to explain the crisis of modern journalism. They argue that these revolutions have come but are yet to bring an end to the crisis facing journalism that is making it fail to perform its real democratic function in society. McChesney (2003) blames the failure of US democracy on the failure of journalism but admits that this situation can be reversed by undertaking some structural changes in the media system.

However, research on the political economic approach to the problem of the media has not only tended to focus on the structures of the media system but has also looked at a much broader spectrum of the media landscape. There is very little, if anything, in the literature on the study of the problem of journalism from a political economic perspective in a global context. Nor is there any such study focusing on a specific beat or genre of journalism practice such as business journalism. This book seeks to address these gaps by using a critical political economic approach to explain the failure of business journalism in reporting global financial crises and, more importantly, in striking a balance between the business bottom line and public interest. Using a case study approach largely grounded in framing, content and critical discourse analyses, it discusses the failure of modern business journalism in the context of the triple political economic crisis: the crisis in the political economy of global capitalism, the crisis in the political economic reporting of the financial crises of 1929 and 2008, and the crisis in the political economy of journalism.

This book seeks to critically explore the failure, to a very large extent, of business journalists in striking the balance between the bottom line of the business model and the public interest, especially during periods of global financial crisis. Drawing on political economic perspectives, it blames this failure of business journalism on its increasingly dwindling social responsibility role in holding power – political and corporate – to account. It aims to introduce students interested in developing their careers in reporting specialist financial, economic and business beats to a critical political economy approach of business and journalism.

Largely using the case studies of the financial crises in the twentieth and twenty-first centuries – from the Great Depression in 1930 to the 2008 financial meltdown – this book aims to explore how the increasing focus on the business bottom line at the expense of the public interest contributed to the failure of business journalism in the reporting of these crises. It points to the end of the muckraking era and the emergence of the public relations (PR) industry in the 1920s to argue that the Great Depression of 1930 and the recent global financial crises came about as a result of an increasing nexus between corporate propaganda and business scandals, and the failure of business journalism to serve as a watchdog of policy and decision makers in efforts to prevent or address them. The book employs a critical political economy approach to understand and seek to address the crisis currently facing business and journalism. It calls for a shift in paradigm towards what it calls 'public business journalism', which seeks not only to blur the distinction between reporting for the investor (the capitalist) and the general public (society), but also to tip the balance in favour of the latter if it comes to making a choice because it constitutes the majority, including the former. It argues that a shift to the more postmodern public business journalism is crucial to averting future failures of business journalism in holding power to account, and, by extension, future global financial crises.

Having provided a brief insight into the background of this book, this introductory chapter will now proceed to provide a brief overview of key arguments and concepts of the political economy of the triple crisis of business journalism from which the rest of the discussions in the chapters to follow will be developed. It starts by exploring the rationale for opting for a critical political economic approach to understanding the crisis of business journalism; second, it looks at what makes this book different from others; and finally, it briefly explores the triple crisis of the political economy of business journalism, which will provide a framework for the rest of the chapters of the book.

Why study the political economy of business journalism?

The first question that came to mind when I started thinking about writing this book is: Why study the political economy of the crisis presently facing business journalism when there is already research by critical political economists of the media such as McChesney (2004); Herman and Chomsky (1988); Mosco (2009); and, most recently, Hardy (2014)? However, after much closer and critical reflection, it dawned on me, after all, that existing work by these scholars and others has focused more on the structural problems associated with the political economic problems of the media institutions per se and not necessarily of the journalists themselves. Previous studies, including those cited above, have also tended to focus more on the political side of the political economic crisis of journalism, and there is very little on the economic, financial and business sides of this crisis.

Herman and Chomsky's groundbreaking book *Manufacturing Consent: The Political Economy of the Mass Media* (1988) no doubt helped to illuminate the negative use of propaganda by the media in reinforcing hegemonic neoliberal capitalistic discourses and power relations. The propaganda model, which they subsequently developed, points to the existence of systemic biases in the mass media caused by structural economic and geopolitical factors. It sees the media purely as business enterprises, out there to make profit by selling their products (readers and audiences) to other business concerns (advertisers), rather than as providers of quality news for the public. Dallas Smythe (1977), arguably one of the leading founders of the political economy of communication research, observes that the mass media are themselves made up from a system which sees them producing audiences and delivering them to advertisers.

The model identifies five filters that influence the selection and production of news: the wealthy elite owners, who are only interested in making profit; advertisers, who call the editorial shots; sources, who set the news agenda; sustained and intentional efforts (flaks) to manipulate public information; and the choice of 'good' (friend) or 'bad' (enemy), which is based on ideology (Western/communist). When Herman and Chomsky empirically tested the model, they discovered a form of bias that consistently favours corporate and geopolitical interests.

Herman and Chomsky (1988) argued that the propaganda approach to the coverage of events and issues by the mainstream mass media, within the context of the five filters outlined above, points to a systematic and highly politically dichotomised style of reporting, aimed at serving important domestic political and corporate interests. This dichotomisation takes the form of choices made about the stories reported, and how they are reported, in order to favour elite political and business interests. Thus the choice of favourable or unfavourable materials and the modes of reporting, together with the positioning, tone, context and fullness of treatment of these materials, vary in ways that serve political and economic interests. For example, only human rights activists and groups with little or no political leverage would show concerns for human rights violations in Turkey – such as the torture of political prisoners and the attack on trade unions – and call on the media to do something. However, this was not the case with the US government during the Reagan regime in the 1980s, which saw Turkey as a strong ally against communism and in fact supported the Turkish martial-law government since its coming to power in 1980. In line with the propaganda model, the US media followed the political lead of their government and thus considered the victims of human rights violations committed by their friend (the Turkish junta) as unworthy of media attention (Shaw, 2012). On the contrary, the Reagan administration and elites of the corporate establishment welcomed protest over political prisoners and over the violation of the rights of trade union activists in Poland in 1981 as a noble cause. This was ostensibly so, not because of their interest in human rights and democracy, but because they saw this attitude as a way of scoring political points against their ideological enemy, communist Poland. The US media seemingly toed the official line, as official sources in Washington provided press releases and opinion articles condemning human rights violations in Poland. The Polish dissidents became victims of human rights violations worthy of media attention and coverage, hence passing through the filters where their Turkish counterparts failed. It was as if the media had a clear instruction to focus on covering the victims of enemy powers and to ignore those of friendly powers (Herman and Chomsky, 1988).

Moreover, there are times when the abuses of worthy victims go beyond just passing through the filters to actually supporting sustained propaganda campaigns. A story of abnormally high political and economic interest is often dramatised and kept on the news agenda for some time. Take, for example, the shooting down of the Korean airliner KAL 007 in early September 1983 by the Soviets, which quickly provided the context for a sustained campaign of condemnation of a perceived ideological enemy. However, no such condemnation was forthcoming from the US Administration following the shooting down by Israel of a Libyan civilian airliner in February 1973 by way of a 'cold-blooded murder' (Herman and Chomsky, 1988). Yet this differential treatment was explained by the *New York Times* precisely on utilitarian grounds: 'No useful purpose is served by an acrimonious debate over the assignment of blame for the downing of a Libyan airliner in the Sinai Peninsula last week' (Herman and Chomsky, 1988).

Although it is now close to three decades since the publication of the seminal work on the propaganda model by Herman and Chomsky, the five filters that they talked about are as true today as they were in the days of the Cold War. One discernible difference, however, is that in this era of 'clash of civilisations', to quote Samuel Huntington (1996), the friendly/enemy country dichotomy is determined not necessarily by East/West/communist/capitalist ideologies but by who is on our side in the 'war on terror'. For example, while victims of human rights violations resulting from Ethiopia's 'war on terror' in Somalia since 2005 are not worthy of the attention of Western elites and media, those resulting from Mugabe's high-handed rule in Zimbabwe are considered worthy to pass the filters of the propaganda model. The propaganda model is no doubt very critical of the complicit role of the media in the favourable treatment of some victims against others, or how some violations of human rights are ignored in favour of others, purely because of political ideology. It is clear that, despite the pro-market agenda of the propaganda model of the media, some of the very principles of the free market, such as free trade, are sometimes violated in the name of political and corporate interests, with the tacit support of state and business elites, and endorsed or overlooked by the mainstream media (Herman, 2002). Yet we can see that the political economy approach, informed by the propaganda model, tends to focus more on issues of geopolitics and ideology influencing media bias than on those of economic and business interests. We can also see how the focus is more on US media and how there has been little or no engagement with the implications of the biases discussed for the crisis of business journalism. It is the aim of this book to address these gaps in the still relatively under-researched field of the political economy of the crisis of journalism in general, and of business journalism in particular.

What is more, previous studies, as suggested above, have tended to focus more on US case studies with very little, if any, reference to global case studies. In fact one of the criticisms of the propaganda model is that it has largely been applied universally based on the assumption that the neoliberal business model of the media that exists in the USA is similar to what applies globally because of the increasing commercialisation of the media around the world. However, Herman (2002), one of the founders of the propaganda model, has acknowledged the fact that the media systems and their relationship with government and markets vary from one country to another, albeit recognising that the increasing privatisation of the media across the world has apparently blurred this difference. Herman has argued that the divide has been further blurred by a 'steady trend toward concentration and conglomeration, … along with more extensive cross-border operations and control of this private sector of the media' (Herman, 2002: 61, see also Bagdikian 2000; Herman and McChesney 1997, McChesney 1999). These trends, according to Herman (2002), are making the US media more centralised, and the media elsewhere more like US media.

Yet studies, notably by Hallin and Mancini (2004) and Shaw (2009), have provided enough evidence to suggest that the neoliberal democracy model of the media that exists in the USA cannot be applied to the rest of the world. Hallin and Mancini (2004: 216) admit that 'the literature on the media is highly ethnocentric, in the sense that it refers only to the experience of a single country, yet is written in general terms, as though the model that prevailed in that country were universal'. In fact, Hallin and Mancini (2004) identify two other models of Western journalism in addition to the dominant Western liberal model, namely the polarised pluralistic model, which developed in southern Europe (France, Greece, Spain, Portugal and Italy), more as part of the worlds of literature and politics than of the market, and the democratic corporatist model, which developed in northern and central Europe (Belgium, Austria, Germany, Netherlands, Switzerland, Finland, Norway, Denmark and Sweden), more as parallel political and commercial press. The liberal democracy model, for its part, developed in the north Atlantic region (Canada, Ireland, the UK and the USA), more as commercial than political media (Hallin and Mancini, 2004). Hallin and Mancini note that the liberal model has become the dominant model throughout the world: it serves as the normative model for practitioners everywhere, although they acknowledge that they do not intend their framework of the three outlined Western models to be applied to the rest of the world without modification (Hallin and Mancini, 2004). Shaw (2009) argues that the Hallin and Mancini argument largely reinforces the call for rethinking normative journalism theory and practice to reflect local conditions from one society to another. In addition to the Southern Pluralist and Democratic Corporatist models in Europe identified by Hallin and Mancini (2004), Shaw (2009) points to the African and Asian journalism models, which largely resonate with the cultural approach to journalism based on values of belonging, association and attachment.

This ambivalence seems to suggest that the dominant neoliberal Western model of journalism based on the profit bottom line over that of the public interest is itself facing a crisis of universal acceptability and applicability, which, unfortunately, the Herman and Chomksy political economy approach, based on the propaganda model, has not been able to resolve. McChesney offers a highly useful political economic criticism of US journalism, focusing on 'the origins and limitations of professional journalism, the commercial attack upon journalism, and the right-wing critique of the liberal media' (2003: 299); however, the scope of the analysis is not only limited to the US media but also to the implications for US democracy. This means that a more robust critical political economy approach in analysing the crisis of journalism in a global context, especially as it relates to business, is needed. Again it is the aim of this book to fill these gaps in provision.

Moreover, it has turned out that existing research has mostly focused on a more general media landscape; there is hardly any micro-level study of the political economy of the crisis of journalism focusing on the press, let alone on a specific journalistic beat such as the business press. It is in this context that this author thought that it would be important to undertake a book project that would exclusively focus on the political economic study of the crisis of business journalism in a global context.

This book is important because it is the first to exclusively and critically explore postmodern public business journalism as an alternative paradigm and, by extension, a panacea, to the failure of modern business journalism to mediate market risks and shocks, which sometimes canalise into global financial crises, in the public interest. Moreover, while it cannot be absolutely said that it is the first to offer a combination of critical and historical perspectives of business and journalism, it is certainly the first to go beyond this and offer a well-grounded political economic, comparative and global approach to this interdisciplinary field of study. The book draws on a long tradition of scholarly work that has examined the relationship between the news media and the corporate/political world. However, the existing literature appears to have mostly focused on the criticism of the colluding nature of this relationship. This book seeks to go beyond criticism of this collusion by offering a more critical political economic analysis of the crisis facing business journalism and by proposing public business journalism as a way forward.

The book is also very timely for the following reasons: first, the UK, Europe and other parts of the developed and emerging markets are still struggling to emerge from the 2008 global economic recession, which, according to recent research, was partly caused by the failure of journalists to expose corporate malfeasance, especially in the years leading to the financial meltdown. Dean Starkman (2011) offers an analysis of the US media coverage of the crisis and explains why the reporting was weak in so many areas. Moreover, the BBC hosted a seminar on impartiality and economic reporting on 6th November 2012 (the first in a series planned to be held regularly) and discussed the findings of an ICM poll which found that respondents wanted more objective and independent reporting of the financial crisis and less jargon (BBC Trust, 2012). The Trust organised the seminar 'to review how the BBC can ensure its news coverage of economic issues reflects the full range of views and voices and, for example, avoids giving undue weight to specific institutional perspectives' (BBC Trust, 2012: 1).

There is also (anecdotal) evidence that, rather than presenting a diverse range of ideological perspectives and different policy choices, the mainstream media have colluded in the creation of an 'austerity' discourse which is dominating the political, corporate and public agendas. This collusion has further exacerbated public fears, anger and distrust of not only the political and business elites, but also the business journalists who seem to be pushing their corner. In fact, despite the huge political polarisation on the austerity vs stimulus debate, most readers and audiences of the reporting of the financial crisis struggled to see any difference between the fiscal policies of those in politics advocating 'austerity' and those advocating 'stimulus'. Most have therefore ended up seeing the politicians, businesses and journalists supporting the opposite sides of the divide as one and the same, since the 'austerity' discourse became the main chorus. However, most saw the 'austerity' discourse as being no different from the 'stimulus' or 'bailout' discourse, because it was more or less going to benefit the banks and other financial institutions whose apparently bogus financial practices caused the financial meltdown in the first place. Yet, as indicated above, this is based on a BBC study of the situation in the UK, which may not necessarily apply to the US and other global situations; this partly explains why this book is important, since it is partly based on a comparative study of the coverage across the USA, Britain and some emerging economies (BRICS countries).

Second, journalism is in a state of crisis on three fronts – declining public trust, declining sales and advertising due to the recession, and finally the growing impact of the blogosphere and social media. Diana Henriques (2000), a leading financial journalist of the *New York Times*, admits that a growing number of thoughtful critics have 'found time to express their deep dissatisfaction with the way journalism is explaining the world of business to the American people' (118). However, when you come down to the UK media, public trust is even lower in newspapers, compared to radio and TV, especially following the phone-hacking scandal. A survey commissioned by the American Public Service Broadcaster found out that more than half of British people surveyed say that the phone-hacking scandal has damaged their trust in UK newspapers, while one in four Americans surveyed share a similar opinion (Robinson, 2011).

The financial crisis in recent years has also led to dwindling sales and advertising revenue, while the increasing power of the internet and social media has made matters worse for the survival of print journalism. Elizabeth Bird sums up the situation in this way:

> Everywhere we look, commentators are sounding the death knell for print journalism. Many newspapers are disappearing, while others (like the venerable *Christian Science Monitor*) move almost exclusively to online formats. *Newsday* cuts its workforce by 5 percent; the Tribune Co. is pondering bankruptcy; newspaper revenues dropped by over 18 percent in the third quarter of 2008. And so on.
>
> (2009: 293)

Research shows that more and more people, especially the young, look to the internet for their day-to-day consumption of news and analysis, making demand for the printed versions plummet.

Finally, there has been an increase in demand for business news, and yet there is a very limited number of journalists who specialise in business, economic and financial reporting, while others who are recruited directly from the business world without any journalism education focus their energies on churning out press releases that at best spin corporate interests instead of speaking truth to power and holding them to account (Henriques, 2000). But it should be acknowledged that the increasing emphasis on recruiting journalists who combine their professional journalism education with business and financial knowledge means that things have changed a lot on this front, which also makes it necessary to update the literature in this area of study. Moreover, following the recent introduction of an economy and finance module by the National Council for the Training of Journalists (NCTJ), most further and higher education institutions offering journalism programmes have introduced courses in business and journalism. Yet another challenge is that there are very few text books focusing on business journalism; moreover, even the few existing ones feature case studies mostly from the USA.

What makes this book different from others specialising in business journalism?

This is the first book exclusively focusing on public business journalism and the first to offer a critical political economic analysis of the crisis facing business journalism in a global context. However, there are a very few books published recently that have some aspects that resonate with the main conceptualisation and argumentation of this book. I will briefly discuss some of them here and identify their strengths and weaknesses, and show how this book will address the gaps in them and build on their strengths.

Churnalism, Complacency and Collusion: A Critical Introduction to Business and Financial Journalism by Keith Butterick (2015) provides a compelling explanation for why big business needs the press and why the press needs big business. It is also critical of what it called the 'misreporting' of the 2008 Financial Crisis. However, the focus of this book is on the mutually beneficial relationship between the big business society and the press, and not necessarily how the latter can effectively serve as watchdog of the former on behalf of the public. This book aims to address this gap by focusing on public business journalism. It also does not only critically explore the failure of business journalism in reporting the 2008 Financial Crisis, but goes further to blame it on the business model and compare it to other earlier global financial crises and ethical challenges, using framing, content and critical discourse analyses of the press in Britain, France, the USA, China and India. This book is also different in the sense that it is the first on business journalism to be written within a lens of critical political economy of the media.

Gerald D. Suttles and Mark D. Jacobs' (2010) book *Front Page Economics* offers a critical historical account of the framing of two economic crises in 1929 and 1987 in order to systematically break down the way that newspapers normalise crises. One of the strengths of that book lies in how the authors explored the dramatic changes between the ways in which the first and second crashes were reported. But here again, apart from failing to offer ways forward beyond the criticism of the coverage, the focus of the book is mainly on the two economic crises as they relate to the USA, and not globally. This book seeks to address these two gaps in provision. Moreover, the focus of the book by Suttles and Jacobs (2010) is on two major financial crises of 1929 and 1987, whereas this book looks at the 1929 crisis and other more recent financial crises, as well as other important business and journalism issues.

Anya Schiffrin's (2011) edited book *Bad News: How America's Business Press Missed the Story of the Century* is indeed a very useful collection of essays based on criticisms and strengths of the coverage of the 2008 financial crisis. However, this book tended to focus only on the financial crisis of 2008, especially as it relates to the USA, whereas the book proposed here will be looking at this crisis and other important financial crises, as well as other important issues of business and journalism within critical political economic and global approaches.

Another useful contribution to the field of business journalism is the book series by Dean Starkman *et al.* (2012a, 2013, 2014), *The Best Business Writing 2012*, *2013* and *2014* (Columbia University Press). Each series has a collection of successful journalistic exposures of wrongdoings in the business world during 2012, 2013 and 2014 by famous investigative journalists, mostly from the business press. However, while this is important in contributing some very useful anecdotes of successful business journalism in 2012, 2013 and 2014, it is lacking in the scholarly rigour of independent research in being insensitive to, and silent on, the failures of business journalism during the years under review. Moreover, its worst weakness is the fact that the series is completely lacking in theoretical conceptualisation of business journalism as it is merely a collection of essays from journalists recounting their experiences that are subject to no scholarly scrutiny. The series is also limited in time, in that it focuses only on case studies in 2012, 2013 and 2014, making it less attractive to those interested in learning about case studies from before and after those years. It is also limited in global reach as most of the case studies are from the USA, with a very few from Britain, potentially making it less interesting to a global audience. This book is set to address all the above gaps; as indicated in the rationale section, above, it is grounded in the political economy of business journalism theory, while its case studies not only go as far back as the muckraking journalism era in the early twentieth century but are also global in scope.

Chris Roush's groundbreaking book (2006, 2nd edn 2011a) *Profits and Losses: Business Journalism and Its Role in Society* recognises the historical importance of business news in America's journalistic past; it asserts that current social attitudes were set in place by twentieth-century reporting on finance, business trends, markets, unemployment, governmental economic policy, corporate malfeasance and – perhaps most important – the consumer. That book is no doubt an important introduction to the history of business journalism in the USA, especially in the early part of the twentieth century. However, apart from its little focus on contemporary challenges of business journalism, its focus on US case studies tends to limit its demand from a global audience. This book is poised to address these two gaps as indicated above. Roush's more recent book (2010) *Show Me the Money: Writing Business and Economic Stories for Mass Communication* offers hands-on advice and examples on doing the job of a business journalist. However, it is more practice-based and therefore lacking in critical theory of business journalism grounding. Again, this book is set to address these gaps as indicated earlier. It is very similar to a more recent book by Keith Hayes (2014), *Business Journalism: How to Report on Business and Economics*, in that it is also largely limited to how to practise business journalism and does not necessarily offer a critical review of how it is practised. It is the aim of the book you are now reading to address this gap by offering a critical political economic perspective on how business journalism is practised in both local and global contexts.

Terri Thompson's edited collection (2001) *Writing About Business: The New Columbia Knight-Bagehot Guide to Economics and Business Journalism* is very good at the conceptualisation of business and economics in relation to business journalism and at providing some useful hands-on tips and techniques in reporting business, contributed by mostly US business journalists, but, apart from being dated and focusing largely on US case studies, hence limiting its global reach, it is lacking in critical theory grounding. This book is set to address these gaps in provision.

P. Kjaer and T. Slaatta's (2007) book *Mediating Business: The Expansion of Business Journalism* offers a very impressive comparative and multidisciplinary analysis of business and journalism, drawing on case studies from Norway, Sweden, Denmark and Finland. The main problem with this book, however, is its very limited global reach as it tends to focus on examples from Scandinavian countries. It is also limited in scope as it tends to focus more on issues of macroeconomics and less on microeconomics. While it is critical of the business model of business journalism, it fails to pay attention to microeconomic issues such as personal finance, labour and consumer fraud, the very issues that the business model tends to overlook. This book is set to address these gaps by focusing on what it calls public business journalism, which deals with these microeconomic challenges of business and journalism and which adds global outlook to the subject.

Target audience

The main targets of this book are students of journalism, especially those interested in developing their careers in working for the business press or in business sections of the press and other media outlets. The unique critical political economic and global approaches of this book make it particularly relevant for students studying at final-year undergraduate, graduate and postgraduate levels in journalism, media studies and communication. Moreover, its focus on global perspectives and case studies, including from emerging BRICS economies, means that it would appeal to students pursuing similar careers in institutions all over the world. It is also a useful textbook for business schools or business studies departments offering media-related business studies programmes such as marketing, advertising, public relations, media management, etc. Practising journalists and media executives, as well as media non-governmental organisations (NGOs) and institutes involved in the training of journalists in reporting about business, finance and economics in the twenty-first century will find this book very useful. Students of journalism/media interested in the links between journalism/media and critical issues of economic development will also find this book useful.

However, this book is not purely conceived as a manual for public business journalism; this could be a follow-up project that the author hopes to pursue in the near future. It aims to evaluate the extent, or lack, of public business journalism, and not necessarily how to practise it. Nonetheless, the issue of 'how to practise it' will be addressed in the book somewhat by the few examples of best practise of journalists who consciously or subconsciously practised this new genre of business journalism. Students will also learn lessons from the mistakes of others and be able to emulate best practices discussed in the book. The main objective of the book is therefore to contribute a critical political economic approach to the analysis and practice of business journalism.

The triple political economic crisis of business journalism

This book critically explores a triple political economic crisis thesis to explain the failure of modern business journalism in the reporting of the financial crises of the twentieth and twenty-first centuries, and to call for a postmodern, public business journalism approach. This final section of the introductory chapter provides a critical overview of the crisis of confidence and survival that modern business journalism is facing in the context of the triple political economic crisis: the crisis in the political economy of global capitalism, the crisis in the political economic reporting of the financial crises of 1929, 1997/8 and 2008, and the crisis in the political economy of business journalism.

Part I: The crisis in the political economy of global capitalism

Global capitalism has been in crisis since its emergence following the industrial revolution of the nineteenth century; this has been more evident in the great global financial crises of the twentieth and twenty-first centuries. Responses by political and business elites to these crises have largely been polarised along political economic lines of neoliberal capitalist or Marxist-Socialist interventions. However, lines between these two political economic interventions to resolve these financial crises have often blurred as governments have found themselves implementing the two, depending on the changing circumstances and interests of those calling the shots. For instance, the initial reaction of governments across the world to the 2008 Great Recession was that of bailouts – more specifically, financial rescue and stimulus packages – which posed a serious challenge to the neoliberal consensus informed by free market capitalism. The post-2010 response, by contrast, has been that of austerity, as emboldened right-wing forces attempted to restore the neoliberal order following the brief Keynesian interregnum.

A thought-provoking *Financial Times* (*FT*) comment and debate series entitled 'Capitalism in Crisis' no doubt captured the spirit of the times. Yet, Lord

Meghnad Desai, Emeritus Professor at the London School of Economics, was quoted in one of the *FT* series arguing that there is 'no crisis of capitalism' but admits that 'there's a crisis of western capitalism, which has gone geriatric. The dynamic capitalism, with its energy, innovation and sheer greed for growth has moved east.' Lord Desai's argument suggests that, as Western capitalism modelled on the free market economy is collapsing on its own turf, a much more flexible and modified one modelled on the hybrid of capitalism and socialism is thriving in Asia. This hybrid is based on a system where economic activities are controlled by both the state and market forces of supply and demand. But, truth is, this so-called moderate model of Asian capitalism is equally in crisis, as Asian governments who had initially hoped for a gradual shift to the *strictu sensu* Western free market capitalism have been disillusioned by suddenly realising that their economies have also been badly hit by the 2008 global recession. This meant that they had no choice but to yield to pressure from the International Monetary Fund (IMF), that great stepmother of the Washington Consensus, to deregulate pure and simple along the free market capitalism lines or die.

The crisis in the political economy of global capitalism as it relates to business and journalism is discussed in detail in Chapters 2 and 3 of this book. Chapter 2 attempts two things. First, it critically explores the concepts of political economy, political economy of journalism and public business journalism within historical, contemporary and global contexts. Second, it critically explores the modern business model of business and journalism in the context of the crisis of the political economy of global capitalism versus the challenger postmodern alternative models such as Marxism, Keynesianism, etc.

Chapter 3 builds on the first two chapters by exploring the capitalist and anticapitalist models of business and journalism in an empirical context, drawing on the reporting of the EU–Africa Lisbon summit in 2007. The chapter takes the following structure: first, conceptualisation of political economic communication as corporate journalism and of public interest communication as public business journalism; second, critical discourse analysis through Fairclough's analytical framework of CDA (2007) of the representations of the British national interest as a social problem of political economic communication in reporting the 2007 EU–Africa summit; third, identification of obstacles to addressing the problem and investigation of whether the 'social order' in fact needs the problem; fourth, identification of ways of addressing the obstacles; and then a conclusion with a critical reflection of the analyses and the implications for public business journalism.

Chapter 4 builds on Chapter 3 by undertaking a critical comparative study of two forms of watchdog or social responsibility journalism – muckraking journalism of the early twentieth century and investigative journalism of the late twentieth and early twenty-first centuries – to determine how the two went about exposing two financial scandals largely caused by the failure of global capitalism. This chapter attempts three things. First, it provides historical and conceptual frameworks of watchdog journalism and corporate scandals within the context of the crisis of global capitalism. Second, it explores the emergence of the muckraking movement and corporate corruption in the twentieth century. Third, it looks at how muckraking journalism of the early twentieth century involving the Standard Oil Company compares to the twenty-first century investigative journalism involving the Enron Scandal.

Part II: The crisis in the political economic reporting of financial crises

The political economic reporting of the financial crises in the twentieth and twenty-first centuries has equally faced a very serious crisis, especially of public trust, mainly, as Chapters 5 and 6 of this part of the book demonstrate, because of the failure of business journalists to strike a fine balance between serving the public interest and the business bottom line. The societal watchdog functions of journalism – educating and informing the public, offering diverse and alternative viewpoints, speaking truth to power, holding political and business elites to account for their decisions and actions, etc. – are particularly important in addressing or preventing the crisis of the political economic reporting of these financial crises. Some interesting findings from the research informing the chapters in this section, however, suggest that journalists, especially business journalists, are failing in these tasks.

Chapter 5 provides a conceptualisation of the crisis of the political economic reporting of financial crises and makes the argument that, to prevent or address them, business journalists should scrutinise the policies and activities of financial institutions such as banks, insurance companies, investment companies, stockbrokers, etc. within the context of watchdog journalism, rather than merely serving as their cheerleaders within the context of lapdog journalism. The first section of this chapter makes the distinction between financial journalism, as being associated more with the modern mainstream business journalism, and business journalism, as being associated more with the postmodern, public business journalism, but expresses concern that, as it stands, the line is blurred between the two as postmodern business journalists are becoming more financial, rather than than business, journalists. It argues that financial journalism focuses more on the mediation of macroeconomic business and financial issues, while business journalism focuses more on microeconomic business and financial issues. This chapter is structured into three sections. The first section offers a critical historical and conceptual exploration of the distinction between financial journalism and business journalism, while the second and third sections specifically look at this distinction along the binary lines of modernity and postmodernity, and macroeconomics and microeconomics.

Part III: The crisis in the political economy of business journalism

The political economy of journalism is no doubt in deep crisis as it faces huge challenges that have wreaked havoc on its very survival. Yet, as journalism based on the neoliberal capitalist model breathes and lives capitalism, it stands to reason that any form of crisis that hits global capitalism is bound to have an adverse effect on it. That is to say, because the media system is made from capitalism, one can hardly survive if the other is hit by a crisis. The media, particularly the old media, are struggling in the recession. Facing falling sales and declining advertising revenues, they have responded in several ways. While some media, in an attempt to establish new and sustainable business models, have diversified their output by expanding into digital provision delivered on new technological formats and/or have erected pay-walls, others have closed down or rationalised their operations. Mergers and acquisitions, meanwhile, have increased as media entities pursued horizontal and vertical integration in an attempt to gain market share and maintain profitability. The net result has seen even greater corporate control of the media. Earlier works by Herman and Chomsky (1988), Herman (2002) and most recently Roush (2011a) have exhaustively explored the challenges of PR and advertising to business journalism, while other works by Karen Sanders (2003), Tony Harcup (2007), Chris Frost (2000) and Richard Keeble (2001) have provided much detailed discussion on the challenges of journalism ethics more broadly. The two chapters in this third part of the book will therefore focus on a comparative empirical analysis of the ethical and new media challenges facing business journalism in developed countries of the West and emerging BRICS economies.

Chapter 7 offers a critical comparative study of the ethical and professional challenges of business and journalism in developed and emerging BRICS economies. This chapter has two main sections for this comparative study. The first comparatively explores the human rights challenge of free speech, while the second examines the ethical challenges such as conflicts of interests that journalists constantly navigate in carrying out their work, especially in covering business beats in the four countries in the study. This chapter will explore how these challenges hinder the efforts of business journalists in performing their watchdog role.

Chapter 8 critically explores the challenges that business journalism is facing in the digital age. The business press, and the broader spectrum of print media, are experiencing dramatic dwindling sales of newspapers and the massive drift of advertising revenues to the internet. The net result has seen the rapid closure of national, regional and local newspapers, the rationalisation of newsrooms and the integration of digital, television and old media news operations. This chapter explores what these changes mean for the future of traditional journalism and the current search for new business models to sustain it. This chapter has three sections: first, it looks at debates in the challenges of 'digital' and 'convergence journalism'; second, it looks at new media, service journalism and public service journalism; and finally, it undertakes a critical framing analysis of the personal technology coverage of the bent iPhone 6 scandal in the online formats of two British newspapers and two tech consumer blogs to see whether or not the concerns of consumers were taken on board more than those of the business elites.

The concluding Chapter 9 reflects on the key arguments that cut across the book and looks at how public business journalism resonates with other alternative models of journalism such as freakonomism, innovation journalism, human rights journalism, global journalism and peace journalism. It offers recommendations on how to improve the vigilance of public business journalism in helping to make the world a better place not only for business men and women but for the members of the public whom they deal with in both national and global contexts.

Part I

The crisis in the political economy of global capitalism

This part offers a critical examination of the crisis of global capitalism, the first in the triple crisis of political economy of business and journalism. Global capitalism itself has been in crisis since the industrial revolution in the nineteenth century; nowhere has this been more evident than in the great global financial crises of the twentieth and twenty-first centuries. Responses by political and business elites to these crises have largely been polarised along ideologically laden political economic lines of neoliberal capitalist or Marxist-Socialist intervention. This divide can in fact be effectively traced to the very birth of modern capitalism during the industrial revolution in the nineteenth century. Modern capitalism itself can be traced to Adam Smith, the first philosopher of political economy, who wrote the groundbreaking *The Wealth of Nations* (1776) where he explained the concepts of the free market economy. Smith argued that growth of modern industry can only take place when the markets – the supply and demand of goods and services – are free from control of politicians. It is in this vein that he conceived of the concept of the 'invisible hand', informed by the forces of competition that balance supply and demand. The political economic organisation of socialism, on the other hand, was founded by Karl Marx following the publication of the other groundbreaking book, *The Communist Manifesto* (1848), which he co-authored with Friedrich Engels. Marx and Engels were very critical of the unplanned and unregulated capitalism, and instead called for a planned and regulated system of producing and distributing goods and services to prevent the exploitation of the poor workers and consumers by the rich owners of capital or the means of production. This is the genesis of the binary positions of the unplanned and unregulated, neoliberal capitalist market economy on the one hand and the planned and regulated, socialist market economy on the other. The divide between these two approaches often comes to a head during times of very serious financial crisis such as what we saw in 1929, 1987, 1997 and, most recently, in 2008.

However, lines between these two political economic interventions to resolve these financial crises have often blurred, as governments have found themselves implementing the two depending on the changing circumstances and interests of those calling the shots. For instance, the initial reaction of governments across the world to the 2008 Great Recession was that of bailouts – more specifically financial rescue and stimulus packages – which posed a serious challenge to the neoliberal consensus informed by free market capitalism. The post-2010 response, by contrast, has been that of austerity as emboldened right-wing forces attempted to restore the neoliberal order following the brief Keynesian interregnum.

The crisis in the political economy of global capitalism as it relates to business and journalism is discussed in the following Chapters 2 and 3 of this first part.

Chapter 2

The political economy of business and journalism

From paradox to crisis of capitalism

One of the fiercest criticisms that business journalists have faced over the years, especially during periods of financial crisis, is that of their failure to strike a balance between writing for the business bottom line and the public interest. Research suggests that they have most of the time tipped the balance in favour of boosting the corporate interests of the owners of capital or the means of production and not necessarily the real producers and consumers of goods and services. Yet this is contrary to the social responsibility role of the business journalist, which is to hold power, be it political or corporate, to account in the interest of the general public, which is in most cases populated by poor producers and consumers of goods and services. The business journalist therefore walks on a very tight rope! He faces a kind of dilemma! It may be better to call it crisis! On the one hand, he draws his power and inspiration from liberalism, that is the freedom to hold power to account by informing and educating the public about their human wrongs. Yet, on the other hand, he depends on neoliberal capitalism to be able to perform this watchdog role since, without the capital to employ him and provide the other means of producing the news and comments, he will not exist as a professional business journalist.

This book employs a critical political economy approach to better understand the failure of business journalists to strike a balance between capitalism and the public interest. It calls for a shift in paradigm towards what it calls 'public business journalism', which seeks not only to blur the distinction between reporting for the investor (the capitalist) and the general public (society), but also to tip the balance in favour of the latter if it comes to making a choice, because it constitutes the majority, including the former, and also because this would help address rather than reinforce the imbalances of society. It argues that a shift to the more postmodern public business journalism is crucial to averting future failures of business journalism in holding power to account, and, by extension, future global financial crises. In the chapters in the second part of this book I make the argument that the increasing focus on the business bottom line at the expense of the public interest largely contributed to the failure of business journalism in the reporting of great financial crises of the twentieth and twenty-first centuries.

This chapter attempts two things. First, it critically explores the concepts of political economy, political economy of journalism and public business journalism within historical, contemporary and global contexts. Second, it critically explores the modern business model of business and journalism in the context of the crisis of the political economy of global capitalism versus the challenger postmodern alternative models such as Marxism, Keynesianism, etc. It discusses the history of the neoliberal business model of business journalism in the context of the free market capitalist philosophy of Adam Smith, which emphasises non-government interference or regulation of business, including the media industry, and the anti-capitalist philosophy of Karl Marx, which insists on regulation of business to protect the interests of workers as the producers of wealth.

Political economy of journalism and public business journalism

Political economy emerged as a major critical perspective in communication research in the 1940s and was initially developed from the critical theory of media and communication developed by Theordore Adorno and Max Horkheimer. These scholars and other political economists after them, all members of the Frankfurt School, were very critical of the increasing commercialisation of media and communication, where news or ideas of media and communication ceased to be considered as a cultural value to be shared by all members of the community, and instead were taken to mean something to be bought and sold to the highest bidder. The political economy perspective interrogates the notion, prominent in some theories, that reality can be informed only by ideas or observations, and not by both. It also questions the view that all ideas and observations necessarily constitute reality. Political economists rather generally believe that reality can be constituted by many sources and 'cannot be reduced to the essentialism of either economics (e.g. money alone drives the media) or culture (e.g. people's values drive the media)' (Mosco, 2009: 1). They hold the view that reality cannot simply be dismissed as the figment of our imagination based on an idea or ideology of some kind, but is informed by a combination of both this ideology and experience: a combination of theory and practice, to put it simply. Another way to put it is to say that ideas on their own cannot, or do not, constitute realities, while on the other hand observations alone cannot, or do not, also constitute reality. Reality is therefore the result of both ideology and observation: a combination of the normative and the empirical, or of the prescriptive and the descriptive.

The approach is largely trans-disciplinary as it is inspired by the concepts of social change, social process and social relations. Yet the approach puts emphasis on social institutions such as media businesses, which are more or less influenced by the dominant classes of society.

Before proceeding to unpack the concept of political economy of journalism I have considered it important to provide a kind of conceptualisation of the much broader and multidisciplinary concept of political economy. Mosco (2009: 2) provides two main definitions of political economy. The first, which is based on a much narrower sense, sees political economy as 'the study of the social relations, particularly the power relations that mutually constitute the production, distribution, and consumption of resources, including communication resources'. Mosco argues that the extent to which this definition calls attention to how the business of communication operates underscores its practical value. It for instance provides us with an idea of how a product of communication moves through a chain of production and distribution processes and structures before finally getting to the consumer. It also illuminates how the choices that consumers make about communication products such as a news item, a movie, a comedy, etc. are fed back into policies and decisions that politicians and businessmen make and take, respectively, in producing new or similar products. This definition invites us to consider how not just the communication product but the very attention of the consumers is put in the market place. It helps us see the approach as facilitating our understanding of how power relations operate, how people use and abuse power to make some people get what they want, albeit sometimes at the expense of some people being blatantly denied what they want. It gives us an idea of how power relations interact, and sometimes clash, in the chain of production, distribution and consumption of goods and services.

A much broader definition of political economy, according to Mosco (2009), sees it as the 'study of control and survival in public life'. The key words in this definition are *control* and *survival*; control relates to how a community of people runs and manages its affairs, while survival refers to what people do on a daily basis, for example production, distribution and consumption to keep their society on the move. While control relates to a political process as it involves community power relations, survival relates to an economic process as it involves economic power relations that shape or influence the production and reproduction, as well as the distribution and consumption, of goods and services. The extent to which this definition provides the political economy approach with the power to encompass all human activity and processes underpins its standing as a more ambitious way of understanding this rather ambivalent approach. Mosco (2009) famously credits his mentor and founding father of the political economy of communication, Dallas Smyth, with having provided him with this broad definition in an interview that he had with him when he was researching for the first edition of his ground-breaking book – *The Political Economy of Communication*. Mosco (2009), however, points to a major downside of this definition in that it is difficult to draw the line between the political economy of human activity and the processes of controlling and surviving nature. Yet other political economists (Latour, 2005) have been more concerned about the increasing way in which human activity has threatened the environment. This perspective seems to suggest that, after all, human activity with nature or the environment involves some kind of control and survival.

Political economists are concerned about interactions, or tensions, between power relations – be they political or economic – that lead to the control or survival of human activity. This human activity can involve some kind of production, distribution and consumption of goods and services, which for the purposes of this book may mean a piece of news item or commentary that brings to light the use or abuse of political and/or economic power.

In fact a much simpler way of understanding this broad definition is provided by Bachman (2001), who simply sees political economy as a kind of interaction between political processes or power relations (control) and economic process or power relations (survival). This interaction, according to Bachman, takes place on two levels. The first involves the description and analysis of the way government and economics interact in one place at one time. This interpretation suggests that the political economy of a society, country or city can be measured by the levels of interaction between government functionaries, politicians, bankers, business people and the rest of the public in that place, in that specific time. The political economy of, for instance, London is measured by the activities of the British government such as influencing the increase in interest rates by the Bank of England and how that impacts on the buying and selling of stocks on the London Stock Exchange by the end of the day on which the increase was announced. The other involves the 'philosophy of how government and the economy actually do, and should interact'. It is indeed the second interpretation of political economy that has come to gain more currency in recent years. This is mainly because it involves the interrogation of not only what is observed or seen – the empirical or descriptive – but also what is conceived or thought of as an idea – the normative or prescriptive. Mosco (2009) broadens the conceptualisation of the political economy approach by looking at four central qualities that characterise it: history, the social totality, moral philosophy and praxis, all of which we shall be looking at later in this chapter.

Political economy of journalism

Journalism practice is normally considered to be part of the broad field of communication and media studies, which is in turn part of the much broader field of communication. The field of communication encompasses a much wider range of disciplines, which, in addition to communication and media studies, includes sociology, linguistics, information studies, philosophy, architecture and computer science. However, for the purposes of this book I will focus only on communication and media studies, especially on the specialist field of business journalism. Mosco (2009: 8) sees communication as a 'social exchange of meaning whose outcome is the measure or mark of a social relationship'. He makes the argument that, from this perspective, communication should not be seen merely as the process of transmitting information but as 'social production of meaning that constitutes a relationship' (Mosco, 2009: 8). Thus he warns against the tendency to communication essentialism (Burke, 1969a, 1969b; Latour, 1999; McCloskey, 2002), that is, an inclination to reduce reality to the 'rhetoric of conversation' or communication alone without also seeing it as the 'logic of inquiry' or analysis

(Mosco, 2009: 66). From the point of view of this book, I go along with Mosco's preference for a combination of the 'logic of inquiry' and rhetoric of conversation as the basis of epistemology, that is critical knowledge and understanding of a communication message. By way of reinforcing this line of thinking, Mosco affirms that this combination of the two approaches specifically:

> maintains that understanding is not a process by which one person observes and reports on reality by using language that reveals that reality. Rather, understanding takes place when two or more people exchange observations and ideas, and express them in language that does not reveal reality, but which helps to constitute reality
>
> (2009: 66)

In a way the combination of the rhetoric of conversation and the logic of inquiry resonates with the political economy of communication. Broadly speaking, when you talk about the political economy of communication you are talking about how political and economic power relations are influenced, or vice versa, within the context of agenda setting by our 'systems of mass media, information, and entertainment' (Mosco, 2009: 6). Since journalistic praxis generally operates within the structures of these mass communication systems, political economy of journalism can be defined as the way in which journalists are influenced, or vice versa, by the political and economic power relations, within an agenda-setting context, and how that impacts on their social responsibility role to serve as watchdogs, rather than mere lapdogs or cheerleaders, in the interest of the general public. This definition in a way suggests some kind of resonance between the concept of the political economy of journalism and that of public business journalism, especially in the context in which the public business journalist is able to use the political economic perspective to interrogate the political and economic power relations in the production, distribution and consumption of goods and services in the public interest.

Business journalism and public business journalism

Business journalism deals with reporting in the media that discusses events, topics and issues related to the economy, business, development and industries, or how people as producers and consumers spend their money to better themselves in both national and global contexts. It includes writing about activities and issues involving other beats such as employment, unemployment, workplace, food, health and wellbeing, insurance, technology, personal finance, corporate finance, public finance and consumer reporting. Chris Roush (2011a: 8) defines business journalism as 'all reporting and writing that is not only about business but also about the economy'. Stories about business are generally about money and how it is spent by the investor and the consumer. Business beats feature in business sections of newspapers or in the business press. In one of the first books on business journalism, Julien Elfenbein (1969: 3) defines it as

> The organized, systemic, and periodic extraction of news-information, know-how, and know-what from the most authentic sources, its transformation into intelligence, and its timely distribution to the prime decision-makers and the labor force in all fields of human activity by competent editors, reporters, technical contributors, and publishers.

However, this definition is limited to business beats in specialised businesspapers. A businesspaper, according to Elfenbein (1969: 3), is the generic term used to describe 'independent technical periodicals' published as magazine or newspaper at least four times a year and specifically intended to serve special fields of private or public enterprise and not directed to the wider public. Readers and sources of information used in businesspapers are mostly from these special fields such as trade, agricultural, marketing, technical, educational, medical, etc. They also mostly focus on issues and activities of these special fields instead of all beats about business and the economy. Thus the main purpose of these businesspapers is to serve the interest of their readers and sources of information, who are mostly the elites of society, by providing them with business intelligence and other specialist technical know-how and know-what. This is supposed to be different from mainstream business newspapers that feature stories about business and the economy broadly speaking. Business newspapers such as the *Financial Times* or business magazines such as *Business Week* are directed at the general public, who can also serve as sources of information.

Yet business journalism, whether by way of the businesspaper targeting readers and sources in a specialist field or the business newspaper targeting readers and sources from the wider public, is recognised as having hugely contributed, and still contributing, to the growth of business and modern industrial society. Elfenbein (1969: 1) asserts that the 'businesspaper is the most potent kind of continuing education in our adult world. No other medium, moreover, is as effective or economical for reaching and influencing the majority of prime decision-makers.' There would have been no modernisation if there was no business journalism. It was business journalism that exposed the exploitation of former colonies and slaves, as well as the monopolies and trusts that ran many industries in the nineteenth century in the USA. The best business journalists are often the best journalists in the world. For example three of the best six pieces of journalism of the twentieth century compiled by New York University Journalism Department had specific business journalism elements in them (Roush, 2011a).

In the twentieth century, business journalists alerted the public to safety problems in vehicles and in chemicals. It was business journalism that warned the public about investment schemes and poorly run businesses that take the money of gullible investors. The Food and Drug Administrator, which ensures that we eat healthy foods, was set up following business journalism's exposure of spoiled meat being sold to unsuspecting consumers. Business journalism has ensured that killer drugs are not stocked for consumers to buy. Media have had a profound effect on business and the economy. The development of the newspaper has contributed to the widening of markets, effectiveness of competition, lowering of the costs of production, the spread of the price system, etc.

However, despite its important role to people and society, business journalism is often not taken seriously by journalists and consumers. This is because business stories are often less dramatic and therefore boring to read. They are often full of numbers and statistics that make them difficult and boring to read. They often lack depth, understanding and context. Normal business stories do not necessarily attract mass readership and mass advertising. Most business stories are therefore limited to a small space in a mainstream daily newspaper and very limited air time on radio and TV.

By far the most scathing criticism that mainstream business journalism has faced over the years, despite all its great achievements in the building of modern industrial society, is its failure to serve as a proper watchdog of business, and by extension to strike a balance between meeting the business bottomline and the public interest.

This situation looks inevitable at face value as the majority of the readers and sources of information for business newspapers are business or financial elites. Moreover, mainstream business journalism is rooted in the business model of journalism as a profit making-concern, standing for financial performance, not production sites or places of work, or welfare of workers and consumers. The truth is that most business newspapers produce large volumes of business-related news and commentaries, but most are tempted to increasingly focus solely on spinning the business bottom line and not on the good of society at large (Roush, 2011a: 9). But business journalism faces a kind of a paradox! The business journalists always navigate the dilemma of choosing between the bottom line and the public good. Normatively, business journalists can and should strike a balance between the two, and there are a few cases where this has happened. Yet, empirically, business journalists are increasingly tempted to go for the bottom line and not necessarily what is good for society.

Former *Wall Street Journal* Deputy Editor Barney Calame, who is also a former president of the Society of American Business Editors and Writers, said: 'Especially in times of financial pressure, there is a temptation to create coverage whose primary objective is to attract advertisers rather than serve readers … . Good journalism can and should do both' (cited in Roush, 2011a: 9). Yet, empirically, business journalism is informed by the business model of journalism, which is based on pushing the business bottom line over that of the public interest. This failure makes the business journalist of the business press or business newspapers little or no different from that of the special field businesspaper who solely caters for its readers and sources of information located within the special field. It is in order to address this problem that this book seeks to critically explore the failure of business journalists in striking the balance between the bottom line of the business model and the public interest, especially during periods of global financial crisis. Drawing inspiration from a political economy perspective, I blame this failure of business journalism on its increasingly dwindling social responsibility role in holding power – political and corporate – to account. It is also for this reason that I have proposed public business journalism as an alternative to this rather problematic mainstream business journalism. Public business journalism is informed by the alternative models of journalism that strike a balance between financial performance and the welfare of the real producers of wealth and consumers of the end products. I make the argument throughout this book that public business journalism has the potential not only to narrow the gap between reporting for the bottomline (the interest of the investor with the capital) and the public interest (society at large, including workers, consumers etc.) but also to tip the balance in favour of society if it comes to making a choice, because it constitutes the majority, including the investor. As I emphasised earlier in this section, the public business journalist needs to adopt a political economy perspective to be in a better position to achieve a proper balance between the business bottomline and the public interest, and to tip the balance in favour of the less dominant public interest if it comes to making a choice between the two.

A business journalist with a political economy perspective would be interested in interrogating the interaction between the political and economic relations that threaten the interest or very survival of members of the pubic, including of course producers and consumers of goods and services, as well as investors. The savvy business journalist needs to imbibe the political economy approach in researching and writing a business story or newscast. When something dramatic happens, for instance a sudden increase in taxation to pay for public services, the business journalist with a political economy perspective would not only be interested in reporting it as it is but in looking at the bigger picture of such a policy. Such a business journalist would be interested to know the implications of such a policy for the public, the politicians and the businessmen, and not just for the last two.

Moreover, the interest of the public business journalist goes beyond monitoring and contributing to corporate governance, which seems to be the preoccupation of mainstream business or financial journalism. (Engwell and Sahlin, 2007: 266) argue that business journalists have a 'powerful impact on the way corporations relate to their environment and the way in which they are governed and managed', Engwell and Sahlin 2007: (266–67) identify two corporate governance functions of business journalism: a) as monitor – reporting and investigating corporate activities to provide shareholders with 'in-depth knowledge and assessments' to underpin their decisions; b) as carrier – of 'general models for conceptualising corporations, management, governance and environments'. Going by these two main functions of business journalism, it is clear that traditional business journalism is more orientated to the corporate, in fact mostly big corporate, investors' interests than those of the real producers (workers) and consumers of goods and services in the market place. This largely explains why this book is proposing public business journalism to help address this imbalance.

Capitalism, anti-capitalism and the business model of journalism

Global financial crises in the last two centuries happened mainly because of the crisis in global capitalism which can be traced to its very beginnings in the industrial revolution in the nineteenth century. Fierce disagreements have occurred in the responses by political and business elites to these crises; such disagreements have largely been polarised along neoliberal capitalist or Marxist-Socialist approaches to resolve the crises. In the debate that followed the 2008 financial crisis, a thought-provoking *Financial Times* comment and debate series entitled 'Capitalism in Crisis' no doubt captured the spirit of the times. Yet, Lord Meghnad Desai, Emeritus Professor at the London School of Economics was quoted in one of the *FT* series arguing that there is 'no crisis of capitalism' but admits that 'there's a crisis of western capitalism, which has gone geriatric. The dynamic capitalism, with its energy, innovation and sheer greed for growth has moved east' (cited in an article in the *FT* by David Pilling, 2012 titled 'Capitalism in Crisis: Perilous Path to Prosperity'). Lord Desai's argument suggests that, as Western capitalism modelled on the free market economy is collapsing on its own turf, a much more flexible and modified one modelled on the hybrid of capitalism and socialism is thriving in Asia. This hybrid is based on a system where economic activities are controlled by both the state and market forces of supply and demand. But, truth is, this so-called moderate model of Asian capitalism is equally in crisis, as Asian governments who had initially hoped for a gradual shift to the *strictu sensu* Western free market capitalism have been disillusioned by suddenly realising that their economies have also been badly hit by the 2008 global recession. This meant that they had no choice but to yield to pressure from the IMF, that great stepmother of the Washington Consensus, to deregulate pure and simple along the free market capitalism lines or die.

This section will explore the following questions: What can you say have been the main points of disagreement between the capitalist and anti-capitalist philosophers of political economy? What justifications, if any, can you offer for the anti-capitalist and other alternative views of business and journalism? To what extent is the business model of journalism traced to Adam Smith's political economy of capitalism? In looking at the points of disagreement between the capitalist and anti-capitalist philosophers of political economy, I will try to explore the history, social totality and moral philosophy of the political economy of capitalism and anti-capitalism.

I would like to start this section by briefly looking at the earliest political organisations before the emergence of capitalism. They are as follows:

- subsistence – every family producing enough to live on
- slavery – exploitation of man by man for monetary gains
- feudalism – workers are the vassals of wealthy people and institutions.

Even some religions, especially Islam, could be considered philosophies of political economy. In fact, in addition to being the prophetic leader of Muslims, Muhammed could, according to Bachman (2001), be considered to be the most important political economist to precede Adam Smith.

Modern capitalism itself can be traced to Adam Smith, the first philosopher of political economy who wrote the groundbreaking *The Wealth of Nations* (1776), where he explained the concepts of the free market economy. Smith argued that growth of modern industry can only take place when the markets – the supply and demand of goods and services – are free from control of politicians. One of Smith's most influential concepts was that of the 'invisible hand' which represents the forces of competition that balance supply and demand of goods and services. His other two important concepts are specialisation and division of labour, which ensure that individuals specialise in developing skills that enable them to produce more of their product. It is based on the idea that, if everyone specialises in what they are very good at producing, this will increase the quality and quantity of goods and services produced, and hence returns in profit, rather than if everyone is obliged to complete all the separate steps in the production chain. This was a period of great social and historical transformation in which capitalism based on the ideas of free market competition and no state control was born. Adam Smith, John Stuart Mill and David Ricardo are considered as the founders of the political economy of capitalism because of their contributions to the intellectual understanding of how the neoliberal capitalist system operated during the eighteenth and nineteenth centuries. These three figures explained the great capitalist revolution as part of the 'great social upheaval that transformed societies based primarily on agricultural labour into commercial, manufacturing, and, eventually industrial societies' (Mosco, 2009: 3). Smith's political economy of capitalism is also characterised by an interest in the totality of social relations that constitute economic, political, social and cultural spheres of life. Societal relations are not just about politics and economics but are also social and cultural. Political economists believe that there is a big picture of society that is worth understanding. Adam Smith looked beyond the normal political and economic power relations in his conceptualisation of the political economy of capitalism to capture elements of the social, moral and cultural as well. 'The political economist asks: How are power and wealth related and how are these in turn connected to cultural and social life?' (Mosco, 2009: 4).

Another characteristic of Smith's political economy of capitalism, which has often been ignored, is its commitment to the principle of moral philosophy. In fact Adam Smith saw himself more as a moral philosopher than an economist. This is evident in that he favoured his first book *The Theory of Moral Sentiments* (1759) more than his second, more popular, *The Wealth of Nations* (1776), in which he actually explained his theory of capitalism. In his first book Smith called attention to values of self-interest, materialism and individual freedom, which he said were contributing to the rise of commercial capitalism. Smith's moral philosophy approach supports the idea of extending the values of freedom and democracy beyond the political realm, that is, participating in government, to all aspects of social, economic and cultural life, where rights such as income equality and access to education, etc. are guaranteed and respected.

In fact it has been argued that it was mainly because of Smith's commitment to the moral philosophy of the political economy of capitalism that he did not favour a complete free market economy when it comes to some public services such as education. Hence he thought that government should not rely solely on private markets to provide education (Bachman, 2001).

The political economic organisation of socialism, anti-capitalism so to speak, on the other hand was founded by Karl Marx following the publication of the other groundbreaking book *The Communist Manifesto* (1848), which he co-authored with Friedrich Engels. This book criticised the unplanned and unregulated capitalism, and instead called for a planned and regulated system of producing and distributing goods and services to prevent the exploitation of the poor workers and consumers by the rich owners of capital or the means of production. Marx and Engels argued that unplanned capitalism must invariably collapse to give way to planned production. This can be considered as the effective beginning of the divide between the unplanned and unregulated, neoliberal capitalist market economy on the one hand and the planned and regulated, socialist market economy on the other. Tensions between these two binary positions are often exacerbated during periods of financial crisis. Marx was very critical of the so-called 'dynamic forces within capitalism, and between capitalism and other forms of political economic organisation' (Mosco, 2009: 3). Marx's argument was motivated by the desire to understand the processes of social change in modernisation/industrialisation – which he believed would lead to socialism. Marx's philosophy is called dialectical materialism, which is taken to mean that all growth and social change are the product of opposition forces competing for economic survival. His theory of value affirms that every good or service is worth the value of the labour put into its production. Marx was, as a matter of fact, totally opposed to the idea of exploitation of man by man in the name of capitalism.

Smith and Marx, however, agreed on the totality of social relations as they aimed to build on the unity of the political and economic by justifying their mutual influence and how they relate to wider social and cultural areas of life (Mosco, 2009). But they disagreed on the principle of moral philosophy. While for Marx moral philosophy meant viewing human labour simply as a marketable commodity, Smith sees it as enhancing the capacity of people to enjoy their right to participate not only in the political activities of their society but also in the economic, cultural and social ones as well.

Other political economy of capitalism thinkers

Other philosophers of the political economy of capitalism as defined and defended by Adam Smith are as follows. David Ricardo was a nineteenth-century stockbroker who argued that international trade could flourish if all countries are encouraged to produce those products and services that they are best at producing. This theory of comparative advantage, as it later came to be known, laid a very sound foundation for Smith's theory of an open and free market system that encourages specialisation and division of labour. Another political economy philosopher who closely followed Smith was Milton Friedman, winner of the 1976 Nobel Prize for Economics, who disagreed with Keynes's idea of government intervention, arguing that markets work best with the least government intervention. Friedman was in fact a firm realist who argued that the sole duty of business is to make profit. He is associated with monetarism, the theory that economies expand and contract largely due to the size of money in supply. Friedman is therefore critical of any attempt by the state to intervene to resolve a difficult economic climate by printing more money or making more money available in supply (Bachman, 2001). Joseph Schumpeter, for his part, wrote in the 1930s and 1940s that economies grow by what he called a process of business cycle – birth, failure and rebirth – making the case that occasional failure is both inevitable and important. Schumpeter emerged as one of the most influential economists of the twentieth century: his ideas of capitalism, also based on realism, became more popular in Silicon Valley, home of high-technology US software companies such as Cisco Systems, which emerged with the rise of the internet in the 1990s. He stressed the importance of risk-taking in business. Schumpeter is also remembered as the political economist of capitalism who introduced the idea of micro credit in Bangladesh to help poor women, mostly largely exploited by men, including in sweat shops, to start their own businesses. The scheme ensured that women did not need physical collateral to get a loan as they were too poor to have any; they were instead asked to promise their honour. The women set themselves into cooperatives, and group members were responsible for ensuring that loans taken through this scheme were paid back in time.

Arthur Laffer, who, like Friedman, is opposed to the Keynesian theory, believes that reducing taxes would take away money from government and put it in the private sector. Laffer was very instrumental in Reagan's introduction of tax cuts in the 1980s. He is one of the supply-side economists who believed in boosting economic growth by cutting taxes for people doing business. It is based on the idea that less taxation would ensure that businesses make more profit and hence expand and engage in more economic activities that would boost economic growth. Other classical economists such as Jeffrey Sachs (2005) argue that economic growth will end poverty as wealth created in the process will be deployed to support activities that would in turn benefit the poor.

All the above philosophers of political economy who closely followed and supported Adam Smith's theory of free and open market capitalism developed arguments that resonated with certain eras and certain patterns of economic and political organisation. These philosophers offered slightly tweaked, albeit supportive, interpretations of Adam Smith's ideas of capitalism, which greatly contributed towards the great social transformations of market-based economies since the eighteenth century (Bachman, 2001).

Other political economy of anti-capitalism thinkers

Other thinkers of political economy whose views of anti-capitalism closely echoed Marx's philosophy are as follows. John Maynard Keynes was the British economist who advised former US President Franklyn Roosevelt that the way out of the Great Depression was to use government to boost employment even if that meant running a federal budget deficit. Tbe Keynesian theory, as his economic philosophy came to be known, is basically based on the idea that increasing spending and consumption can stimulate economic growth. Keynes argued that governments should be bold enough to take risks to pump money into the economy to increase economic activity such as production, distribution and consumption, which in turn lead to more jobs and more money in the pockets of workers to spend. The Keynesian economic theory argues that state intervention was necessary to moderate 'boom and bust' cycles of economic activity (Briggs, 2010: 1). He called for the use of fiscal and monetary policy interventions to avert or minimise the adverse effects of economic recession and depression. Keynes's theory marked a dramatic shift in paradigm among economic thinkers at the time, especially the classical ones, who argued for minimal government interference in the markets. Keynes argued in his book *The General Theory of Employment, Interest and Money* (1936) that demand, not supply, is the key variable governing the overall level of economic activity. Thus, while Adam Smith was associated with ideas of classical or orthodox liberalism or capitalism, John Keynes was associated with those of modern liberalism or capitalism, that is moderate liberalism or capitalism that can allow massive government intervention to increase economic activity that would create demand.

Following his death in 1946 aged 62, the success of Keynes's economic measures influenced many Western capitalist countries to adopt them in the '50s and '60s. In fact Keynesian policy interventions are still being adopted and implemented in developed, emerging and developing economics, especially during the 2007–8 financial crisis. British Chancellor of the Exchequer George Osborne recently referred to Keynes in a speech announcing plans for substantial fiscal stimulus to address the worst effects of the 2008 recession, drawing on the Keynesian economic theory.

However, despite its mass appeal internationally, Keynes's theory met with some fierce criticism in the 1970s as critics saw it as being out of tune with the reality of economics. Friedman was particularly critical of Keynes's famous Phillips curve, which predicted an inverse relationship between unemployment and inflation. It implied that unemployment could be reduced by government stimulus, which will by all means force inflation up. However, Milton Friedman, one of Keynes's fiercest critics, was not convinced. In 1968 he published a paper arguing that the fixed relations implied by the Phillips curve did not exist. Friedman warned that sustained Keynesian policies could lead to both unemployment and inflation rising at once – a phenomenon that soon became known as 'stagflation'. In the early 1970s Friedman's prediction came to pass as 'stagflation' hit both the USA and Britain, with the situation even worsening following the 1973 oil crisis. These developments led to the then US President Reagan and British Prime Minister Thatcher to embrace capitalism big time in the early 1980s, eventually leading to what came to be known as the neoliberal Washington Consensus. Free market capitalism was then declared as the only alternative to return to economic development. Thatcher famously declared, 'There is no alternative', when she faced widespread opposition to her programme of radical neoliberal reform. As Chang and Grabel (2004: 1) put it 'Thatcher's dictum captures the triumphalism, habits and closed mindedness with which the neo-liberal orthodoxy has dominated discussions of economic policy around the world during the last quarter of a century.' However, Chang and Grabel (2004) dismissed Thatcher's claim as fundamentally flawed as they proposed alternative approaches to 'rapid economic development that is equitable, stable and sustainable' (1).

The Chang and Grabel (2004) optimistic thesis seems to support Keynes's model of macroeconomics which, despite criticisms from economists like Friedman and a few others, had very wide appeal and rallied many followers. One such follower is John Kenneth Galbraith, who argues for decreasing expenditure of the nation's wealth on private consumption and increasing spending on public services. Arthur Okun, another thinker of the Keynesian school, who, unlike the others, actually served in the US Administrations of J.F. Kennedy and Lyndon Johnson in the late 1960s, argues that higher levels of economic growth are accompanied by lower unemployment. Okun's theory implied that for every 2.2 per cent of real growth in the gross national product (GNP), unemployment fell by 1 point.

Other political economy philosophers who did not necessarily see themselves as followers of the Keynesian theory supported the idea of at least some intervention to address social inequalities caused by market failures where only rich people can survive. One such theorist is Amartya Sen, the 1998 winner of the Nobel Prize for Economics, who calls for a policy that would moderate market failures with policies aimed at providing education and addressing social inequality. In his book *Development as Freedom* (1999) Sen sees development as the expansion of human capabilities rather than mere economic growth. Another contemporary thinker is Peter Singer (2002) who makes the case that anyone able to help the poor should donate part of their income to aid poverty relief. However, Andrew Kuper (2002) is critical of the Singer approach to solving world poverty as being a dangerously individualist 'practical ethics' and proposing a 'political philosophy' approach as a different theoretical orientation for development and politics.

Another even more radical political economy thinker is Thomas Pogge who believes in global justice and goes further than Singer and Kuper to call on the world's rich not only to help others in need but also to refrain from contributing to the imposition of a global institutional order that impedes the fulfilment of their basic socio-economic rights (Pogge, 2005). Pogge's vision of development is more proactive and preventative, as he believes that it is better to stop creating the harm that impedes global development for all instead of creating the harm and then reactively going to find a solution to resolve it. Pogge famously called on the affluent Global North not only to pay for the 'harm' that their forefathers inflicted on the Global South through slave trade and colonialism, but also to stop inflicting this 'harm' in its present form of neocolonialism. He warns: 'We are *harming* the global poor if and in so far as we collaborate in imposing an *unjust* global institutional order upon them' (Pogge, 2005: 4). Shaw (2012: 172) writes that Pogge has a 'very pro-active view on humanitarian intervention to alleviate or end global poverty' basing it on what he called the Kantian pacifist cosmopolitan thinking of the 'do no harm' or refrain from conducting actions that 'would violate the rights of people to live in peace and dignity'. Pogge argues that, while we are bound by moral duty to

> rescue people from life-threatening poverty, it can be misleading to focus just on that when more stringent negative duties are also in play: duties not to expose people to life-threatening poverty and duties to shield them from harm from which we would be actively responsible.
>
> (Pogge, 2005: 5)

Pogge notes that global inequality and poverty are the enduring features of global capitalism. Pogge's 'do no harm' philosophy of political economy resonates with Tim Unwin's people-centred development, or Sen's development with a human face, that goes beyond Sach's thesis – benefits of economic growth trickling down to the poor to incorporate development that tackles inequality in society.

If we extend the contours of the 'do no harm' thesis of Pogge beyond those of the political economy of pro-global people development to those of the political economy of pro-global people business or global public business, we would see that it has resonance for the anti-capitalist philosophy of putting the interest of the public above the owners of capital, whose sole interest is to maximise profit at the expense of the general public. Critics of the business press have accused it of complicity in the process.

Instead of following prescriptions advanced by cosmopolitans such as Kuper and Pogge, business journalists have unfortunately allowed themselves to be enlisted to help spread and promote the message of the free market neoliberal economic theory that emphasises profit over the public interest. Herman (2002), one of the founders of the 'propaganda model' (1988), takes a swipe at the mainstream business press for their apathy and apparent double standards. He accuses them of being largely reluctant to challenge 'labour bargaining power and inequality' and 'often explicitly or implicitly denying that there were any losers' albeit 'occasionally accepting that there were losers as well as winners' (Herman, 2002: 72). Herman argues that business journalists often use the 'free trade' capitalist cliché to describe arrangements that were in the first place 'about investor rights', not trade, and fail even to mention those investor rights (Ibid.). Herman writes further:

> They have also persistently ignored the fact that intellectual property rights, like patents, are monopoly rights that interfere with the freedom of trade, and in urging the benefits of free trade to developing countries, the media have failed to acknowledge that all the great industrialised countries – including Germany, Japan, the United Kingdom, and United States – and in the Asian Tigers used protectionism for extended periods to help them compete globally before taking off into sustained growth.
>
> (Herman, 2002: 72)

Herman's argument above suggests a kind of double standard of neoliberal capitalism. It is free investment, and not free trade, that is the freedom to invest as you want as long as you are making profit, even at the expense of the rest of the public. It is okay and normal for the developed nations of the North to protect their own products and services but not so for the developing countries who are coerced by institutions such as the World Bank and the International Monetary Fund (IMF) to open their markets or die in poverty. Here it is the investor – the owner of capital – who calls the shot such as asking the developing countries through the World Bank and IMF to adopt an open market system that would ensure profits for him/her. Again, if you translate this into the micro-economic context, it is the investor, for example the banker, who calls the shots such as asking the mortgage borrower to pay back the loan with a certain interest, and sometimes with some add-ons such as premium protection insurance. However, while all measures are taken to protect and maximise the investor's investment, whether or not the mortgage products turned out to be defective, for example in the case of subprime loans, the mortgage borrower's product is never protected against hidden agendas of the lending bank or other risks such as foreclosure. The question that comes to mind is: What is the role of the business press in reporting that is skewed in favour of protecting and maximising the investor's mortgage product? The business press was hugely blamed for contributing to the 2008 financial meltdown in the USA and Europe because it approached the mortgage story more as an investment than a consumer story. Yet, as Starkman (2012a) admits, business journalists still seem to be in denial regarding their failure to serve as watchdogs over the suspect activities of financial institutions in the years leading to the 2008 financial crisis.

By way of concluding this chapter, I would like to make the argument that in order to strike a balance between the interests of the investor and the consumer, be it of mortgage products or not, the business journalist needs to move beyond the traditional boundaries of business journalism to public business journalism. As we have seen in my discussions earlier in this chapter, while business journalism resonates more with classical or orthodox neoliberal capitalism that lays more emphasis on the idea of maximising profit or economic growth that would trickle down to the poor (Smith, 1776; Sachs, 2005), public business journalism, or business journalism with a critical political economy perspective, resonates more with the political economy of anti-capitalism that lays more emphasis on the principles of equality (Sen, 1999; Unwin, 2007), 'do no harm' (Pogge, 2005) and, above all, institutional development (Shaw, 2012). The crisis of capitalism thesis will be further developed in the following chapter, which will focus on the political economic communication of capitalism as corporate journalism, drawing on the reporting of the Africa–EU Lisbon summit in 2007 in the British and French press.

Chapter 3

Crisis in the political economy of journalism and global capitalism

The reporting of the 2007 EU–Africa Lisbon summit by the mainstream media offers a very illuminating case of the crisis of the political economy of journalism and global capitalism. When business journalists are complicit with the deliberate manipulation of public opinion to serve political and business interests at the expense of the public interest they become active players in creating and fostering the crisis of global capitalism. Political economy of the media scholars such as McChesney (1999), Herman and Chomsky (1988), Herman (2002), Bagdikian (2004), Curran (2011a) and McQuail (1994) have long warned against the dangers of 'market-driven journalism' (McManus, 1994) or corporate journalism. Yet available research has tended to put the blame for this 'commercialisation of journalism' on the profit-orientation of media managers and sees the journalists themselves as 'victims' of ever changing structures of newsrooms and increasing competition among media outlets for the attention of audiences and advertisers (Fengler and Ruß-Mohl, 2008). But Fengler and Ruß-Mohl (2008: 668) beg to differ from this claim by proposing an economic of theory of self-interest on the part of journalists as a driving force behind a 'commercialisation' of news. This self-interest of the journalists can vary from political to economic by way of what Fengler and Ruß-Mohl (2008: 668) called 'pack reporting' and 'horse-race journalism', and the increasing influence of PR and 'spin doctors' on business journalism.

The self-interest of journalists, such as the mainstreaming or recycling of dramatic and highly PR-spun headlines, distracts the attention of the public from issues or events of public interest or social economic justice and constitutes the kind of market-driven journalism that took place in the case of the reporting of the 2007 Africa–EU summit which this chapter will look at. This chapter builds on the previous one by offering a more concrete example of how business journalists fail to strike the balance between the business bottom line and the public interest, leading to an exacerbation of the crisis of capitalism in a global context.

The 2007 Lisbon summit was the second between heads of state and government from the European Union (EU) and Africa (the first was held in Cairo in 2000). Although the 'Joint EU–Africa Strategy', the 'Action Plan' and the Lisbon Declaration were adopted by the delegates, the summit failed because there were fundamental disagreements regarding the Economic Partnership Agreements (hereafter EPAs) which were due to expire on 31st December 2007. The EPAs were put together by the EU to replace the existing 'preferential' trade agreements that existed between the EU and African, Caribbean and Pacific (hereafter ACP) countries, which were perceived to be incompatible with the rules of free trade set by the World Trade Organization (hereafter WTO).

The African delegates rejected the EPAs outright as they were presented (Bugge and Henrique, 2007). This constituted a major blow to the new global partnership for development (hereafter GPD) forged between the Western countries in Europe and North America and Africa. It was also seen as a serious setback to one of the objectives of the Doha Round of trade negotiations initiated in 2001 to address the needs of developing countries according to a 'Development Agenda'. Given that this dramatic move by Africa was at the centre of the fair trade debate, one would have expected it to be on the agenda of the mainstream media. However, what instead took centre stage was the controversy surrounding the presence at the Summit of Zimbabwe's President Robert Mugabe. This was especially true of the mainstream British press.

Apparently, largely due to the British media framing of Mugabe as a human rights violator for presiding over the eviction of white Zimbabwean farmers of British origin, British Prime Minister Gordon Brown boycotted the summit but sent former development secretary Baroness Amos to represent him. Human Rights Watch and Amnesty International called for the human rights violations in Zimbabwe and Darfur to be put on the agenda of the summit. Although these were discussed in passing at the summit, they never constituted an agenda item and, besides, the EU president, Manuel Barosso, defied all opposition and invited Mugabe to attend it.

This chapter conceptualises the exclusive focus of the mainstream media, especially the British, on covering the controversy over the presence of Zimbabwe's President Robert Mugabe and the absence of British Prime Minister Gordon Brown as a form of political economic communication that mainly served to distract the attention of the public from more serious global public interest issues such as poverty alleviation and partnership for development. It problematises this type of political economic communication as corporate journalism and makes a case for public interest communication as public business journalism.

Drawing on a critical discourse analysis (CDA) of the coverage of the Lisbon summit by two British newspapers and two French newspapers, I argue that the media, largely under the influence of the political and corporate elites, distorted the coverage of the 2007 EU–Africa summit in Lisbon by focusing on issues of the British national interest – the absence of Prime Minister Gordon Brown and the presence of Zimbabwean President Robert Mugabe, and the increasing threat of China overtaking Western Europe in African business – and in this way distracted public attention from the main issue of the summit – global partnership for development. I compare this political economic communication based on what Jamieson (1992) called the 'dirty politics' of 'deception' and 'distraction' to corporate journalism, and by extension to what Shaw (2012) called human wrongs journalism, because it has the potential for glossing over public interest and global justice initiatives such as poverty alleviation and the GPD. As Chomsky (2002) puts it, the political elites are always on the lookout for distortions and distractions like this to keep 'the bewildered herd' away from provoking trouble and, by extension, disrupting the social order. BBC Trust (2012) for example refers to how the BBC political editor was given exclusive access so as to be first to break the news of British Prime Minister Gordon Brown's announcement of a $1trillion global rescue plan during the London G20 summit in 2009 in exchange for ensuring that 'there would be less examination of the complexities of the deal and its effects on developing countries than its effect on Mr. Brown's career' (174). I make the case for public interest communication that provides what Shaw (2012) calls the diagnosis of a problem, be it direct political violence such as civil or interstate wars or indirect structural violence such as poverty, by way of advancing public business journalism initiatives to tackle it.

The rest of the chapter takes the following structure: first, the conceptualisation of political economic communication as corporate journalism and of public interest communication as public business journalism; second, critical discourse analysis through Fairclough's analytical framework of CDA (2007) of the representations of the British national interest as a social problem of political economic communication in reporting the 2007 EU–Africa summit; third, identification of obstacles to addressing the problem and investigation as to whether the 'social order' in fact needs the problem; fourth, identification of ways of addressing the obstacles; and then a conclusion, with a critical reflection of the analyses and the implications for public business journalism.

Corporate journalism and public business journalism

I would like to unpack the concept of political economic communication as that form of communication that is created by political, business and media elites to serve their political and corporate interests. Political communication is traditionally defined as that communication that influences the choice of the electorate participating in an election. The field of political communication, as defined by Graber and Smith (2005), 'encompasses the construction, sending, receiving, and processing of messages that potentially have a significant direct or indirect impact on politics'. Those at both ends of this message transmission may be politicians, journalists, members of civil society groups or private, unorganised citizens (Shaw, 2007). 'The key element is that the message has a significant political effect on the thinking, beliefs, and behaviors of individuals, groups, institutions, and whole societies, and the environments in which they exist' (Graber, 1993: 305). When similar forms of communication are exclusively created by the business class with the help of business journalists and impact directly on business and economics in local and/or global contexts they are called corporate communication.

When a piece of political economic communication becomes a political or business message that is manipulated by, or in favour of, the dominant and rich against the weak and poor with the potential of undermining development, it is called corporate journalism. A political economic message can be manipulated in one or all of the following three ways: distortion, deception and distraction. I argue that, although the manipulation of political economic messages is more traditionally associated with the role of the media in democratic and free market processes such as elections and political representation, as well as the buying and selling of goods and services, it is equally associated with the role of the media in promoting issues of human security in both national and global contexts. I make the point that, when the media fail to help produce a more informed body of citizens as producers and consumers of top quality goods and services, then they become vehicles of political economic communication as corporate journalism, rather than public business journalism.

McNair (1995: 22–27) identifies five fundamental limitations regarding the role of the news media in the democratic process: failure of education leading to voter apathy; absence of genuine choice or pluralism; negative influence of capitalist forces; propaganda with emphasis on 'manipulation' rather than 'persuasion'; and finally the often subjective and biased, rather than objective and fair, reporting. There is a growing body of literature on the propaganda or manufacturing consent criticism, the most notable being Herman and Chomsky (1988). Arguably, this should not come as a surprise since the legitimacy of liberal democratic government is grounded in the consent of the governed (Shaw, 2007). But consent, argued Walter Lippmann (1954: 245 cited in McNair, 1995: 25), can be 'manufactured'. 'To the extent that citizens are subject to manipulation, rather than exposed to information, democracy loses its authenticity and becomes something rather more sinister' (McNair, 1995: 25).

Neuman (1996) articulates this pessimistic view of the role of the media in democracy in the context of the varying levels of political interest, 'There are natural cycles of political engagement and malaise as particularly compelling candidates or issues come to prominence, as close electoral battles create drama, as economic or military developments threaten fundamental security, or as scandal is revealed' (14). As Anderson *et al.* (1994) put it, the elite and the rich play an important role in the process of agenda-setting and, by extension, framing. This is because their views more or less dominate the news media discourse. The poor and the weak are thus left in the margins of the power play that is central to the agenda-setting process. Yet, according to McManus (1994), more or less echoing the dominant scholarly criticism of 'commercial journalism', the processing of news is no longer solely determined by journalistic conventions, but rather by the self-interest of advertisers, investors, sources, investors and media consumers, and the control they exercise over journalists. Hamilton (2004) for his part extends the blame dragnet to include journalists in the selection, processing and distribution of what he describes as 'information good'. He notes that media managers and journalists attempt to answer not only Lasswell's more traditional 5 'W' questions (from his communication model) when selecting news, but also five economic 'W' questions:

> Who cares about a particular piece of information? What are they willing to pay to find it, or what are others willing to pay to reach them? Where can media outlets or advertisers reach these people? When is it profitable to provide the information? Why is this profitable?
>
> (Hamilton, 2004: 7)

The poor and weak electorate become victims of manipulation by way of deception, distortion and distraction by the campaigning or policymaking politicians in the same way as victims of political or structural violence in the manipulative hands of powerful corporate stakeholders. I conceptualise both scenarios as political economic communication in the context of corporate journalism because in both there is an element of zero-sum competition of win-lose rather than win-win. It is a situation of to kill or be killed. It is simply based on the economic theory of self-interest. As Capella and Jamieson (1996) put it, in the context of political economic communication, when actions are juxtaposed in this tug of war frame, 'the motivation for action is reduced to a single, simple human motivation: the desire to win' and assume the power that elected office brings. 'In this interpretative frame', they add:

> Actions are seen not as reflecting the desire to resolve social ills, redirect national goals, or create a better future for our offspring but, rather, in terms of winning. Winning is advancing one's own agenda, one's self-interest, and so the actions stand not for themselves but for the motivational system that gives rise to them: self-interest.
>
> (Capella and Jamieson, 1996: 81)

It is this idea of competing interests, which Lynch and McGoldrick (2005) and Lynch (2008) problematise as war journalism, that is largely informed by 'dualism' as a template for conflict, a kind of win-lose situation where the winner takes all. Small wonder that in his forward to Lynch's *Debates in Peace Journalism* (2008) Richard Falk (2008) criticises war journalism for failing to illuminate what peace and conflict studies guru Johann Galtung calls 'structural violence' – the truth and humanitarianism that are often crowded out by biased media coverage tilted in favour of nationalist concerns or interests. Shaw (2012) problematises this war-journalism-orientated form of political economic communication as evocative reporting, which is that style of reporting that more or less concentrates either on spinning the national and geopolitical interests of the home countries of the Western media, or the humanitarian angle of the news, with the primary aim of sensitising public opinion on only those issues that concern 'us' and not 'others'. Shaw (2012) further affirms: It is the type of journalism that renders journalists largely gullible to manipulation by public and private individuals and corporations.

Here Shaw (2012) fundamentally refers to two manipulative tendencies of the media and the political class: first, distortion of the facts and context of what is actually going on and second, distraction from the real political context that will facilitate the building of human security initiatives.

Public interest communication as public business journalism

When the media succeeds in providing a political economic message that helps to produce more informed producers and consumers of goods and services, then it becomes a vehicle of public business journalism. Shaw (2012) conceptualises this form of public interest journalism as diagnostic reporting, which, while covering the national, geopolitical and humanitarian angles of the news, pays more attention to analysing its political context; that is, putting emphasis on explaining why things went wrong leading up to the crisis, instead of just telling the story as it is. Diagnostic reporting is an important genre of human rights journalism in so far as it is proactive in addressing the imbalances of society within both local and global contexts.

A political economic message of given acts of violence taking place in near or distant societies must contain not only the dramatic images of the plight of the victims but also reflections of the real experiences and challenges of these victims, as well as the perpetrators of these unfortunate violent actions. This is in order to determine the underlying problems and their causes to be able to formulate better and more constructive approaches to resolve and prevent them from happening again in the future (Shaw, 2012). Mathieu Brugidou describes diagnostic reporting as a deconstruction or analysis that helps us to get an idea of the reason why some situations or crises occurred. It is formatting that encourages the introduction of a critical dimension to explaining a given crisis situation.

A social problem of political economic communication as corporate journalism

This section draws on Fairclough's analytical framework of CDA (2001) to deconstruct the representations of the British national interest as a social problem of political economic communication in reporting the 2007 EU–Africa summit. In a related study, Shaw (2012) found that in all 64 articles by seven British newspapers, content analysed, the 'British National Interest' was framed many more times (146) by all seven papers than 'Human Rights Excuse' (104) and 'Global Partnership for Development'(GPD) (44), suggesting that most of the mainstream British newspapers were more interested in their country's national interest, using the smokescreen of human rights rather than the global partnership for development, which is the eighth and most powerful Millennium Development Goal (MDG). While these findings are important in illuminating the framing and agenda-setting patterns of the coverage of this summit, their significance appears not to have been considerably strengthened by the largely quantitative content analysis of the articles examined. Fundamentally lacking was qualitative research such as obtaining interview data to help underpin the framing and agenda-setting patterns. This therefore justifies the need for the adoption of qualitative methods in traditional agenda-setting research based on a West African example by Kwansah-Aidoo (2001: 525), who notes that 'qualitative material usually has the potential to provide the evidential qualifications that are necessary to make the data and conclusions drawn from these data incontrovertible'.

This chapter aims to address this methodological deficit by drawing on Fairclough's analytical framework of CDA to go beyond the identification of the framing and agenda-setting patterns of the dominant issue of national interest and to critically deconstruct it as a social problem of political economic communication. Moreover, the Fairclough analytical framework of CDA approach, largely informed by social science research, provides the additional benefit of locating this study within interdisciplinary political science, development, business and media studies research. This analytical framework is modelled upon the critical theorist Roy Bhaskar's concept of 'explanatory critique' (Bhaskar, 1986; Chouliaraki and Fairclough, 1999). Broadly speaking, what makes CDA different from other traditional forms of content or text analysis is 'its dialogical relationship with other social theories and methods, which should engage with them in a "trans disciplinary" rather than just an interdisciplinary way' (Fairclough, 2001: 121). Fairclough's analytical framework for CDA attempts to accommodate the view of language as an integral dimension of the material social process. In other words, this version of CDA is rooted in the view of semiosis as an irreducible part of material social processes. Semiosis encompasses all forms of meaning making such as text, visual image, body language, language, etc. 'We can see social life as interconnected networks of social practices of diverse sorts (economic, political, cultural, and so on)' (Fairclough, 2001: 122).

Within the context of representation and self-representation of social practices, semiosis constitutes discourses, which are in turn diverse representations of social life. For example, the lives of poor and disadvantaged people are represented through different discourses by social actors in government, politics, medicine, media, etc. Social practices can network together to form a social order such as the neoliberal economic order. However, for such social orders to be kept intact, there is need for 'dominant' or 'hegemonic' discourses instead of 'less dominant' or 'marginal/alternative' discourses; there is the paranoia that the latter can disrupt the 'social order' and is therefore not welcome. The desire to plainly capture the flashpoints of these dominant and alternative discourses with regard to national interest as political economic communication (corporate journalism) and global partnership for development as public interest communication (public business journalism), respectively, and above all to deconstruct the former as a social problem with different levels of challenges, obstacles and ways forward, explains the rationale of this chapter to draw on Fairclough's social science approach of CDA.

The unit of analysis for the CDA constitutes texts randomly selected from eight articles, four of which were published in two British newspapers *The Times* and *The Guardian*, and the other four in two French newspapers, *Le Monde* and *Le Figaro*. These four newspapers were selected for this study because they are not only among the most authoritative in the UK and France, but are widely considered as the quality newspapers of reference for policy makers from both right and left ideological blocks in the two countries. This article uses CDA's hermeneutic method of 'grasping and producing meaning relations' (Meyer, 2001: 16) to determine the extent of the nexus between dominant discourses of national interest as political communication and discourses of social problem as war journalism. The advantage of using the hermeneutic CDA approach is that it blurs the line between data collection and analysis, which is common in CDA studies that 'deal with only small corpora' and is usually regarded as typical of certain discourses (Meyer, 2001: 25). Using Fairclough's CDA analytical framework, this chapter analyses the eight articles to determine the extent of the use of the dominant or hegemonic discourses of national interest as a form of social problem of political economic communication in the context of war journalism or human wrongs journalism on the one hand and the use of less dominant or counter-hegemonic discourses of global partnership for development as a form of a panacea to the social problem of political communication in the context of peace journalism or its complementary strand of human rights journalism on the other. The eight selected articles were published in the four selected papers between 1st November and 31st December 2007. This period of study was chosen because it covers a month and week of curtain-raiser coverage of the two-day Europe–Africa summit and the subsequent three weeks' coverage of the event itself. Moreover, it is the period that saw the most coverage of the summit, especially in the British and French press. The CDA that follows will follow the five-point analytical framework of Fairclough (2001): focus on a social problem; identify obstacles to tackling it; consider whether the social order needs the problem; identify solutions; and critically reflect on the analysis.

Focus on the social problem of political economic communication

Discourses of national interest as a social problem of political economic communication are represented in what Fairclough (2001) called the language and semiosis of the new capitalism or globalisation. This new capitalism is sustained by neoliberal discourses, which, as Bourdieu (1998) argues, represent a much bigger part of the resources deployed in pursuing the neoliberal project. Here the bottom line is individualism *par excellence* couched in a network of practices in the global capitalist economy. It is a kind of tug of war in the global economic public sphere where the ultimate prize is winning. The new capitalism is therefore seen as a unique network of practices; its uniqueness is informed by the way that language is used within it – its genres, discourses and styles. In this kind of situation, 'we can distinguish three interconnected analytical concerns: dominance, difference and resistance' (Fairclough, 2001: 128).

The deconstruction of the press coverage of this 'dominance concern' of national or corporate interest couched in the neoliberal project of new capitalism will be the main focus of this section. It is the aim of this section to identify and discuss the dominant genres, discourses and styles in the texts of the eight articles from the four selected newspapers. The genres include the sort of language which constitutes 'teamwork', 'consultation', 'partnerships', or appraisals'; the neoliberal economic discourses reflect WTO and IMF buzzwords such as 'free trade', 'transparency', 'quality', 'exhibility', etc.; and the styles include the approaches or spin of 'managers', 'entrepreneurs', 'political leaders', etc. (Fairclough, 2001: 28). The 'difference concern' is also relevant because there are genres, discourses, and styles that are considered less dominant and therefore 'different' and mostly associated with the distant 'other'.

The distant 'other' is reminiscent of what Walter Lippmann called 'the bewildered herd', the 'stupid masses' whom Chomsky (2002) says are part of the neglected majority – the 'big majority' against whose madness the political and business elites, whom Lippmann called the 'specialised class', the 'small minority', should be protected. Chomsky sarcastically refers to Lippmann's two 'functions' in a democracy: The 'specialised class' of 'responsible men' carry out executive function doing the thinking, planning and analysis of common interests and challenges while the 'bewildered herd' serve as mere 'spectators', occasionally allowed to vote in and out some of the members of the 'specialised class' (Chomsky, 2002: 14), even if only to tick the box of democracy. Part of the social problem of the dominant genres, discourses and styles of political economic communication as corporate journalism is the marginalisation of these less dominant genres, discourses and styles of public interest communication as public business journalism. This chapter will look at the 'resistance' concern later when it identifies less dominant but alternative genres, discourses and styles of political communication as public business journalism.

The dominant framing of the British national interest, sometimes used in the guise of human rights, contributed to the relegation of the GPD to the margins. As this chapter shows in the analysis to follow, the distortion of reality made possible by the utter omission or marginalisation of discourses of the GPD, which proactively addresses the gap between the rich and poor within and between countries, and the foregrounding of the British national interest demonstrate how political economic communication became corporate journalism. As Fairclough (2001: 129) puts it, global capitalism in its neoliberal form is perversively conceived as 'external, unchangeable, and unquestionable – the simple "fact of life" which we must respond to'.

One way in which the liberal media were able to keep the neoliberal capitalist order intact in the wake of the debate on the Europe–Africa Lisbon summit was to distract the attention of the British public from the issue of GPD to Brown's absence. Simon Jenkins wrote a comment column in the *Sunday Times* that

Brown 'decided to stay in bed rather than go to the summit … , thus avoiding the improbable risk of having to smile at Zimbabwe's Robert Mugabe or Omar al-Bashir, the Sudanese dictator' (2007). Jenkins reinforced the distraction by referring to Brown's failure to confront the perpetrator of the atrocities in Darfur as a mockery of 'liberal interventionism' – the buzzword of the Labour government – which can be seen as one of the dominant 'genres' shrouded in the 'discourse' of human rights – punctuating the mediation of the Lisbon summit. Yet Jenkins was alert to what he called the 'subplot' of the summit by saying it was prompted by the desire by Europe to claw back African business from the clenched fists of the Chinese, who he said have been making inroads into Africa. However, Jenkins failed to pick up on the other possible 'subplot' of using the Chinese connection to distract the attention of the British public from the issue of GPD.

In an overseas news report, *The Times*'s Bronwen Maddox (2007) called on African leaders to forget the past European guilt of colonialism and slavery to strengthen its position on the negotiating table, thus reinforcing the genres and discourses of the inevitability and unchangeability of the neoliberal social order. Maddox clearly presented the African leaders as a much bigger part of the problem of the failure to strike a trade deal with the ACP countries. This reporter did not distract the British public from the main problem of the summit but resorted to overt distortion by describing the existing trading terms as 'privileged' and by asserting that they were granted 'easy access to European markets while letting them shield their own'. There was more distortion of reality in this article as it also made the assertion that the proposed replacement trade agreement provided 'full access' to EU markets while allowing them to protect about a fifth of their own industries. All this was far from the truth. To start with, according to Ignacious Ramonet writing in *Le Monde Diplomatique* (2007), under the old agreements not all African products enjoyed 'easy access' to EU markets; exceptions included banana, meat and sugar as they constituted threats to European farmers. Moreover, the ACP countries were forced to give more than they could take from the new deal, which ensured that they should open their markets to all European goods (Ramonet, 2007) with all the implications of undermining the markets of local products and services.

It was clear that both the old and new deals overly favoured the already well established EU economies, hence reinforcing the divide between the rich and poor countries. Both deals ensured that the EU enjoyed a much privileged set of trading terms. It is rather ironic to note that the EU draws its inspiration from the neoliberal discourse of 'free trade' and calls on ACP countries to embrace it fully, but decides to opt for a semi-protectionist regime when it comes to a matter of protecting certain European products and services. Moreover, discourses of, or lack of, 'quality' and 'transparency' are often advanced to draw boundary lines between 'our' (EU) products and services and 'their' (ACP) products and services. For instance, discourses of lack of 'quality' are often advanced to justify the blocking of EU market access to meat imported from African countries such as Namibia and Botswana. And so when Ian Traynor (2007b) also wrote in *The Guardian* alluding to 'trade privileges' – declared illegal by the WTO – that former imperialists such as Britain, France, Belgium and Portugal granted to their former colonies under the old deal, the question is raised as to who, between the former imperialists and colonies, has enjoyed 'real privileges'. Yet, in an earlier article (2007a), Traynor did not hesitate to recognise the existence of an unequal relationship between former colonial masters and subjects, which he claimed to have propelled the latter 'to look elsewhere for assistance', apparently referring to China, which in a way reinforces the idea of it being in the national interests of EU countries to keep Africa on board the neoliberal project whatever it takes, even if it means using discourses, genres and styles of distortion of, and distraction from, the important issue of GPD. And so when the issue of national interest is used to distract the public from reality, as exemplified in the Brown abstention and China finger pointing discussed above, it becomes a social problem of political economic communication as corporate communication. For Alain Barluet (2007) of *Le Figaro*, it was a focus on Libyan strongman Gaddafi's visit to Paris at just around the same time as the Lisbon summit that served as the ultimate distraction from the issue of GPD to the debate about French national interests.

Obstacles and whether the 'social order' in fact needs the problem

Having looked at the mediation of national interest as a social problem of political economic communication (corporate journalism), this section will try to identify the obstacles to addressing the problem and investigate whether in fact the neoliberal 'social order' actually needs the problem. This chapter has identified three main obstacles to addressing the social problem of national interest as political economic communication: political economy of the media, professional and ideological structures, and audience demands or pressure. Each of these will be briefly examined, drawing on the CDA of the social problem of national interest as political economic communication or corporate journalism above.

First, within the context of the first obstacle of the political economy of the media, it is clear that the media industry itself operates as a business with the main objective of meeting the business bottom line – profit – which relies on the neoliberal free market economy project to be realised. The semiosis of the neoliberal project is evident in the dominant genres, for example 'unequal partnerships' and 'negotiations'; discourses, for example discourses of 'free trade' and 'quality'; and styles, for example political and business elite 'spin', critically discussed above from the texts selected from articles in *The Times*, *Le Monde* and *The Guardian*. The fact that the articles from these newspapers were produced within this complex network of government–business interaction located within Herman and Chomsky's 'propaganda model' (1988) shows how it is almost inevitable that these dominant genres, discourses and styles of the neoliberal project will be pervasive.

Second, there are professional and ideological structures, which media scholars such as Van Ginneken (2001), Fowler (2001), Cohen (1963), Shoemaker and Reese (1996), Galtung and Ruge (1973), McNair (1995), Castells (2006) and a host of others have identified as factors that influence the selection of what becomes news, and how this news is framed and presented to the public. This process of selectivity which manifests itself in professional routines such as gate-keeping and sourcing patterns more often serves as an obstacle to avoiding the use of dominant genres, styles and discourses (such as those discussed above) located within the neoliberal capitalist project. Castells (2006) adds factors associated with globalisation and identity as contributing to the choices constantly made by journalists on what to report and how to report it. When journalists allow themselves to be vulnerable to such professional and ideological structures, as is all too often the case, they end up reinforcing the dominant neoliberal social order within the context of political communication as corporate journalism, while at the same time marginalising or isolating the less dominant 'other'.

Finally, the growing demand for dramatic and entertaining dimensions of the news also constitutes an obstacle to addressing or avoiding the social problem of political economic communication as corporate journalism. This was evident in the over-framing of the issue of national interest regarding Brown's dodging of the summit to avoid confronting Mugabe and the paranoia of losing the tug of war with China over Africa. All this came at the expense of the more controversial and important issue of GPD with the ACP countries.

This section will now proceed to look at whether in fact the neoliberal 'social order' is in need of the social problem of political economic communication or corporate journalism by way of national interest to keep it going. A social order constitutes a complex network of social practices which at a global level can be for example the neoliberal capitalist order, or at local level for example the social system or order of education in a particular society (Fairclough, 2001). The neoliberal capitalist social order thrives on dominant genres, discourses and styles of deception, distortion, misrepresentation and distraction as forms of political economic communication in the context of war journalism. Within the context of the mediation of the EU–Africa summit this was characterised by the following three sets of neoliberal rhetorics: discourses of 'free trade', 'quality' and 'transparency'; genres of 'partnerships' and 'consultations'; and styles of 'propaganda'. The contrary discourse (protectionism), genres (unequal colonial/neocolonial – subject partnerships), and styles (elite spin) largely constituted the reality. Unfortunately, however, it is this whole gamut of reality that is lost in the media translation. Yet the neoliberal project apparently feeds on the omission and distortion of, or rather distraction from, this reality to keep it going.

Ways of addressing the obstacles

In this section I will analyse texts from three articles in *Le Monde*, *Le Figaro* and *The Guardian* that are largely typical in being overtly different from the neoliberal capitalist discourses of political economic communication as ‘corporate journalism’. The semiosis used in these texts is largely counter-hegemonic and resistance-based. The rationale of introducing the texts from these three articles is to demonstrate that the dominant genres, discourses and styles of the neoliberal social order are not the only ones that we can find in news media coverage of contemporary and controversial development issues, albeit that they still remain the dominant ones. The texts analysed here represent the genres, styles and discourses of not only ‘difference’ but also ‘resistance’ to the ‘dominant’ neoliberal project. This chapter makes the argument that these genres, styles and discourses of ‘difference’ and ‘resistance’, represented as public interest communication of public business journalism, have the potential to address the obstacles of political economy of the media, professional and ideological structures, and audience pressure discussed above.

The main article to be analysed here is an opinion piece in *Le Monde* (2007) by former Senegalese President Abdoulaye Wade published (in French) as a curtain-raiser three weeks before the EU–Africa Lisbon summit. It was indeed a voice of ‘difference’ and ‘resistance’ dotted with lots of liberal left-wing expressions that were very critical of the neoliberal project. In the article he dismissed the new trade deal proposed by the EU as ‘unacceptable’ and not reflective of a ‘true partnership’. In contrast to the dominant view for example echoed in the *Times* article by Bronwen Maddox discussed above, which saw Africa as the problem in the stalled summit talks, Wade’s article unequivocally put the blame squarely on the doorstep of the EU’s largely commercially oriented, proposed trade deal that leaves Africa in a disadvantaged position. Moreover, Wade dismissed the other dominant view that the old trade deal provided ‘privileges’ to African business as totally false, arguing that in fact the contrary is the case. He explained that, while EU exports to Africa increased by 6.5 per cent since 2000, under the old deal African exports to the EU witnessed a sharp decline. The former Senegalese president dismissed the neoliberal discourse of ‘free trade’ as mere rhetoric, as he said it is only reinforcing the status quo of inequality between Africa and the developed world and that unsubsidised African farmers cannot compete with ‘highly subsidised European farmers’ and that you cannot promote free trade by forcing African countries to open their markets to all European goods and services and then provide EU access to only a few selected African goods and services. He went on to criticise the divide-and-rule tactic of the EU by proposing in the new trade deal to engage with African regional co-operation separately instead of with the African Union and accusing them of hatching a plot to promote African disintegration.

African Union Commission President Alpha Oumarou Konare was also cited in the *The Guardian* article by Traynor (2007b) criticising the divide-and-rule strategy of the EU, and adding: ‘No one will make us believe we don’t have the right to protect our economic fabric.’ Oxfam’s spokeswoman on trade, Amy Barry, echoed similar sentiments in the same article by Traynor (2007b): ‘It is astounding that the (EU) commission is prepared to push through such highly inequitable deals that will hurt poor farmers and undermine future development.' Even leading French right-wing newspaper *Le Figaro* shared some left-wing anti-capitalist sentiments as is evident in its opinion article by Marie-Laure Gamon (2007), who wrote that the contrary is true of the 'equal partnership' that the EU negotiators promised to deliver to the African leaders who attended the summit. She was also critical of the new EU deal for forcing the African countries to open their markets beyond rules stipulated by the WTO and in this way expose them to competition against highly subsidised EU products. These anti-capitalist discourses, albeit in the very small minority, resonate with those of twentieth- and twenty-first-century anti-capitalist political economy philosophers such as John Keynes, Amartya Sen, Andrew Kuper and Thomas Pogge discussed in the preceding chapter.

Conclusion: Critical reflection on the analyses and the implications for public business journalism

Thus, by providing a voice to less dominant and different voices, *Le Monde*, and to some extent *The Guardian* and *Le Figaro*, were able to avoid the distortion and omission of genres, styles and discourses of 'difference' and 'resistance' (typical of public interest communication as public business journalism) instead of following the more dominant neoliberal genres, styles and discourses (typical of political economic communication as corporate journalism). By avoiding the above distortions and omissions these approaches serve as effective panaceas to addressing the obstacles discussed above (political economy of the media, professional and ideological structures and audience pressure) that stand in the way of resolving the social problem of national interest as political communication of corporate journalism. The panaceas, as we have seen in the analyses above, constitute the whole maze of public interest communication as public business journalism, with all its trappings of diagnostic reporting, which helped to lay bare the distortions and omissions typical of political economic communication as corporate journalism, with all its trappings of evocative reporting, which helped to reinforce them in the first place.

Yet how can such analyses contribute to tackling social problems such as the national interest as political economic communication of corporate journalism that inhibit efforts at making the neoliberal project become more development oriented rather than commercial oriented and, by extension, more supportive of a more equitable and socially responsible GPD? How can we for instance combine academic research such as this with other efforts by liberal politicians, media, civil society groups and activists working hard to achieve just that? It is true, as Fairclough (2001: 136) puts it, that some of these people who darkened the doors of higher education institutions 'can "carry" ideas and approaches into other parts of their lives' but it is also equally important that these important players are proactively engaged in research and other scholarly activities in promoting social projects that can address the imbalances of the neoliberal capitalist project, and in this way help to narrow the divide between the concerns of dominance, difference and resistance, and foster what Shaw (1996) called a cosmopolitan global civil society.

It is clear that the media players should be in the forefront of those to be engaged if research on the political economy of business journalism is to make any headway in achieving public business journalism. As Graber (1984: 264) puts it, 'the media set the agenda when they are successful in riveting attention on a problem'. Some aspects of issues – some attributes – are often given prominence in the news, which in turn generates public interest in them. Going with this argument, Kathleen Jamieson (1992: 180) notes that 'problems become "problems" when defined as such. Problems become "issues" when a candidate, the press, or polls say that they are considered important in determining which candidate will win'. Jamieson refers to the savings and loans situation that was ducked by the candidates in the 1988 US presidential campaign because it was not defined by Bush, Dukakis and the press as an 'issue'. As this chapter has demonstrated, this political economic communication as corporate journalism informed by deception, distortion and distraction is as true in the traditional sense of a democratic process as that of practising business journalism in the public interest instead of just pushing the corporate interest. The following chapter looks at the crisis of capitalism as it relates to big business, focusing on the reporting of two of the biggest corporate scandals in the twentieth and twenty-first centuries.

Chapter 4

From muckraking to investigative journalism

The Standard Oil Company and Enron scandals

This chapter builds on the two previous chapters by undertaking a critical comparative study of two forms of watchdog or social responsibility journalism – muckraking journalism of the early twentieth century and investigative journalism of the late twentieth and early twenty-first centuries – to determine how the two went about exposing two financial scandals largely caused by the failure of global capitalism, notwithstanding their slightly different approaches. Muckraking journalists themselves owe their tradition to the era of what came to the be known in the late nineteenth century as 'exposure' journalism, inspired by the search for the truth supported by the idea of the 'impartial evidence'. In fact the traditions of what we know today as investigative journalism can be traced, not only as far back as the early-twentieth-century muckraking and nineteenth-century exposure journalistic eras, but as far back as the liberal traditions of the free press as the watchdog of society in the days of Benjamin Harris and John Milton in the seventeenth century.

This chapter attempts three things. First, it provides historical and conceptual frameworks of watchdog journalism and corporate scandals within the context of the crisis of global capitalism. Second, it explores the emergence of the muckraking movement and corporate corruption in the twentieth century. Third, it looks at how muckraking journalism of the early twentieth century involving the Standard Oil Company compares to the twenty-first-century investigative journalism involving the Enron scandal.

History of watchdog journalism, corporate scandals and global capitalism

This section offers historical and conceptual frameworks for the role of business journalists in serving as watchdogs of, or rather being complicit with, corporate scandals in the context of global capitalism. The idea is to put the whole notion of the social responsibility role of journalism as part of the muckraking and investigative journalism movements into proper perspective. It is indeed very difficult to talk about the history of journalists as watchdogs of corporate wrongdoing without reflecting on the evolution of the liberal principles of the media.

Advocacy of the free press within Western liberal traditions can be traced as far back as the seventeenth and eighteenth centuries, although of course it is only in the last 200 years that this has seen the semblance of taking root, albeit in mostly Western industrialised nations.

Yet the invention of the printing press in the fifteenth century has been widely considered as the effective beginning of the liberal credentials of the press. By the end of the fifteenth century there were around 15 to 20 million radical pamphlets and publications, mostly challenging the authority of the state and the church, in circulation (Errington and Miragliotta, 2011). However, one of the earliest and most moving pieces of public advocacy for freedom of expression came in 1644, when John Milton published his radical pamphlet, *Areopagitica*, in defiance of a parliamentary attempt to block the publication of what was deemed as 'seditious, unreliable, unreasonable and unlicenced pamphlets' in England (Puddephatt, 2005: 127). Milton claimed that facts must be considered from all sides for truth to be established; that censorship is inimical to progress; and that truth will defeat falsehood in open competition, with no single individual, be he or she part of the political or corporate class, to determine it. Above all, Milton's claim to free press was inspired by spiritual considerations. He argued that a free press was necessary 'to enable the love of God and the human spirit to flourish, and to enable individuals to think and choose what they want to do with their lives' (Errington and Miragliotta, 2011: 5). Yet advocates of natural rights such as John Locke were very critical of Milton's God-defense of free speech; they dismissed the idea that press freedom should be advocated on religious grounds. Locke and other natural rights thinkers instead declared that every man has the inalienable right to life, liberty and property.

What is more, as Puddephatt (2005: 127) puts it, 'the protection of freedom of expression is a key element to all modern human rights instruments'. This resonates with the ideas of instrumentalist philosophers such as James Mill, author of the *Liberty of the Press*, and Jeremy Bentham, author of the *Liberty of the Press and Discussion*. Both argued that it is impossible to sustain a just and fair political system without the existence of a free and independent press, stressing the reason being that statesmen are always 'ruled by self-interest' (Errington and Miragliotta, 2011: 6). Article 19 of the UN Charter affirms that 'everyone has the right to freedom of opinion and expression' (cited in Puddephatt, 2005: 127). In his seminal work *On Liberty* (1859) John Stuart Mill supported Milton's claim-to-truth argument by arguing that the press should serve as a platform where people can debate until they arrive at the consensual 'truth', and so was equally opposed to any form of censorship that would stifle debate. In an apparent move to overcome the genuine concerns of the instrumentalists, John Stuart Mill argued that neither government, nor anybody else, is qualified to determine what is false; he stressed that 'incorrect ideas and opinions could be contradicted by publicly exposing them' (Errington and Miragliotta, 2011: 7). He warned that government censorship can lead to the suppression of some important truths, and that truth can only emerge from a 'robust and rigorous' debate.

But with all the four claims to freedom of expression discussed above: God-defense, natural rights, the instrumentalist and truth, what can we really say were the justifications for the existence of an independent media system? Errington and Miragliotta (2011) offer three sets of arguments to justify a free and independent media system: a watchdog role, information provider and facilitator of the public sphere. All three are very important. Gathering and disseminating information based on facts to help people make informed decisions is the more traditional role of independent journalists. The other important argument justifying the need for a free press is its role in facilitating the public sphere, a notion introduced in the 1960s by Jurgen Habermas (1989). But it is the more radical watchdog role of the journalists that stands out as the most important of the three because it has deep historical roots which caused journalists to be considered as members of the 'fourth estate', a term still widely used to describe 'a political institution that checks and monitors the actions of public officials (mostly in the three organs of government – the executive, legislature and judiciary) in the public interest' (Errington and Miragliotta, 2011: 8). The notion of the 'fourth estate' means that 'media will stand on guard over democracy, closely watching and monitoring the political decision makers'. It is in fact the performance of this sacred role in society that actually justifies the enjoyment of the right by journalists to publish with 'freedom from prior restraint', which, according to Errington and Miragliotta (2011: 8) means 'the right to publish news and information without having to obtain the government's permission to do so'.

Yet there is a problem with this conceptualisation of watchdog journalism in focusing only on watching and monitoring the activities of the political class, and being wary of constraints and censorships from this class, and thus ignoring those of the corporate or business class whose constraints on the journalists' rights to publish what they consider to be true and in the public interest are in fact often even more glaring and complicated to manage. I argue that it was a serious mistake that modern journalism emerged in the nineteenth century out of the concern to allow the media system to operate free from state control via the payment of licence by way of stamp duty, subvention and censorship, but not free from corporate control. Politicians in the upper ruling class were asked to keep their hands off the running and controlling of the media, while business classes were handed the full right to run the media strictly as business based on the free market system of competition. James Curran (2011a) is critical of this limited scope of the 'public watchdog' role of the independent media, and for good reason. Curran criticises the neoliberal tradition which associates this media independence from the state with the free market. Curran cites Rupert Murdoch, the media mogul and owner of News International Corporation, as saying in 1989 that 'public service broadcasters in Britain have paid a heavy price for their state-sponsored privileges. The price has been their freedom'. But Curran criticises the idea that the free market system preserves the watchdog role, referring to market concentration and the danger of private power (Curran, 2011a).

I also think that there is a problem in looking at or treating these three justifications of a free press, namely watchdog role, information provider and public sphere facilitator, in isolation. In my view these three overlap to a very large extent. For instance, it is very difficult for journalists to facilitate the smooth functioning of the public sphere without helping to provide accurate and evidence-based information that would inform this debate. At the other end of the spectrum, it is the public sphere that provides the platform for the gathering and dissemination of information and ideas based on truth. On the other hand, the journalists cannot perform their watchdog role if they are not actively participating in the public sphere, which is largely made possible by the gathering and discussing of information and ideas.

Nellie Bly and exposure journalism

The increasing blossoming of capitalism accompanied by an increasing commercialisation of journalism in the mid- and late nineteeth century saw the emergence of corporate wrongdoings in both the public and private sectors of society. The increasing commercialisation of the media increased competition among newspapers of the time, which in turn led to the emergence of a movement of journalists who penetrated large public and corporate institutions to reveal their hidden wrongdoings. One of the most famous tests of watchdog journalism was associated with Nellie Bly (1864–1922) who represented a type of popular reporting in the USA, in the late nineteenth century, that used undercover reporting strategies to expose hidden corporate scandals. This form of watchdog journalism first came to be known as 'stunt journalism' because it was mostly associated with 'stunt girls' ('sob sisters') as they tended to come up with notably tear-jerking reportages (Muhlmann, 2008: 62–63). William Randolf Hearst, publisher of the *San Francisco Examiner* before establishing the famous *New York Journal* in 1896, mobilised one of these stunt reporters to investigate the scandals in the town's public hospital. The reporter, Winifred Black, adopted a pseudonym, 'Annie Laurie', and pretended to faint in the street with the aim of attracting attention and be taken to the hospital as a patient. Following her discharge from the hospital soon after, she exposed all the wrongdoing, including maltreatment of patients inside, which she also experienced firsthand.

Although the expression 'stunt journalism' was invented to describe this form of journalism, it later became more generally known as 'exposure journalism' because of the scale of revelations of hidden scandals that it produced. This form of journalism set out to make visible, and 'expose' to 'the general view, what more often remained hidden away in well-protected centres of power, and to use any means to this end, even the most unexpected and dangerous' (Filler, 1976: 10). In fact some of the strategies and skills used in exposure journalism go as far back as the seventeenth and eighteenth centuries during the days of Benjamin Harries, founder of *Public Occurrences* (1690), often considered as the first exposé journalist, William Cobbett (1763–1835), Daniel Defoe, Jonathan Swift and, much later in the late nineteenth century, W.T. Stead.

The Nellie Bly exposé of the maltreatment and utter neglect of inmates of a women's mad asylum house represents one of the most celebrated cases of exposure journalism in the late nineteenth century. Bly was probably the first 'stunt girl' in the history of American journalism as she preceded Annie Laurie by several years. Nellie Bly was an adopted undercover name as her real name was Elizabeth Cochrane. She started her career as a journalist on the *Pittsburgh Dispatch* in January 1885 but left two years later because she became bored writing about theatre and arts, and wanted a new challenge. She left for New York city where she got wind of a huge scandal at the Blackwell's Island Asylum House for mad women and she proposed to Joseph Pulitzer's *New York World* to undertake an undercover assignment to reveal the wrongdoing in the mad house. She pretended to be mad to be admitted into the mad house following examination by a psychiatrist. She spent 10 days in the mad house and experienced its bad conditions first hand.

The food was made of gruel broth, spoiled beef, bread that was little more than dried dough and dirty, undrinkable water. The dangerous inmates were braced together with ropes. They were forced to sit for much of each day on hard benches with scant protection from the cold. Waste was all over the eating places. Rats crawled all around the hospital. The bathwater was ice cold, and buckets of it were poured over their heads. The nurses were obnoxious and abusive, telling the patients to shut up and beating them if they did not. Speaking with her fellow patients, Bly was convinced that some were as sane as she was. She felt deeply touched by what she saw and experienced. On the effect of her experiences, she wrote in her book after leaving the mad house:

> What, excepting torture, would produce insanity quicker than this treatment? Here is a class of women sent to be cured. I would like the expert physicians who are condemning me for my action, which has proven their ability, to take a perfectly sane and healthy woman, shut her up and make her sit from 6 a.m. until 8 p.m. on straight-back benches, do not allow her to talk or move during these hours, give her no reading and let her know nothing of the world or its doings, give her bad food and harsh treatment, and see how long it will take to make her insane. Two months would make her a mental and physical wreck.
>
> (Bly, 1887)

The New York World intervened to secure Nellie Bly's release after spending 10 days in the asylum house. She later published her expose in a book titled *Ten Days in a Mad House* (1887) which quickly became a sensation and earned her great fame. *The World* published two of her articles in October 1887 and, two months later, published her book. Bly exposed what was hidden from public view and shed light on a dark corner of the scandal.

In her style of exposure journalism, Bly used what Geraldine Muhlmann called ‘the figure of the witness ambassador’ in which

> the journalists invited their public to accompany them on a veritable journey into the innermost depths of an obscure place; they made them live by proxy a totally new experience; they gave them eyes to see where seeing seemed forbidden and, as they did so, presented themselves as the public’s impeccable ambassadors.
>
> (Muhlmann, 2008: 63)

The idea is to get the ‘truth’ exposed from wherever it is hiding for all to see, in fact to ‘shine for all’ as the slogan of Benjamin Day’s *New York Sun* famously proclaimed. The principal aim of the exposure journalist as the figure of the witness ambassador was to unify the public behind the truth that was expected to be revealed. However, as Muhlmann puts it, this had implications for the type of ‘scandal’ revealed; because it had to unify, this scandal had to conform to the cannons of ‘common sense’. That is to say, the truth revealed must be acceptable to all; it must be consensual to ensure that everybody who reads it must come on board. But as we can see in the case of Bly’s exposé of the wrongdoing in the asylum house there is a conflict exposed at the very heart of the process of unifying. Bly’s exposé of the hidden evil world in the asylum house led her to present two different worlds: that of the patients, who are ‘like us’ and who evoke our empathy on one hand, and that of the medical staff, ‘who torture, violate and despise the patients’ on the other hand (Muhlmann, 2008: 65). In short, there are those who are like ‘us’ and with whom we sympathise, and those terrifying ‘other’. There is a kind of paradox because on one hand we feel united with the suffering patients while on the other hand we confront the ‘evil others’. The conflict takes the form of an ‘us–them’ frontier. But what makes it paradoxical is that it is in a way linked to the unifying process. Another way to put it is that the hidden or obscure truth, in this case, the awful conditions in the asylum house, “reveals *us*, but reveals us *in conflict*” (Muhlmann, 2008: 65). In this case the hidden truth revealed is therefore not consensual, which raises some serious questions about how unifying was this unifying journalism of the witness ambassador. At least not everybody agreed with her reportage and book about her experience in the asylum house. She did not expose all the truth there as she only spoke to the victims and lived their experience for 10 days without getting to talk to the so-called ‘enemy staff’, the ‘evil them’, to get an insight into some more hidden facts. It is as if she had some baggage based on the rumours flying around before she got in and all she was interested in was to confirm that and then leave.

However, whatever we may say about the limitations of Nellie Bly’s unifying journalism as a witness ambassador, her exposure of the asylum house scandal had a significant impact on the future running of the hospital itself. While embarrassed psychiatrists and other staff of the hospital were struggling to come to terms with how they had been fooled, a New York Grand Jury launched an enquiry into conditions at the Asylum House inviting Bly to testify. The Grand Jury's report recommended the changes she had proposed, and its call for increased funding to support care of the insane prompted an $850,000 increase for the Department of Public Charities and Corrections. Reforms were also recommended to ensure that all of the examinations of patients were more thorough so that only people who were actually insane were admitted into the asylum. All this suggests that, despite all the odds associated with her reportage, Bly's exposure journalism regarding the asylum house served the public interest. What is more, as Muhlmann (2008: 63) affirms, 'it should not be forgotten that it is these "scandal sheets" that enabled the most rigorous investigative journalism to take its first steps'. Muhlmann notes that these stunt girls were the ancestors of the muckraking movement which emerged in the early part of the twentieth century, adding that the real inventors of this great movement, which was actually not taken seriously until the turn of the twentieth century, were the great owners of the popular press of the 1880s, such as Joseph Pulitzer who bought the *New York World* in 1883.

The muckraking movement and corporate corruption

The history of modern business journalism is characterised by reporting about problems in society related to capitalism. Issues related to low wages and other poor conditions of work, as well as increasing inflation and the cost of living, began to threaten the very foundations of modern capitalism. Big businessmen often made deals with government to be able to manipulate labour laws and ensure the thriving of monopoly at an industrial scale. This was good for big corporate businesses but bad news for small or start-up businesses which were all too often simply crowded out. Yet, in most cases, the government claimed that they were not involved in the bad decisions made by businessmen that often only suited their bottom line. But Lincoln Steffens's great exposé of municipal corruption involving local politicians and businessmen renders this claim wanting. Steffens attacked politicians for manipulating elections and helping corrupt big businesses. In his famous book *Shame of the Cities* he exposed big businesses' poor working conditions for children, women and people of colour. He exposed candidates who were threatening voters to get them to vote for them. Some of the bad decisions taken by big businesses led to child labour, which made children work in dangerous working conditions, including working long hours with little pay. Women were also exploited as they were subjected to working long hours with little pay. All this provoked the emergence of the progressive movement which began to speak up for the rights of children and women.

Thus the end of the nineteenth century and the turn of the twentieth century saw the emergence of a new breed of reporters – pretty much leading players in the progressive movement – who used documents, interviews and personal testimonies rather than relying on rumours and hearsay to expose corporate wrongdoings and social injustices. These were part of what came to be known as the muckraking movement. Muckrakers were people who found scandalous information involving corporate and political actors and exposed it in the public interest (Hawkins, 2012). The rise of large corporations and the accumulation of great wealth led the movement to provide safeguards and checks in the public interest. The media, which had performed the watchdog role in the nineteenth century, monitoring and scrutinising the activities of politicians, now applied the same techniques to the business world in the early twentieth century. Thus, while exposé or stunt journalism, more or less a forerunner of muckraking journalism, was more focused on undercover reporting using personal testimonies to unravel wrongdoing in public service places such as the case of Nellie Bly and the asylum house, muckraking journalism was more focused on shedding light on corporate corruption and social injustices, and moreover played a lead role in the progressive social movement. What is more, while the element of conflict is glaringly evident in the muckraking of corporate scandals, it is not very apparent in the case of the exposé of the ill treatment of the inmates of the asylum house by Bly.

However, the government reacted to the great exposés of the muckrakers by calling them nothing but troublemakers. Business and industry for their part expressed shock at the critical coverage that their activities had received in the media. They after all felt that they were serving the people well by offering them jobs. Yet beneath these claims there were problems, which business journalists of this muckraking movement were all too willing to expose. Politicians who were also often complicit with these business scandals were equally concerned with the work of these muckraking troublemakers.

The *Cosmopolitan*'s exposé in 1906 of a bribery scandal involving some congressmen provoked outrage and criticism from US President Theodore Roosevelt over what he called 'overly aggressive coverage'. Roosevelt was in fact the first person to call members of this movement muckrakers when he famously declared 'There is filth on the floor, and it must be scraped up with the muckrake, and there are times and places where this service is the most needed of all services that can be performed' (Roush, 2011a: 39). The US president, however, mockingly took a swipe at journalists for using their muckrake to incite evil instead of helping society. Roosevelt, like many other politicians and businessmen, initially saw muckrakers as activists of the progressive movement campaigning for societal change and not necessarily interested in business. Yet exposés by muckrakers, forerunners of modern investigative journalists, forced him to do something to check corporate corruption. Professor Carl Jensen, founder of Project Censored, said the writing of these muckrakers provoked 'public revolt against social evil and a decade of reforms' (Roush, 2011a: 39–40).

Although Ida Tarbell emerged as the most celebrated member of the muckraking movement, her colleague Lincoln Steffens, working for the same magazine, *McClure's*, is credited to be the first muckraker as he published his exposé of municipal corruption in St Louis and Minneapolis serialised from his book, titled *The Shame of the Cities* one month before the Tarbell exposé of the Standard Oil Company scandal. Steffens' exposé first appeared to be targeting wrongdoing involving mostly municipal authorities, but on closer look it emerged as a damning reflection of corporate corruption at the highest level in the early twentieth century, although he was optimistic that there were a few good business people who could put things right. In fact his first article on St Louis showed how business and government worked together, and how this did not always necessarily benefit the people. He wrote:

> Businessmen were not mere merchants and the politicians were not mere grafters. The two kinds of citizens got together and wielded the power of banks, railroads, factories, the prestige of the city, and the spirit of its citizens to gain business and population.
>
> (cited in Roush, 2010; Steffens, 1903: 577–88)

The muckraking movement showed the world for the first time how business affected virtually every part of people's lives. The muckrakers focused not just on social problems but also, in fact extensively, on how the business world operated. Competition intensified with the growth of big companies and the cutting-out of smaller companies. In the USA the government tried to address the imbalance, but bigger corporations resorted to lobbying elected government officials. Steffens's report, for example, exposed how St Louis city authorities 'loaned its money at interest, and placed the interest into private bank accounts'. He recounted how 'public vehicles' were used by families of city staff; how supplies meant for the public were used by 'private businesses', and how 'companies that refused to pay blackmail to city officials left the city' (Roush, 2011a: 47).

From muckraking to investigative journalism: a comparative analysis involving Standard Oil and Enron scandals

This final section undertakes a critical comparative analysis of muckraking journalism of the early twentieth century and investigative journalism of the early twenty-first century, involving Standard Oil and Enron, respectively. The main subjects of comparison here are muckraking and investigative journalism in the way in which the two issues were covered. This section explores the prospects and challenges of these two similar, but also different, genres of exposé or stunt journalism. The comparative analysis covers the following three aspects: genre or style; challenges; and impact.

But before I go on to critically compare muckraking and investigative journalism involving the Standard Oil and Enron scandals, respectively, I will provide a brief background of these two scandals and how they were exposed.

Ida Tarbell's book *A History of the Standard Oil Company*, serialised in 19 issues of *McClure's* magazine between 1902 and 1904, marked the watershed in muckraking journalism by the turn of the twentieth century. What made Tarbell's exposé of the corporate wrongdoing of the Standard Oil Company stand out from the rest, for example Lincoln Steffens's *Shame of the Cities*, was the fact that its owner, John D. Rockefeller, was at the time the world's richest and most influential corporate leader, and that it forced the US government for the first time to regulate the operations of big business corporations to ensure a competitive fair playing field for all businesses, be they big or small. This regulation forced Rockefeller to break up the Standard Oil Company monopoly in the oil business into small businesses in 1911.

Although the Enron scandal came to light in 2001, almost a century after Tarbell's exposé of Rockefeller's Standard Oil Company, the two are similar not only because deception and lies were used to promote the bottom line of the two corporations but also because the two were by far the biggest oil giants in the USA, and perhaps globally, at the turn of the twentieth and twenty-first centuries. At a press conference in Houston, Enron announced the new online capabilities of its operations in order to attract more investors. What, however, Enron failed to tell journalists was that, in addition to grossly overstating its online capabilities, there were loopholes in its accounting system and operations, some of which a few journalists of the *Wall Street Journal* were able to expose. But this was far from enough, as the deceptive sanitisation of Enron's operations and finances made its shares sky-rocket, which hence established it as the world's leading energy company by the turn of the twenty-first century. The scandal, exposed in October 2001, eventually led to the bankruptcy of Enron and apparently one of the biggest bankruptcy rescue reorganisations in the history of the USA. It also set the scene for the eventual dissolution of the Arthur Anderson accountancy and audit firm for being complicit with the accounting loopholes of Enron, making it one of the biggest ever auditing failures in the country.

With that little background discussion of the two scandals, including how they are similar, I will now proceed to critically compare the muckraking and investigative journalism that was used to expose them along the three lines of genre, challenges and impact.

Genre: Tarbell's muckraking journalism style of digging into records of the Standard Oil Company, documenting facts of some of its past arm-twisting of small companies' transactions and conducting interviews with well-placed and trusted inside sources and competitors looks similar to the present-day investigative style of journalism that also involves digging into financial statements of companies. A striking example of the latter was the deep digging into Enron's accounting records by *Wall Street Journal* investigative journalists Rebecca Smith and John Emshwiller with a view to finding out where they might have flattered the figures to make their profit margin look nice. In a long list of articles published in their paper in the autumn of 2001, Smith and Emshwiller exposed accounting tactics used by Enron to sanitise its otherwise poor financial performance with the aim of wooing gullible investors to buy its stocks (Roush, 2011a). Their first story examined Enron's accounting and looked closely at limited partnerships run by Chief Financial Officer Andrew Fastow, revealing how the executive received millions from the deals (Smith, 2001a). The reporters warned some days later that Enron would have to issue more stock to satisfy some of its financial obligations from the partnerships (Smith and Emshwiller, 2001a). In November of 2001, the two reporters explained the complicated financial structure that had been used at Enron that helped to boost its earnings but was now causing it distress (Smith, 2001b). In late November, Smith wrote how the company was about to file for bankruptcy court protection because of its failure to put its financial house in order (Smith, 2001c).

Other reporters before Smith and Emshwiller had also raised questions about the problematic financial statements, balance sheets, and cash-flow statements of Enron. Bethany McLean of *Fortune* magazine is arguably considered to be the first journalist to question Enron's accounting in an article published on 5th March 2001, but she ultimately failed to find out what was wrong. Atlanta bureau chief of Bloomberg News Adam Levy also documented how the value of many of Enron's operations had been overstated and their future prospects grossly overblown. Yet, Levy and McLean were nowhere near the efforts made by Smith and Emshwiller to expose the Enron scandal before the company executives themselves admitted it (Roush, 2011a).

However, unlike Tarbell's muckraking exposé of the Standard Oil Company that was largely successful, there were some very serious limitations in style in Smith and Emshwiller's investigation of the Enron scandal. Smith and Emshwiller only dug into financial documents using some external financial expertise but failed to dig into public documents involving the company, for example copies of law suits, congressional testimonies, etc. They also failed to conduct any interviews with Enron insiders and competitors.

In contrast, in the muckraking exposé of the Standard Oil Company, Tarbell went the extra mile to not only dig into financial documents of the company but also into documents in the public domain throughout the USA involving the activities and operations of the company. These documents, which included reports of past court cases, law suits and congressional hearings, provided insights into 'Standard Oil's strong-arm tactics against rivals, railroad companies, and other companies that got in its way' (Roush, 2011a: 42). Unlike Smith and Emshwiller, Tarbell went further to talk to some top Standard Oil Company insiders and competitors. Her interview of a top executive of that company gave her the whole picture of the benefits of monopoly and provided a plethora of statistics showing its corporate power. She found out that the company had been under federal and state government investigation since its formation in 1870 for allegedly receiving concessions from the railroads and 'engaging in the restraint of trade' (Tarbell, 2012: 266). Tarbell succeeded in gaining the trust of her sources where others had failed. Standard Oil insiders had previously turned down a number of interview requests from top publications such as the *New York Sun*. Tarbell was thus equipped with a large pool of inside and outside information involving the operations of Standard Oil compared to the very limited knowledge that Smith and Emshwiller had of Enron. Moreover, by virtue of a having a father who was a small independent oil operator who was driven into bankruptcy by Standard Oil, Tarbell had an insider knowledge of the oil industry and of

Standard Oil which provided her with some useful insights and leads that she developed from her many interviews and digging into past documents. In contrast, Smith and Emshwiller lacked any particular insights into Enron, nor did they cover Enron with any particular detail. McLean and Levy had no special interest in, or knowledge about, how the energy industry in general, and Enron in particular, operated.

Another area of journalistic style where the muckraking of the Standard Oil Company differs to a very large extent from the investigative exposé of the Enron scandal is the extent of critical coverage. Whereas Ida Tarbell was very critical in exposing the blatant monopolistic manipulation by John Rockefeller to gain market share of the oil business in the USA and globally, and push small businesses out of business, the journalists who exposed the Enron scandal were not as critical of the executives of this company as they should have been. The *Columbia Journalism Review* was very critical of Smith of the *Wall Street Journal* for writing stories that simply lacked critical angles (Sherman, 2002). Bethany McLean for her part became a cheerleader in a way for listing Enron as one of the most innovative US companies in *Fortune*'s annual list of 'Most Admired Companies' even when the company was on the verge of liquidation due to its manipulated accounting system (Roush, 2011a: 201).

Challenges: Despite her great success in troubling Standard Oil and bringing it to its knees, Ida Tarbell faced far more challenges than did the investigative journalists who exposed the Enron scandal, although there were a few parallels. The first major challenge that Ida Tarbell faced in her muckraking exposé of Standard Oil was to strike the balance between advocacy journalism and the more acceptable, albeit mythical, objective journalism. Because she saw herself as a historian and part of the social movement of muckraking with the sole aim of not only exposing corporate wrongdoing but also addressing it, Tarbell became more of an advocate of social and economic justice than a neutral or objective journalistic bystander. Her book *The History of the Standard Oil Company*, which she serialised into many articles published in *McClure's* magazine, became a big hit by the turn of the twentieth century because she reflected the voices of the many victims of Standard Oil owner John Rockefeller's monopolistic manipulations.

However, Tarbell, like her colleague muckraker, Lincoln Steffens, often had problems with their editor Samuel McClure, who insisted on having the facts exposed and not necessarily the opinions on those facts. There was misunderstanding of roles on the part of the editor and his muckrakers. Tarbell and Steffens saw themselves as muckrakers in not only exposing the facts but going the extra mile to comment on these facts to address the factual corporate wrongs being exposed. In contrast, the *McClure's* editor saw them as mere witness ambassadors who should focus on exposing the facts and not comment on them. The editor in a way echoes modern journalism's professional standard of objectivity which makes the journalist a mere witness ambassador to reveal the 'truth' in the sense of the accurate 'fact' that matches the expectation of the largest number of readers. The idea is to bring people together in a collective awareness with the sole aim of attracting mass readership. Editor McClure's interest was to attract mass readership and maximise profits, while the muckrakers were more interested in going beyond the facts and advocating social change. For the muckrakers, the emphasis shifted from the 'facts' to the 'system' because they always believed that facts are often manipulated by special interests and, to avoid becoming victims of these special interests, it was always necessary to go beyond these facts of wrongdoing and address the 'system' that produced them in the first place.

In contrast, in the investigation of the Enron scandal, this challenge of advocacy journalism was not very evident. This was more or less because these journalists, unlike their muckraking counterparts, were more interested in exposing the facts rather than going beyond them. Although McLean's reporting in *Fortune* magazine dated 5th March 2001 raised some serious questions about Enron, 'she ultimately failed to find out what was wrong' (McLean, 2001: 122). In fact McLean herself admitted in that same article the shortcomings of her reporting in the article: 'The inability to get behind the numbers combined with even higher expectations for the company may increase the chance for a nasty surprise'. She added: 'The numbers that Enron does present are often extremely complicated' (McLean, 2001: 122). While admitting the numbers presented by Enron were just not adding up, McLean fell short of going beyond just presenting those numbers and asking those serious critical questions to unravel them.

The second challenge that faced Ida Tarbell's muckraking journalism involving Standard Oil was conflict of interest. Tarbell was criticised for her conflict of interest in handling the Standard Oil story because she was personally attached to the story in the sense that her father used to be an independent oil supplier that was among those many small businesses that were forced out of business by the monopolistic manipulations of John Rockefeller. Her critical style clearly showed her contempt for Rockefeller, whom she blamed for her father's bankruptcy. Her glaring bias against Rockeller thus had more to do with conflict of interest in settling scores for her father and others who suffered similar fate. This ostensibly prevented her from objectively looking at the weaknesses of the small oil suppliers. In fact she was only known to have been very critical with Standard Oil, probably because of this conflict of interest, since, according to Roush (2011a: 44) her later work 'often sided with management and companies'. Writing on Tarbell's post-Standard Oil muckraking, Gabor (cited in Roush 2011a) notes that she presented an uncritical view of capitalist Frederick Winslow Taylor in *American* magazine in a series that ran in 1914 and 1915 called 'The Golden Rule in Business'.

By way of contrast, the challenge of conflict of interest was not very evident in the investigative exposé of the Enron scandal since almost all the reporters who were involved were detached from the story and had no special interest in exposing the scandal. However, the fact that McLean's *Fortune* magazine painted a very smart picture of Enron by listing it among 'Most Admired Companies' at a time when the company was heading for bankruptcy due to some unorthodox accountancy practices shows that the investigative journalist was also not totally free from conflict of interest. Moreover, some journalists from the *New York Times* and the *Wall Street Journal* were accused of having received money from Enron for consulting work and writing speeches (Roush, 2011a).

Finally, while there was the challenge of the lack of financial or accountancy knowledge on the part of the investigative journalists who uncovered the Enron scandal, which in a way affected their work, this was not necessarily the case for muckraker Ida Tarbell. *Fortune*'s McLean had training in investment banking but not in accounting: her analysis of the rather problematic accounting of Enron appeared largely simplistic. She would obviously have done a better and more critical analysis if she had had some training on how to read balance sheets and financial statements. Ida Tarbell for her part did not need that much financial knowledge to handle the Standard Oil story; what she needed – and did indeed have – was historical knowledge of how Standard Oil and other oil companies were operating in the USA. In fact Tarbell saw herself as a historian, not a crusader. 'We were undertaking what we regarded as a legitimate piece of historical work', she wrote in her autobiography. 'We were neither apologists nor critics, only journalists intent on discovering what had gone into the making of this most perfect of all monopolies' (Friend, 2007: 1 – *Newseum* article). Tarbell also had rich knowledge of the history of the oil industry, and of business generally, in the USA at the time.

Impact: The work of the muckraker Tarbell had far more impact on US society and business journalism for a very long time to come than that of the journalistic investigation of the Enron scandal. Tarbell's reporting on the Standard Oil Company was used by US President Roosevelt to push for increased government regulation of business. It was the first critical exposé of a large, dominant company in the USA. Tarbell single-handedly rattled John Rockefeller, arguably the world's richest man at the time. Her exposé fuelled an outcry that forced President Roosevelt to push through regulations that led to the break-up of Standard Oil Company in 1911 into small companies and brought an end to monopoly in the oil business. In a similar vein, the investigation of Enron and other corporate scandals by the turn of the twenty-first century forced the US government of President George Walker Bush to enact a number of laws to make companies more accountable for their actions and ensure that they have independent relationship with their accounting firms.

However, although both the muckraking and the investigative journalism involving Standard Oil and Enron, respectively, impacted on US society, it was really the former that had the lion's share of the impact because it brought a fundamental change to the business practices of big business to ensure that small businesses stay in business and increase healthy competition, which is in the public interest. Moreover, muckrakers showed today's business journalists how to aggressively cover topics related to industry and the economy. Muckraker Tarbell also enjoyed far more success in exposing the monopolistic practices of Standard Oil compared to all the investigative journalists who exposed the Enron scandal.

In conclusion, looking at the more proactive watchdog interrogation of big corporate powers in the public interest by muckrakers of the late nineteenth and early twentieth centuries such as Nellie Bly, Lincoln Steffens and Ida Tarbell, it is clear that this early genre of investigative journalism has proved far better than the much watered-down version of the investigative journalism that exposed the Enron scandal in 2001. In order to achieve their role as watchdogs of business and industry, business journalists must rise above the influence of business elites. However, it is rather ironical that Tarbell's exposé of the Standard Oil Company also had a negative impact on the future of business journalism as it led to the gradual demise of this great muckraking genre of investigative journalism in the business press. When seriously cornered by Tarbell's exposé, Rockefeller and his family resorted to hiring publicist Ivy Lee to control the damage to his corporate reputation. The eventual emergence of public relations and its consequent relationship with journalists led to less critical coverage of business and industry in the years to come (Roush, 2011a). Little wonder that the investigative journalism that came after the muckraking era became far less critical and proactive in exposing corporate scandals as we saw in the case of Enron at the turn of the twenty-first century. In fact some business press commentators such as Starkman (2012a) have argued that the end of the muckraking era partly contributed to the complacency of business journalists and their apparent collusion with big business in causing the 1929 Market Crash and other financial crises to follow in the '80s, '90s and 2000s. The next two chapters in Part 2 examine the crisis in the political economic reporting of the financial crisis, drawing on examples from the 1929 and 2008 financial crises.

This page intentionally left blank

Part II

The crisis in the political economic reporting of financial crises

The political economic reporting of the financial crises in the twentieth and twenty-first centuries has equally faced a very serious crisis, especially of public trust. As Chapters 5 and 6 of this part of the book demonstrate, this crisis came mainly because of the failure of business journalists to strike a fine balance between serving the public interest and the business bottom line. The societal watchdog functions of journalism – educating and informing the public, offering diverse and alternative viewpoints, speaking truth to power, holding political and business elites to account for their decisions and actions, etc. – are particularly important in addressing or preventing the crisis of the political economic reporting of these financial crises. Some interesting findings from the research informing the two chapters in this second part of the book, however, suggest that journalists, especially business journalists, are failing in these tasks.

This page intentionally left blank

Chapter 5

Reporting business and finance in crisis of identity!

From business journalism to financial journalism?

This chapter provides some historical and conceptual frameworks that will illuminate the crisis of identity in the reporting of business and finance, and by extension the crisis in the political economic reporting of financial crises, which in a way overlaps with the crisis of the political economy of global capitalism discussed in the last three chapters. In fact, as we saw in the last three chapters, and will see in this and the following chapter, the failure of business journalism to serve as watchdog of political and corporate powers led to the crisis in the political economy of global capitalism. This chapter builds on the last three by arguing that the crisis in the political economy of capitalism, which in the first place led to the global financial crises since the Great Depression in 1930, would not have happened if business journalists had scrutinised the policies and activities of financial institutions such as banks, insurance companies, investment companies, stockbrokers, etc. within the context of watchdog business journalism rather than merely serving as their cheerleaders within the context of lapdog financial journalism.

This chapter is structured into three sections. The first section offers a critical historical and conceptual exploration of the distinction between financial journalism and business journalism, while the second and third sections specifically look at this distinction along the binary lines of modernity and postmodernity, and macroeconomics and microeconomics.

From business journalism to financial journalism? A critical historical and conceptual exploration

Business journalism has since its early beginnings in the fifteenth and sixteenth centuries been in a state of flux. In fact, according to Roush (2011a), the history of business journalism is directly linked to the rise of business and commerce across the globe: the first ever business newsletter was set up by the Fugger family in 1568 to help businessmen across Europe to receive information about the prices of goods and services. The focus was initially the giving of information but, with the expansion of business in the seventeenth, eighteenth and nineteenth centuries, newspapers started to offer more critical coverage of business and economy. Yet the specialist journalistic beat that emerged to cover the buying and selling of goods and services has since faced a crisis of identity. Financial journalism has often been conflated with business journalism, albeit rather problematically. As we will see in the literature on reporting business, finance and the economy reviewed in this section, this specialist professional journalistic beat has been variously referred to as business and financial journalism, thus bringing the two different, and yet overlapping concepts, together, while in some other cases it is referred to separately as business journalism, or financial journalism.

However, perhaps for reasons of prestige, most journalists who cover business and economy see themselves more as financial journalists than business journalists. This is especially true of journalists who work for specialist financial newspapers such as the *Wall Street Journal* and *Financial Times*. Most of these also have specialisms that vary across stock and bond markets, hedge funds, personal finance management, etc. Those who work for the business and economy sections of more general mainstream newspapers such as the *New York Times*, *Washington Post*, *The Times*, *The Chicago Tribune*, *The Los Angeles Times*, etc. mostly consider themselves as more generalist business journalists.

Yet research by Gillian Doyle (2006), and more recently Tambini (2010), shows that business and financial journalists are still not sure about their roles and responsibilities towards their two distinct audiences – the specialist and more knowledgeable investors, and the general lay audiences or rest of the public. Financial journalists interviewed by Tambini (2010) for example did not seem to agree on their 'ethical responsibilities' and 'broader corporate governance role'. Only very few saw themselves as actually there to serve the broader public interest. Some others did have a different take on their watchdog role, as they see it as limited to reporting on the failings of corporate governance and not necessarily to the extent of educating the public about the functions, or rather malfunctions, of finance and the economy.

Most of the journalists interviewed in the study are divided on their roles and responsibilities towards their two target audiences – the financially knowledgeable investor and the financially lay rest of the public. Yet most of the criticisms levied against business and financial journalists for the lacklustre way that they have reported financial crises have come about because of their failure to serve as watchdogs on the corporate wrongdoing of the financially knowledgeable and rich investors. Some of the journalists who are clear about their watchdog role in exposing and checking corporate wrongdoing said they are constrained by certain difficulties such as lack of training to analyse complex financial reports, limited time and funding to investigate suspected wrongdoing, pressure from advertisers, etc. Gillian Doyle (2006) acknowledges that the serious investor-oriented financial journalist has the responsibility not only to comment on financial reports of companies but also to reflect on whether, 'on the basis of whatever information is readily accessible about a company's finances and operating environment, the market valuation of its shares looks appropriate' (442). Doyle (2006) however warned that such 'routine analysis' may not be enough to spot financial irregularities, which suggests that financial journalists writing on corporate governance may need to go a bit further to investigate if they are suspicious of some wrongdoing. But, again, those who do not really have the will would always find it easy to point to challenges that prevent them from doing so. For instance one news editor interviewed by Doyle (2006: 442) admitted:

> I think financial journalists are generally good at analysing companies and interpreting and maintaining companies at arms-length. Where they are less good, however, is in pro-actively investigating stories – in stepping back to see the wider picture and spotting things that deserve a closer look. This is because they don't have the time and the opportunity and perhaps the education and training needed to be more pro-active.

Going by the assessment of the news editor above, it is clear that financial journalists are failing as watchdogs of corporate power because they are not going beyond the routine analysis and interpretation of business activities and reports to actually scrutinise and investigate their suspected irregular transactions.

Moreover, as I noted earlier, Tambini (2010) of course made a passing a reference to the debate on the rather ambivalent role of the business and financial journalist with respect to the investor and the public, but fell short not only of really engaging the journalists interviewed on it but also in analysing their reporting of the financial crisis to see where they served as watchdogs or lapdogs on corporate governance. If anything, his discussion of this was more normative and rhetorical: 'Obviously there are no formal, legal responsibilities placed on journalists; but after high-profile failures such as Enron and Northern Rock, we might ask how financial journalism fits into a general framework of checks and balances on business' (Tambini, 2010: 160). What is more, Tambini (2010) went on to speculatively suggest that the financial journalists may well have a narrow or market-based notion of their responsibilities, which they see 'as being to respect the law and serve the shareholders of their companies, not to plug gaps in the system of corporate oversight' (Tambini, 2010: 161).

Tambini (2010) agrees that financial journalists have a 'potentially powerful position' in corporate governance 'if they choose to hold companies to account' but warned that most of those he interviewed in his study see 'their main role as supplying investors with market relevant information' rather than as watchdogs of corporate governance (160). Nikki Usher's more recent research based on interviewing journalists recounting their experience on how they got the story wrong during the 2008 financial crisis found a result that agrees with Tambini's (2010) research above. Usher's (2013: 204) research found that some sections of the business press in the USA 'did, in fact, provide people with adequate information, at least about the housing bubble – but these journalists, as they admit, did not do the kind of solutions-based watchdog reporting that might have been able to give people the tools and pathways to take action'. From Usher's research it is clear that the business journalists admitted to having provided enough information, but failed to investigate the corporate wrongs that led to the financial crisis and hence failed in their watchdog role.

It is important to understand the watchdog role of financial journalism in corporate governance although this has not been acknowledged and supported by financial regulators. Yet the question is raised as to how financial regulators would recognise the watchdog role of financial journalists when they – the journalists – are struggling to accept this role for themselves. Regulators are required by law to scrutinise the activities of corporate businesses such as banks, but admit that there are certain aspects of corporate behaviour that are beyond their reach. They therefore rely on exposures of corporate wrongdoing by the public – whistle-blowers – and media to complement their efforts.

The role of financial journalism in corporate governance is discussed in detail in a study by Michael Borden (2007) which focuses on the USA. This research made the argument by Klausner (2005), cited in Borden (2007) and Tambini (2010), that corporate law has inherent limitations and that, for us to understand failures of regulatory systems, we must turn our attention to extra-legal enforcement mechanisms. Borden's research actually aimed at identifying what he calls 'gaps' in corporate law, arguing that the key issues of disclosure and investigation rely on the media. He sees the role of the media as: 'Uncovering and deterring fraud, and acting as an informational intermediary that catalyses and informs legal action by Congress, the Securities and Exchange Commission (SEC), the courts, shareholders, or private litigants' (Borden, 2007: 315, cited in Tambini, 2010: 160). As we saw in the previous chapter, the muckraking journalism era of the turn of the twentieth century, where exposés of the Standard Oil Company's monopolistic manipulations of the oil industry were written by Ida Tarbell, led to the introduction of sweeping reforms by US president Roosevelt to regulate big business in the United States. However, as I argued in the previous chapter, the emergence of corporate public relations following the end of the muckraking era and the Great Depression of the 1930s largely contributed to the dramatic downgrading of the role of business journalism in serving as a watchdog of the political economy of corporate business and finance. This suggests that business journalists henceforth became cheerleaders rather than watchdogs of business and finance. And this downgrading of business journalism made it look like financial journalism was more interested in echoing the voices of the corporate business class about their activities than serving the public interest broadly speaking. This therefore raises the question of how successful would the media be in filling the gaps in the regulatory regime of business and finance identified in Borden's research (2007) if most of what business journalists are good at is lapdog journalism rather than watchdog journalism, which makes them rather more financial journalists, spinning the bottom line of the investors than business journalists, helping the public as a whole.

Looking at this systemic function of financial journalism as a watchdog of corporate governance, it is rather strange to see that business and financial journalists are still struggling to come to terms with what their roles and responsibilities are. Or is it that they know but they always try to let go and instead give excuses for their failure to serve as watchdogs? Or is it that they are simply content with the routine analysis and interpretation of financial information available to them instead of going beyond and asking those critical questions and investigating unanswered questions regarding some financial irregularities? Or are they simply letting the investors off the hook and cheering them to make more profits against the public interest because of conflicts of interest? These are some of the questions that should be occupying the minds of media researchers and policymakers, as well as journalists who identify themselves as business or financial journalists, and who are really interested in making business journalism as a specialist journalistic beat have an impact on society.

Drawing on the political economy approach of business journalism based on the social responsibility watchdog role to hold state and corporate power to account, which is the central thesis of this book, I argue that one sure way of answering the above questions is to resolve the identity crisis in business and financial journalism. I would also like to use the political economy approach of business journalism to resolve this identity crisis and restore business journalism to where it truly belongs. The ambivalence in the roles and responsibilities of business or financial journalists, as we saw in the literature review earlier in this chapter, is understood in the context of two interests and audiences–the investor and the public. Are their roles and responsibilities serving the interests of the investor or the public? Using the political economy approach of business journalism, informed by watchdog and investigative journalism, therefore, I argue that the investor-interest-oriented form of finance and business reporting can be best described as financial journalism, while the public-interest–oriented form can be best described as business journalism. In the following two sections, while showing the few overlaps between the two, I would offer a critical historical and conceptual exploration of the differences between financial journalism and business journalism along the binary lines of modernity and postmodernity, and macroeconomics and microeconomics.

Modernity and postmodernity

There is no better way to resolve the identity crisis of business and financial journalism than looking at it within the modernism and postmodernity debate. However, there are striking parallels between the two concepts, at least in terms of style: financial journalism has, at least from the point of view of its close association with commercial news and corporate investors, been associated more with the modern mainstream business journalism, while business journalism has been associated more with the postmodern business journalism. However, as it stands, the line is blurred between the two as the journalists associated with the latter are becoming more financial than business journalists. There are two binary ways to look at modernity and postmodernity in the contexts of financial journalism and business journalism: the universal objective truth versus relative subjective truths, and regulation and deregulation of business and journalism.

First, I will look at the universal objective truth versus relative subjective truths within the context of modern financial journalism versus postmodern business journalism, respectively. Modern or commercial journalism based on the regime of objectivity emerged during the period of modernity in the nineteenth century, especially following the industrial revolution which brought prosperity to Great Britain and Western Europe. This period heralded the emergence of the mass circulation newspaper as a purely commercial enterprise that was free from control of the state and politicians. Andrew Marr (2004) observes that the Victorians did four things that opened the way for the mass circulation newspaper in Britain:

> They cut the taxes and lifted the legal restraints which had stopped papers being profitable; they introduced machinery to produce them in large numbers; they educated a population to read them, and they developed the mass democracy that made them relevant
>
> (Marr, 2004: 13)

Granted that these changes provided a favourable environment for the newly emerging modern commercial newspaper to thrive as a business, but Marr, however, glossed over the introduction of the objectivity regime within the context of modernity as in fact the most important factor for its success.

As I noted in the preceding chapter of this book, modern business journalism emerged within the ethos of liberal journalistic professionalism that emphasises objective and neutral facts over opinions and comments. As Hallin (2009) puts it, the liberal model, which underpins the modern commercial press, is 'characterized by a strong development of journalistic professionalism, by a low level of "political parallelism" and predominance of "neutral" media, and by a limited role of the state'. The definition of journalistic objectivity looks consistent in the journalism history literature (Evensen, 2002; Kaplan, 2002; Mindich, 1998; Schiller, 1981; Schudson, 1978; Shaw, 1967; Stensaas, 1987; Ward, 2004; Vos, 2011): it puts stress on facts that can be verified, news arranged in factual order and based on events, impartial and balanced reporting, detachment from the facts and a strict separation of facts and comments. Vos (2011) offers a detailed review of the earliest scholarly works on some of the important journalistic principles underpinning objectivity. Shuman (1894) described the reporter's job as gathering facts, information and data; avoiding inaccuracies; and keeping their opinions out of stories (see also Mirando, 2001). The reporter was simply advised to 'leave himself out of the story' (Ross, 1911: 20); 'Be impartial, unprejudiced' (MacCarthy, 1906: 12); while Ross (1911) warned that modern journalism was the age of news, not views.

Muhlmann (2008) describes this modern form of journalism as unifying journalism, since the focus on 'accurate' and 'objective' facts was really aimed at unifying 'mass' readers who might well have different opinions on the subject or event being reported. Yet there is a business rationale for the focus on facts over opinions. The idea is that 'factual and accurate' news that has no comment can 'unify' publics who may differ in opinion and hence increase readership. Moreover, fact-based stories helped reporters and subeditors to write quickly, reduced congestion in the news production rooms and produced more diverse news to meet the increasing demand of mass readership (Murphy, 1914). Reporters took into consideration what is on the minds of their readers when writing their stories, and in this way 'objectivity' met marketplace demands. Here, news is therefore formatted and produced as a commodity to be sold in the market place. Thus it is the market logic that dominates the processes of production, distribution and consumption of the news products and services. Fairness and accuracy are also considered necessary for the business bottom line since increased market demand may ensure more 'dividends for the capitalists who have invested in it' (Shuman, 1894: 17).

What is more, some progressive social benefits for the ordinary public were also associated with the modern commercial press. Defenders of the objectivity regime say that the fact that it ensures truthful and accurate facts means that it provides the conditions necessary for democracy to function (Christians *et al.*, 2009). Objectivity provided the opportunity for journalists and newspapers to be independent and free from manipulation by partisan politics (MacCarthy, 1906: 20). Factual truth was closely linked to the more general conviction of serving the public interest. News objectivity was built on the enduring foundation of the defence of natural rights and public good. It was argued that the 1880s' reporters were simply continuing in the same vein as the penny press started by Benjamin Day and others a few decades earlier. By providing only the 'facts' and suppressing their personal opinions, they were supposed to be appealing to 'common sense' (Muhlmann, 2008). In this context, the journalists were simply telling the story as witness-ambassadors rather than discussing it. As Muhlmann (2008) puts it, the unifying journalist addresses a public perceived as a unified entity, or at least an entity that is capable of being united, and that has a right to obtain what is its due. This form of journalism produces news that is not exclusively singular but applies the criterion of common sense and so presents a 'common reality'.

Conboy (2011: 106) argues that the political emancipation of modern journalism 'can be considered as one of the grand narratives of modernity, and it possesses – in its myth of the Fourth Estate and objectivity – the twin pillars of this tradition'. Assumptions that underpin these narratives and that are often echoed by broadcasters include 'eye witness news', 'live to air', 'on the spot report', 'the day's most comprehensive news roundup', 'that is the way it is', etc. (Langer, 1998: 7).

However, the question is raised by critics of modernity and the so-called objective modern journalism as to whether there is any such thing as a 'common reality' or, in other words, 'universal truth'. While modernists believe in one universal truth based on linear cause and effect, postmodernists believe in the idea of the relativisation of truth based on non-linear thinking. Scientists, especially in physics, began to prove and defend this non-linear thinking by carrying out experiments. Theories like Curved Space and the Heisenberg Uncertainty Principle, all led to more questioning of the foundations of modern thinking of one universal truth. Scientists began to question their belief in the possibility of pure objectivity, and experiments were undertaken that proved that the experimenter had a direct physical effect on the experiment. Yet, with all this scientific evidence rendering the claim by modernity to 'universal truth' or 'common reality' rather problematic, it is not clear why earliest and even recent scholarly works on journalism have continued, as Vos (2011: 441) puts it, to legitimise 'objective' news 'by simply rendering its complications as uncomplications'. Hemstreet (1901: 42) for example claimed that 'factuality, accuracy, fairness, and impersonality might not come easily to the beginner', but modern journalists had developed a 'perfect system' in news production. The scholarly discussion ignored the human decision making that comes into the news production process, hence presenting the news as a 'natural occurring feature of the social world' (Vos, 2011: 441), as if it was from God to man and not really from man to man. Fowler (1913: 84, cited in Vos, 2011: 441) wrote: 'News does not have to be created; it is there. It has to be gathered.' Yet what these authors are ignoring, but should in fact take into consideration, is that the journalist, just like the experimenter, always has his or her own construction of reality that is his or her way of looking at the issues or events. Walter Lippmann underscored this point in his groundbreaking book *Public Opinion* (1922) by arguing that the fact that journalists select what to publish and how to publish it meant that the news would not represent reality. 'Every newspaper when it reaches the reader is the result of a whole series of selections' (1922: 63). Lippmann concluded that journalists were bound by the stereotypes with which they saw the world. 'There are no objective standards here', Lippmann argued. 'There are conventions' (1922: 63).

Modern journalism's claim to the twin pillars of the Fourth Estate and objectivity is therefore in my view rather paradoxical to the say the least. In fact the paradox of the Fourth Estate and objective regimes of journalism calls for a radical rethinking of the modernist idea of 'universal truth'. What is more, to the extent that political emancipation of journalism is considered as one of the grand narratives of modernity, the question is raised as to why modern journalism is still suffering from a democratic deficit as we have seen in the crisis in the political economic reporting of earlier and recent financial crises.

Postmodernity is characterised by the 'blurring of generic boundaries' and a 'radical scepticism' concerning the definition and identity of journalism (Conboy, 2011: 106). When we talk about postmodern journalism, we are not only talking about the many different interpretations or relativisation of the so-called 'universal' truth within the context of the production of news by mainstream and citizen journalists, but also, and perhaps more importantly, within the context of the distribution to, and consumption by, the audiences, including investors and members of the public. The idea of postmodernity in journalism actually gained more currency in scholarly debates following UNESCO's call in the 1970s for the New World Information and Communication Order (NWICO) based on the notion of 'Many Voices, One World'. Yet, as Conboy (2011) notes, the relativisation of truth – interpreting one fact or truth in different ways – remains one of the most polemical features of postmodernity for journalists.

Thus, while the modern journalist believes in separation between the fact and opinion or interpretation of that fact, the postmodern journalist prefers the interpretation or interrogation of that fact from multiple perspectives. Defenders of a boundary between fact and opinion within the context of modern objective journalism assume that readers are intelligent and are therefore very receptive to 'well-documented' facts. Here, as is clearly evident in the *Guardian* newspaper motto, 'Opinion is free; facts are sacred', the focus is on the 'facts'. Lippmann argued that, without facts, the public is powerless and generally lacks liberty. He wrote in his book, *Liberty and the News*: 'Everywhere today men are conscious that somehow they must deal with questions more intricate than any church or school had prepared them to understand. Increasingly, they know they cannot understand them if facts are not quickly and steadily available' (1920) cited in Starkman (2011).

Yet, in an age of global cultural and technological diversity, there is often more than one version of the truth. The postmodern business journalist believes that nobody, be you an investor or any other member of the public, has total monopoly over the truth or knowledge, which means that the version of truth advanced by anybody must be subject to interrogation or investigation. The postmodern business journalist is therefore one who is always sceptical with one version of the truth and is likely to go all out to look for alternative versions by embarking on investigative journalism. He is normally the one with a critical political economic perspective of business and financial news, especially that provided by corporate business, and is normally the one who serves the general public interest, and not just that of the investor or business. He is the one who strikes the right balance between the business interest and the public interest. The modern business journalists, on the contrary, are seen more as modern financial journalists because their focus is more on providing specialist 'financial literacy' for investors, mostly knowledge about what mutual fund to buy, how to avoid banking fees, analyses of financial statements of big companies, fluctuations of prices of stocks and bonds, etc., and not necessarily serving as watchdog over corporate power in the interest of the public.

Another way to look at the divide between the modern financial journalist and postmodern business journalist is to look at their role in the regulation and deregulation of business and journalism. The neoliberal business model of modern financial or commercial journalism that emerged in the mid-nineteenth century was founded on the basis of deregulation, which meant that journalists should be free from state control in what and how they write. German newspaper historian Karl Bücher (1926) famously observed that journalism's basic role is to provide news that was needed to allow publishers to sell advertising. Another German newspaper historian Emil Dovifat (1927) explained how commercialisation was the driving force behind the drifting away of newspapers from partisan to objective journalism. However, while they are free from state control, they are regulated by the market forces of demand and supply, and by their owners or investors, whose interests they are forced to seek if they want to keep their jobs.

Yet, according to Jonathan Hardy in his new book *Critical Political Economy of the Media* (2014), there is disagreement among scholars regarding the concept of the market as regulator of the work of journalists. Those who believe in pro-market rhetoric see it as 'allowing normal market processes to occur without regulatory interference'. However, critical political economists claim that this 'masks a selective call for only some kinds of regulation, or indeed state-sanctioned benefits, to be diminished' (Hardy, 2014: 63). As noted by many scholars (Humphreys 1996; Leys 2001), the 'deregulation' rhetoric is misleading since marketisation has been characterised not only by a reduction of regulation but also by a 'reorientation of regulatory tools' (Hardy, 2014: 63). A political economic critique of the problems of media markets and the free market system has taken a swipe at states for their 'promotion of corporate business interests and their rolling back of public provision and public regulation' (Hardy, 2014: 64). As discussed in Chapters 2 and 3, the rise of modern capitalism between the eighteenth and nineteenth centuries witnessed the emergence of the deregulation of business and industry. Adam Smith, the father of modern capitalism, wrote that modern industry can only experience growth when the markets are free from state control. But the alternative political economic organisation of socialism advocated by Karl Marx called for some kind of regulation to protect small business actors and workers, who he believed are the real producers of wealth. Yet, since most Western democracies have adopted the neoliberal Washington Consensus of the free market capitalist economy with occasional adoption of the Keynesian principle of state intervention to temper down some of the extreme scenarios of Wild West capitalism, governments often oscillate between regulation and deregulation, especially during periods of financial emergencies or crises. In the wake of the 2008 Financial Crisis, for example, most Western governments first reacted by providing financial packages to rescue big financial and banking institutions, while the post-2010 response was one of austerity and return to the neoliberal order. The UK was one of those Western countries in this situation of back-pedalling from bailout to austerity. The Labour government of Gordon Brown started the bailout but, when David Cameron's Conservative government took over in 2010, the response to quickly resolving the crisis was austerity, which saw massive government cuts in the welfare regime that they inherited from Labour. Schifferes (2011: 148) observes that the UK financial press was complicit in 'what have now been revealed as illusions: the ever-rising value of stock and especially property assets, the easy availability of low-cost credit, and the benefits of deregulation'. The reason for this complicity, according to Schifferes, was that the majority of UK financial journalists gave a blind eye, or even served as cheerleaders, to the unprecedented era of massive deregulation that propelled economic growth without inflation under the New Labour government. The 'light touch regulation' introduced by this government ushered in a period of economic boom and expansion of the financial sector: this gave the City of London and its Stock Exchange a 'competitive edge over its European rivals such as Paris and Frankfurt. UK journalists generally applauded these developments and agreed with the underlying philosophy' (Schifferes, 2011: 149). However, while Schifferes admitted that the UK journalists lacked the investigative journalism touch, they did have some key strengths such as 'economic literacy and intelligent policy', a long-standing tradition inherited from some of the former big names in business journalism in the UK such as Walter Bagehot, the founder of the *Economist* magazine in 1841. Yet these strengths, which can be likened to the 'financial literacy' of the Kilgore revolution for the *Wall Street Journal* (*WSJ*), which I shall expand on a bit more in the next section of this chapter, were not strong enough to challenge the massive deregulation and other attendant corporate wrongdoing or oversight that in fact contributed first to the unprecedented economic boom and then to the financial bubble of 2008 that plunged the world into an economic winter.

In the case of the USA, Starkman (2011) criticised the business press for performing so poorly in exposing some of the potential gaps of what remained of the regulation of the operations of the financial and banking institutions which were more or less preying on the very gullible members of the public. He presented the business press as the sole channel by which the public would know what was going on in the lending industry and on Wall Street.

> It is the vital connection between the public on one side and regulators and financial institutions on the other. It is the only institution capable of catalysing the virtuous circle of reform that emerges when dangers and abuses come under the public gaze.
>
> (Starkman, 2011: 41)

I argue that the business press in the USA and the UK financial press failed to serve as watchdogs in ensuring that big financial and banking institutions did not abuse business regulations, or even call for more business and financial regulations to protect the public, because they were simply rather more modern financial journalists serving the bottom line of investors than postmodern business journalists serving the interest of the broader public. Starkman got it quite right when he wrote that part of the problem as to why the 2008 financial meltdown occurred was the abdication of financial regulatory responsibility at the federal level and the apparent failure of the business press to call them to order. He got it even more spot on when he asserted: 'Uncompromised regulation and great journalism go hand-in-hand. But when such regulation disappears journalistic responsibilities only increase. What is important to understand first is that this press failure did occur' (Starkman, 2011; 47).

Macroeconomics and microeconomics

Another binary area that is very helpful in distinguishing business journalism from financial journalism is the treatment or writing about issues relating to macroeconomics, on the one hand, and to issues relating to microeconomics, on the other hand. In this subsection I intend to do two things to support my argument that financial journalism focuses more on the mediation of macroeconomic business and financial issues, while business journalism focuses more on the mediation of both macroeconomic and microeconomic business and financial issues: First, I will conceptually explore what we mean by writing about issues of macroeconomics and microeconomics; second, I will embark on a critical exploration of the historical evolution of reporting and writing about business, finance and the economy since the emergence of capitalism in the mid-eighteenth century within the context of financial journalism and business journalism as they relate to macroeconomics and microeconomics.

First, what do we mean by the mediation or writing about issues of macroeconomics and microeconomics? As Figure 5.1 shows, the overall outlook of a country's economic, financial and business activities is made up of the macroeconomic outlook and the microeconomic outlook.

There are of course cause-and-effect relationships between what happens in the macroeconomic outlook and the microeconomic outlook; for instance high interest rates and high inflation in the microeconomic outlook can contribute to low economic activities of individuals and firms in the microeconomic outlook in terms of the production, distribution and consumption of goods and services. When the cost of production, distribution and consumption of goods and services goes up because of high interest rates and inflation, which normally hugely benefits the big investors in stocks in big financial institutions such as banks and

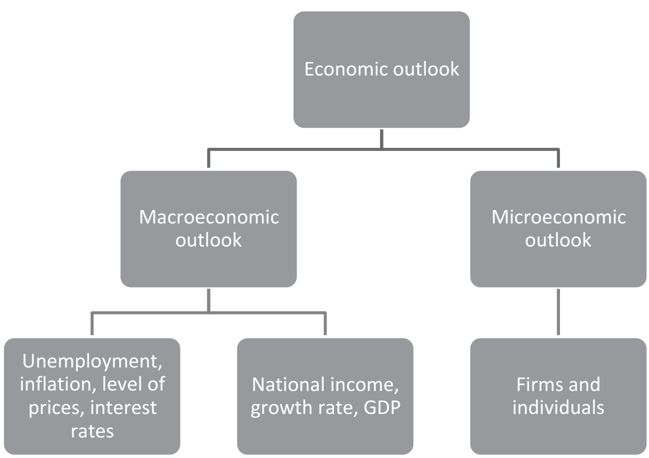

Figure 5.1 Economic outlook: macroeconomic and microeconomic

insurance companies, the impact is felt by individual consumers and owners of stocks in small businesses or firms. Moreover, the low economic activities of the small firms and individuals (microeconomic outlook) which result from this can in turn lead to more unemployment and low economic growth (macroeconomic outlook). These overlaps between the two economic outlooks suggest that business and financial journalists should be concerned with both of them in writing about business, finance and the economy in both global and national contexts. Yet this largely remains a normative idea, as the reality shows that most business and financial journalists tend to focus more on the macroeconomic outlook than the microeconomic outlook. This has invariably made business and financial journalism focus more on providing financial literacy about macroeconomics, targeting big business investors, than about microeconomics, targeting small businesses, firms and individuals who try to get the best they can from their daily business and financial activities.

As discussed in Chapter 2 of this book, normatively speaking, business journalism deals with reporting or analysis that discusses events, topics and issues related to the economy, business, development and industries, or how people as producers and consumers spend their money to better themselves in both national and global contexts. It generally includes investigative reporting and writing about other beats such as employment, unemployment, the workplace, food, health and wellbeing, insurance, technology, personal finance, corporate finance, public finance and consumer reporting. This conceptualisation of business journalism generally encompasses both the macroeconomic and microeconomic outlooks. It presupposes the need for the kind of financial literacy that is holistic enough to illuminate issues and events involving both macroeconomics and microeconomics: one that benefits not just big investors and businesses but also small investors and businesses. However, mainstream business journalism, which is rooted in the profit-making business model of journalism, is more interested in providing financial literacy to big investors and businesses with a view to increasing or improving their financial performance, and not necessarily to small investors and businesses. I have decided to call this mainstream business journalism, rooted only in the profit-making business model of journalism that benefits only the big investors and businesses, within the context of macroeconomics, financial journalism. On the other hand, I have decided to call the largely normative business journalism, rooted in the hybrid of the business and other alternative public-centred models, which benefit big investors and businesses as well as small investors and businesses, within the context of both macroeconomics and microeconomics, business journalism. Business journalism therefore seeks to strike a balance between the financial performance of big investors and businesses (macroeconomics) and the financial performance or survival of small investors and businesses. In fact the business journalists go further to strike the balance between financial performance of big and small investors and businesses, and seek the interest and welfare of workers who are the real producers of wealth and consumers of the end products. Business journalists are thus also interested in providing the financial literacy needed for the production, distribution and consumption of goods and services that are beneficial not only to big investors and businesses but also to small investors and businesses, as well as to workers and consumers of the end products.

Having offered a conceptualisation of writing about issues of macroeconomics and microeconomics within the context of financial and business journalism, I will now focus the rest of this section on a critical exploration of the historical evolution of reporting and writing about business, finance and the economy since the mid-eighteenth century within the context of financial journalism and business journalism as they relate to macroeconomics and microeconomics. In his introduction to *The Best Business Writing 2012*, Dean Starkman (2012a) offers a historical evolution of business journalism from the muckraking era to the 2008 financial crisis in order to understand the changing role of the business and financial reporter, especially during times of financial crisis. However, Starkman's exploration lacked the critical dimension that would have helped resolve the identity crisis of business journalism. He for instance referred to the glorious muckraking era where muckrakers saw themselves as part of a social movement serving the public rather than big business. Starkman (2012a) described the muckrakers as the great connectors between the public and what was actually happening in business. 'What insiders already knew', he wrote, 'they revealed to the general public' (xiv). Starkman cited the historian Richard Hofstadter as saying that the sweeping investigative style of journalism of the muckrakers allowed any literate citizen to know what barkeepers, district attorneys, corporation lawyers, ward heelers, prostitutes, police court magistrates and reporters had always known in the course of their business' (xiv). The point being made here is that 'financial literacy' is not the monopoly of just those people in the various professions mentioned in Hofstadter's analysis, but also of any citizen or member of the public. Both Starkman and Hofstadter saw the muckraker as the one who ended the financial literacy divide between business and the public – the citizens. However, the assessment of the work of the muckrakers by Starkman and Hofstadter looks rather simplistic as it seems to narrow down the definition of the public to passive citizens. The assessment seems to place, rather problematically, all those members of the public who do not belong to the professions cited in Hofstadter's analysis, and many others, as passive learners of 'inside' financial knowledge of those professions thanks to the great exposés by the muckrakers. Thus Starkman, like Hofstadter, and perhaps all the journalists who contributed to *The Best Business Writing 2012* failed to resolve the question posed by Tambini (2010): What are financial journalists for? Are they for the public or the investor? Yet Starkman's definition of who constitutes the public and who constitutes the investor is rather vague. He seems to have completely misrepresented the muckrakers in portraying them as business journalists who were merely revealing the inner workings of businesses and professions to the lay and passive members of the public. As we saw in the case of muckrakers such as Lincoln Steffens and Ida Tarbell, their exposés called into question corporate wrongdoing and forced the

US government to introduce radical reforms to regulate business. It ended the dominance of big business over small business. This suggests that the muckrakers were more business journalists than financial journalists because their exposés provided financial literacy not only for big investors and businesses (macroeconomic outlook) but also for small investors and businesses, as well as for workers and consumers of goods and services (microeconomic outlook). In the case of Ida Tarbell, in particular, the breaking of the Standard Oil Company monopoly into small companies in 1911 served the interest of small oil companies and operators such as Tarbell's father who was squeezed out of business in the first place by the heavy handed monopolistic tendencies of John Rockefeller, the owner of Standard Oil … . Thus the muckrakers saw themselves not just as ordinary business journalists writing to provide financial literacy to passive audiences but as part of a social movement writing to provide financial literacy to active audiences. The fact that their journalistic intervention helped to provide a fair playing field for big and small businesses, and protect the interests of workers and consumers of goods and services, as we saw in the case of the oil industry in the USA following Tarbell's 19-part exposé of the Standard Oil Company that was serialised in McClure's magazine, shows just how muckrakers reflected the traditional watchdog role of business journalism.

As I argued in the previous chapter of this book, the traditional watchdog role of business journalism epitomised by the seventeenth-century works by John Milton, Daniel Defoe, Charles Dickens, etc. preceded the commercial journalism that emerged in the early eighteenth century with the rise of free market capitalism. Yet, Starkman, in his Introduction to *The Best Business Writing 2012* claims, rather problematically, that 'business news began as form of elite communications, a pragmatic messaging tool to aid investors and markets'(2012a: xiv). This claim suggests that, from the word go, what we know today as 'business journalism' actually started as financial journalism providing financial literacy for market insiders and investors within the context of macroeconomics. However, this claim is found wanting when considered against the backdrop of the very early critical business journalists who performed their watchdog functions by providing financial literacy on the activities of the insider political and business elites. For instance, eighteenth-century British journalist Daniel Defoe was not strictly speaking a business journalist, but his work reflected some of what passes for business journalism. While reporting from Edinburgh in the early 1700s, Defoe not only reflected on the street riots and Scottish parliamentary debates but also dispatched news and analysis about 'Scottish corn crop, and house fires in Edinburgh, and horse races' (Marr, 2004: 9). What is more, Defoe's reporting provided a rare insight into the very hard time that Scottish industry underwent during this period and the kind of bitterness it generated. 'He went back and recorded the bad, as well as the good' (Marr, 2004: 10). Probably partly because of his dissenting and desperate family background, Defoe addressed most of his writing to the 'barely literate London rabble', who were more or less the financial and political lay readers or audiences, and not necessarily to the political or business elite. This shows that business journalism was actually begun in the early eighteenth century by the likes of Defoe with a critical political economy touch, informed by its watchdog role on political and corporate powers, and not as financial journalism providing a form of elite communication and targeting the big market insiders and investors who emerged in the wake of the rise of capitalism in the early eighteenth century, as erroneously claimed by Starkman (2012b). The early eighteenth-century business journalism of Defoe and others during his time appears to be the missing link in Starkman's historical exploration of the evolution of business journalism.

The scope *and* purpose *of business journalism*

The real problem is that Starkman continues to see commercial or financial journalism, which emerged with the rise of capitalism in the eighteenth century, as business journalism, when they were in fact different. Their difference lay in their *scope* or *reach* and their *purpose*. While commercial or financial journalism has a limited scope or reach of targeting and benefiting big investors and businesses within the context of macroeconomics, business journalism has a more expanded scope or reach of targeting not only big investors and businesses within the context of macroeconomics but also small investors and businesses, as well as the interest or welfare of workers (producers) and consumers of goods and services within the context of microeconomics. The difference between the two becomes even more glaring when looked at from the point of view of the purpose that they serve. While commercial or financial journalism provides financial literacy for big investors and businesses within the context of macroeconomics, business journalism provides both financial literacy for big investors and businesses within the context of macroeconomics and financial accountability for big and small investors/businesses, as well as for workers (producers) and consumers of goods and services, within the context of microeconomics.

And so this is one sure way of answering Tambini's (2010) question: What are financial journalists for? Financial journalists target big investors and businesses and focus on providing them with the financial literacy that they need to increase their profits, while business journalists target big and small investors and businesses and focus on providing them with the financial literacy and financial accountability that they need not only to increase their profits but also to provide a level playing field for business and industry, as well as for the worker and consumer.

Of course there were times in its evolution when business journalism looked more like financial journalism, with very limited scope and purpose linked to the interest of the big investor and business. This was the case in the early eighteenth century with the rise of capitalism and expansion of business and industry. The nineteenth century saw the expansion of commercial or financial journalism to chronicle the Industrial Revolution. This period led to the rise of the penny press in the 1830s and the founding of *The Economist* in 1843 by businessman and essayist Walter Bagehot (Marr, 2004). While the early commercial press that emerged following the Industrial Revolution provided much general news for a broader audience by way of the much affordable penny press, it is credited with helping to boost the growth of markets and industry, and, above all, providing unprecedented propaganda for capitalism. This was accompanied by massive deregulation of business and industry, and the expansion of big businesses and corporations. This was the period of the popular press, where the focus was more on providing information for entertainment within the context of mass culture and not necessarily on serving as a watchdog on political and corporate powers. This led to the rise of big monopolies such as the Standard Oil Company of John Rockefeller and press barons such as Lord Northcliffe, who founded the *Daily Mail* in 1898. This period was largely dominated by lapdog journalism, although there were a few cases of watchdog journalism, for example by exposé journalists such as W.T. Stead of the *Pall Mall Gazette* and Nellie Bly of the *New York World*. The major disruption to this capitalistic era of big business and financial journalism came with the muckraking era by the turn of the twentieth century of Ida Tarbell, Lincoln Steffens and others. The great exposés of these muckrakers, which saw the resurgence of traditional watchdog business journalism, forced the US government to introduce some sweeping reforms to regulate business and industry. However, the golden era of muckraking business journalism was short lived, as the emergence of public relations to help sanitise the image of big corporations damaged by massive scandals saw a dramatic return to business as usual, or worse. This was largely due to the demise of business journalism based on the muckraking watchdog ethos and the entry of financial journalism, which played a greater cheerleading role in providing financial literacy for big business. This led to the expansion of the markets and a period of unprecedented economic growth in the 1920s, and then the Market Crash of October 1929. Business journalists, who by this time were rather more financial journalists, simply failed to play their watchdog role to help prevent the great Market Crash. Randooke (2009) observes that stockbrokers made a mistake by being so confident during the boom time of the stock market and believing that stocks were going to keep rising and so encouraged investors to buy stocks on margin. This encouraged investors to borrow more money on top of their original investment to invest in more stocks from the brokers. Business journalists were unfortunately not at hand to provide a proper investigation into the intentions of the brokers and their financial institutions, or a financial and business analysis of the situation, which would have helped big and small investors and businesses to make informed decisions about what stocks to invest in, and at what price. New business and financial news publications were set up in the wake and aftermath of the 1929 Market Crash, for example *Business Week* (1929) and *Fortune* (1930), which was 'aimed at a growing managerial and entrepreneurial class' (Starkman, 2012b: xv). These publications practised rather more financial journalism than business journalism as their focus was on producing corporation profiles and financial analyses in support of deregulation and other aspects of the free market system with the aim of improving the business bottom line of their principal target audience – the big investors and business. Starkman (2012b) says that a breakthrough in American business news came in 1941 with the appointment of Barnard S. Kilgore as editor of the *Wall Street Journal* (*WSJ*). Starkman notes that Kilgore brought a revolution to the *WSJ* by making it expand coverage of business news beyond what big investors such as General Electric said or did yesterday. The *WSJ* for the first time began to take their usually already highly financially literate readers into parts of the economy that they had never had access to: 'a salad oil swindle in New Jersey, Lyndon Johnson's wife's broadcasting empire, slave-labour camps in Houston, … the secret shame of illiterates, the Cabrini Green housing projects, the Falun Gong, you name it' (Starkman, 2012b: xvi).

Yet, despite Starkman's overt optimism about the *WSJ*'s expansion of financial journalism to reach out to areas of the economy and business that were closer to small investors and businesses, as well as workers and consumers of goods and services within the context of microeconomics, thanks to Kilgore's revolution, the motivation for this expansion had more to do with the desire to increase the circulation of the *WSJ* than any genuine interest in narrowing the gap between big investors and businesses and small investors and businesses, and looking after the interest of workers and consumers of goods and services. For instance, Starkman (2012b) himself reported that the circulation of the *WSJ* dramatically increased, from 35,000 when Kilgore took over as editor, to a million by the time he died in 1967. The idea of expanding coverage to increase readership and mass circulation is nothing new as it resonates with the ethos of financial journalism which we saw with the rise of unifying objective journalism in the nineteenth century. As I argued in the preceding section on modernity and postmodernity, the rise of modern professional journalism based on the regime of objectivity in promoting the idea of one universal or common truth around which mass readers should converge was more of a commercial necessity to increase mass readership and promote the business bottom line than a democratic necessity to promote mass participation in the interest of the common good.

One can therefore see a parallel between Kilgore's expansion of financial news coverage to other previously hidden areas of business and the economy involving small investors and businesses, with the aim of attracting readership among them, and Lord Northcliffe's revolution towards the end of the nineteenth century and the turn of the twentieth century in Britain, with his introduction of popular journalism to attract soft news such as celebrity gossip, leisure and fashion, domestic violence, elopements etc., with the aim of course of attracting readers from working-class men and women, as well as small investors and businesses (Williams, 2010). This was the time of the press barons such as Lord Northcliffe, whose real name was Alfred Harmsworth, and a time when journalism really became big business. Northcliffe and two other famous press barons – Beaverbrook and Rothermere (Northcliffe's younger brother) – 'presided over a period which continued the trends towards concentration, competition, and entertainment' (Conboy, 2011: 45).

However, the press barons were criticised for introducing popular journalism, not because they wanted to engage and empower marginalised working class people but because they wanted to boost their circulation, and hence profit, and at the same time dumb down journalism from educating people about the ills of society to a journalism of entertainment. For instance, the focus on 'feminized discourse and representational modes' had more to do with extracting profit from the increasing women readers of the popular press than empowering them (Conboy, 2011: 71). The press barons tried to use their press power to appeal to large readerships and assumed that they had absolute control over the opinions of ordinary readers and politicians. Boyce (1987), however, argued that this was a major reason why the press barons ultimately failed to achieve lasting influence over the readers and politicians. Conboy (2011: 45) argues that 'this confirms the logic of the processes at work within journalism since 1855: Journalism had become less the predominantly political activity of previous generations and had moved increasingly towards being a commercial proposition at heart'. Lee summarises the consummation of the process by saying that 'economic forces would gradually dominate political ones' (1978: 117). And, as I argued earlier in this book, the increasing commercialisation of journalism since the mid-nineteenth century has made journalists, not least business journalists, increasingly see themselves as watchdogs holding politicians to account for any wrongdoing while leaving corporate elites off the hook. Thus, whether or not they expand their coverage to capture the activities and voices of small investors and businesses, as we have seen with the press barons of the popular press of the late nineteenth and early twentieth century, as well as with Barnard Kilgore of the *WSJ*, it is difficult for us not to continue to see these business journalists more as financial journalists than business journalists.

The expansion of coverage by Kilgore of the *WSJ* to attract more readers from small investors and businesses was good for the business bottom line of the big investors and businesses in the *WSJ* and on Wall Street, but not necessarily for the interest of small investors and small businesses on Main Street. To the extent that this expansion of coverage benefitted the big investors and businesses (macroeconomics) rather than addressing or narrowing the gap between big investors and businesses and small investors and businesses, as well as workers and consumers of goods and services (microeconomics), Kilgore's so-called revolution could only have succeeded in reinforcing financial journalism rather than extending its contours to incorporate business journalism. Moreover, even if Kilgore's revolution succeeded in expanding financial literacy to small investors and businesses by his expansion of coverage to the activities of small investors and businesses, it failed to achieve the even more important financial accountability of big investors and businesses on the one hand, and small investors and businesses on the other hand, with the aim of narrowing the gap between the two and addressing the concerns of workers and consumers of goods and services. Yet Starkman's interpretation of 'financial literacy' as the 'democratisation of financial and economic knowledge' is misleading as it only refers to knowledge about financial and consumer products, as well as about financial and corporate institutions and actors because, as he puts it, 'they shape the world we live in' (Starkman, 2012b: xvii). Addressing the democratic deficit of financial journalism certainly means far more than simple financial literacy in goods and services, as well as in financial and corporate profiles: it means holding big corporations and investors financially accountable for their operations. Sadly, however, this latter aspect hardly features in the kind of 'financial literacy' that counts for Starkman.

And so it is clear from the above discussions that Starkman (2012b) was far from the truth when he referred to financial journalism, informed by expanded financial literacy by Kilgore, as the golden age of business journalism in the twentieth century. We have seen that there would be no golden age of business journalism if such business journalism includes financial literacy, be it for big or small investors and businesses, without including financial accountability through watchdog investigative journalism that will hold corporate power to account whenever necessary.

Starkman (2012b) was indeed right in a cover essay that he wrote for the *Columbia Journalism Review* titled: 'How the business press forgot the rest of us', when he blamed the failure of the business press to predict the 2008 financial bubble on the fact that they spent more time spinning the line of the investors instead of the public. However, one thing he did not get quite right was his overplaying of Kilgore's expansion of financial journalism to public investors who were not big investors as the best example of business journalism. Little wonder that he was fiercely criticised by Robert Teitelman, editor in chief of *Deal* magazine: 'Before, during and after Kilgore, the *WSJ* had a strong investor tilt. Kilgore's leaders might have been longer, more sophisticated and better, but its readers remained mostly investors, not some broad "literate" public' (2012: 2). While it is true, as Teitelman puts it, that the largest population of readers interested in business and finance news are investors, it is also true that these investors vary in size in terms of the capital they hold and businesses they control. However, Starkman's (2012b) definition of the investor does not seem to capture this variation and this probably makes him see, albeit problematically, the investor as not being part of the public, when in fact the investor is part of the wider public. Starkman's critic Teitelman himself acknowledges this investor-public nexus:

> Starkman is right about one thing: 'Investors' are not the same as the 'public' (just as, by the way, Wall Street is not the same as money management or private equity or commercial banking), although as Kilgore recognized – and it has since greatly increased – there's a sizable overlap. The notion that investors are a proxy for the public stems from two great periods of financial reform: the New Deal in the '30s, when the Securities and Exchange Commission was set up expressly to make markets safe for investors, and the mid-'70s deregulation of Wall Street, which liberated brokerage commissions and saw the passage of Erisa.
>
> (Robert Teitelman, editor in chief of *Deal* Magazine, 2012)

The above evidence in Teitelman's analysis underpinning the idea of investors, big or small, serving as a proxy of the public, clearly supports my two categorisations of big investors and businesses within the context of macroeconomics on the one hand, and small investors and businesses within the context of microeconomics on the other. The combination of the two big and small investors/businesses constitutes the public in pretty much the same way in which a combination of macroeconomics and microeconomics constitutes the economic outlook of an economic community or country. Nancy Frazer's idea of fragmented public spheres as being part of Habermas's notion of the public sphere further supports my analysis.

It can therefore be argued that the real definition of the public is a combination of big and small publics and, when taken in the context of the business and financial actors of the economy, we can say that the public is represented by big and small investors/businesses, as well as workers and consumers of goods and services. An ideal business journalist is therefore one who is able to strike a balance between all these big and small business 'publics', as well as workers and consumers of goods and services. Another way to put it is that such a journalist must demonstrate that their work reflects a combination of the issues of macroeconomics and microeconomics, as well as a combination of financial literacy and financial accountability. I argue that, when business journalists such as Kilgore of the *WSJ* fail in achieving the above tasks and succeed only in serving the interest of the big investors at the expense of the small investors, and in reflecting the issues of macroeconomics and financial literacy, they become more financial journalists than business journalists.

Starkman was therefore wrong in not only seeing the investor as totally independent of the public but in also seeing the investor as a monolithic entity. As Teitelman observes, Starkman

> never bothers to examine exactly how much 'investors' have come to make up of the 'public'. He is quite right that there are stories that can be investigated about issues of import to the broader public and not investors. But that gap has shrunk. Who exactly is the rest of us? Do they consume journalism at all? How can they be reached?
>
> (Teitelman, 2012)

As I argued above, the combination of big and small investors constitutes the broader public. This suggests that, for the business journalists to reach the broader public, they should reach both big and small investors, as well as workers and consumers of goods and services.

In conclusion, this chapter has tried to offer a critical historical and conceptual evolution of business journalism with the aim of showing how it has sometimes during this evolution turned out to be rather more financial or commercial journalism than traditional watchdog business journalism. It demonstrates how business journalism oscillated from modernity (financial journalism) to post-modernity (business journalism), and from macroeconomics in terms of scope of coverage and financial literacy (financial journalism) to microeconomics in terms of scope of coverage, financial literacy and financial accountability since the emergence of modern capitalism in the mid-eighteenth century. What makes the business journalist different from the financial journalist is the ability not only to provide financial literacy to big and small investors and businesses (macro-economics and modernity) but also to provide financial accountability through watchdog investigative journalism that would hold corporate power to account with the aim of providing a level playing field for all businesses, big or small, and other stakeholders such as workers and consumers of goods and services (post-modernity and microeconomics). The chapter argues that too much focus on financial journalism over business journalism largely contributed to the great global financial crises of the 1920s, 1990s and 2008. The chapter to follow will take a much closer look at the impact of the crisis of identity of reporting business and finance on the crisis in the political economic reporting of financial crises, drawing largely on empirical research grounded in a framing analysis of the reporting of the subprime mortgage loan and horsemeat scandals in the UK.

Chapter 6

Reporting financial crisis in crisis!

Critical comparative study of the reporting of the subprime mortgage loan and horsemeat scandals

This chapter builds on the previous one by providing comprehensive theoretical and empirical conceptualisations to support the argument – also made in the previous chapter – that too much focus on financial journalism (lapdog) over and above business journalism (watchdog) largely contributed to the great global financial crises of the 1920s, 1990s and 2008. In other words, the crisis of identity in the reporting of business and finance, which has made business journalists see themselves more as cheerleading financial journalists instead of business journalists keeping a watch on corporate power, is largely to blame for the crisis of confidence in the way that business journalists handled the coverage of recent financial crises. The chapter calls on business journalists to be vigilant when covering the activities and transactions of corporate institutions, provide early warnings and ask the necessary difficult questions at the right time in order to prevent future crisis in the political economic reporting of future financial crises, which will have a knock-on effect on preventing or addressing future financial meltdowns.

This chapter does two things: first, it offers a critical theoretical conceptualisation to explain the crisis in the political economic reporting of financial crisis, with special reference to the 1929 and 2008 financial meltdowns. The second part of this chapter offers a critical empirical exploration of the links between issues of personal finance and consumer fraud by undertaking a critical comparison between the business press reporting of the subprime loans in the mortgage market in the UK, which partly contributed to the 2008 financial crisis, and the horsemeat scandal in the UK in 2013. Of course we are dealing with two different products here – subprime loans and horsemeat – but both are similar because their effects on consumers appear largely the same, while at the same time both were apparently caused by the 'soft-touch regulation' regime, which contributed to the financial crisis, especially in the UK.

Crisis in the political economic reporting of financial crisis

Most recent research on financial and business journalism has focused on the roles, responsibilities and performances of business journalists as watchdog or lapdog journalists, especially during periods of financial instability. Some examples include the post-Enron scandal (Doyle, 2006; Henriques, 2000) and the global financial crisis (e.g. Tambini, 2010; Usher, 2011). Research by Fahy *et al.* (2010), Schechter (2009), Tambini (2010) and Starkman (2011, 2012) was concerned with the failure of financial journalists to raise alarm bells over the impending financial implosion in 2008. It was argued that the coverage tended to appeal more to the interests of investors than the poor members of the public who were the most hit by the crisis. The reporting of the financial crisis has thus tended to be polarised across two different audiences – the noisy City investor or trader on one hand and the newly conscious public on the other.

Doyle's (2006) study interrogated the extent to which journalists working for the specialist financial press such as the *Financial Times* (*FT*) spun the neoliberal pro free market agenda of the investors in their post-Enron scandal coverage and how this was not helpful in exposing future financial scandals. Doyle's (2006) research found that, while financial journalists are better placed to adequately analyse and evaluate areas such as corporate governance and consumer and environmental protection, it is the case that educational, professional, logistical and other structural constraints make it difficult to proactively investigate financial scandals involving banks, stocks, bonds and housing markets. Part of the problem has been that the business bottom line imperative of the media to cut down production costs, attract advertising and drive profits makes corporate elite sources attractive to financial journalists. Much earlier studies, for example by Philo involving the Glasgow Media Group in 1976, 1980 and 1982, and later the 'propaganda model' by Herman and Chomsky (1988), explored structural factors that influence the news production processes: factors such as financial difficulties, political pressure, poor journalistic training, lack of logistics, advertising and PR, and above all elite sourcing. In their study of the role of Irish journalists in the country's banking crisis, Fahy *et al.* (2010) found a very close relationship between them and their elite financial sources, whom they looked up to as friends and allies, and decided to write soft stories about them in order to keep the breaking stories flowing. Dyck and Zingales (2003) (cited in Tambini, 2010: 259) describe this relationship as one of *quid pro quo*: access to information is granted, but only on condition that stories are reported in the required manner. 'Sources exert their control through granting/denying of access, the potential for treating, threats of lawsuits' (Tambini, 2010: 259).

Investor sources were also found to be dominant in Davis's (2000) research on financial journalism leading to the 2008 financial crisis. The implication of this representational imbalance against non-elite sources was that the takeover of Forte by Granada in 1995–96 was largely framed around the consequences for the big institutional shareholders, whilst the negative consequences of the deal for Forte's employees, customers and the taxpayer were all but ignored. Davis makes the argument that financial news operates within a 'closed elite discourse network' in which the 'corporate sector combining PR with its advertising and news source advantages has "captured" business and financial news' (2000: 286).

A study of the *Financial Times*'s reporting of the 1997 Asian financial crisis by Durham (2007) found evidence of coverage dominated by financial sources who framed the concerns of institutional investors far above those of the Thai government and people. Berry also points to overt UK mainstream broadcast media endorsement of the perspective of London City sources 'who were extolling the "strength" and "buoyancy" of the UK economy, which appeared to be growing strongly' (Berry, 2012: 255).

It is clear from the findings of the foregoing research that business and financial journalists simply lost the plot of their watchdog role in checking the financial abuses of Wall Street and City traders involved in the financial and housing markets. They instead joined the chorus of a make-believe, 'upbeat' market and became its cheerleaders.

However, the plethora of research reviewed above regarding the role, responsibilities and challenges of the financial and business journalists in the wake of recent financial scandals and crises tended to focus more on some of the structural factors that inhibit their key democratic watchdog function in scrutinising and holding to account state and corporate power, which contributed to the whole mess in the first place. What did not get serious attention was the failure of business journalists to investigate and expose corporate wrongdoing that eventually led to the financial crisis: they clearly betrayed their watchdog role of serving the interest of the public, who turned out to be the real victims of the meltdown. This problem has been particularly evident in the UK since research by Starkman (2011, 2012) in the USA has been very critical of this failure.

Financial crises offer by far the most important test for business journalists interested in striking the balance between the business bottom line of the investor and the interest of the public. In all the past financial crises, business journalists have been criticised for not only playing a waiting game by being reactive to the shocking financial storms but also displaying a lacklustre attitude in efforts to manage them. Ironically, however, some of these criticisms have come from well-established business journalists. Dean Starkman, who worked for the *Wall Street Journal*, and is now author of 'The Audit', a column in the *Columbia Journalism Review*, criticised the US financial and business media 'for failing to adequately cover their central beat – finance – during the years leading to the 2008 financial crisis that forced millions of low-income strivers into undeserved poverty and the entire world into an economic winter' (Starkman, 2011: 38). But there are some business journalists who think otherwise. In a speech at the George Washington University on 8th November 2008, Diana Henriques of the *New York Times* (*NYT*) said: 'The government, the financial industry and the American consumer – if they had only paid attention – would have gotten ample warning about this crisis from us, years in advance, when there was still time to evacuate and seek shelter from this storm' (Starkman, 2011: 37). Chris Roush agrees with Henriques that journalists sounded the alarm bells, and said the problem was that the average business news consumer either did not want to hear or read what the business journalists were saying, or ‘chose to ignore the warning signs’ (Roush, 2011b: 55).

Other commentators, for example Steve Schifferes, have warned that business journalists in the UK were accused by politicians and businessmen of fanning the flames of the financial crisis with sensational headlines and comments. These criticisms look ironic to say the least since they are coming from the very people whom critics such as Starkman have accused of calling the shots of the free market ideology, and who mostly served as sources of information for the journalists being criticised. What is more, a few journalists such as Robert Peston of the BBC, who took the time to question the problematic accounting system of Northern Rock, one of the British banks bailed out by the British Government using British taxpayers’ money, came under attack not only from politicians and bankers, but also from his colleagues from the *Daily Mail*. Peston was referred to as ‘the harbinger of doom’ by City traders (Schifferes, 2011: 167). In an article with the screaming rhetorical headline: ‘Does this BBC man have too much power?’ (Seamark, 2008), the *Daily Mail* wrote: ‘City traders were angered by his report which unleashed renewed market turmoil, and there was astonishment at the Treasury and fury in the government that news of the secret meeting has been given to Mr. Peston’. Yet Robert Peston and a few others like him were the exception rather than the rule in scrutinising the activities of the regulators and investors during this difficult financial crisis. Unfortunately for the financial and business press, the loudest noise was made by cheerleading newspapers such as the *Daily Mail*. Schifferes may have been right when he, in his inaugural professorial lecture at City University in London, echoed the argument that ‘the financial press had become corrupted by being too close to its sources, and had been swept up by the ideology of free markets’.

The case of Robert Peston of the BBC being dismissed as a troublemaker for sounding too pessimistic about the performance of some banking institutions during the 2008 financial crisis is very reminiscent of that of Alexander Noyes of the *Wall Street Journal* (*WSJ*), whose prediction of crash was ignored during the 1929 Market Crash. Noyes questioned the viability of the loans that brokers gave customers to purchase stocks and warned that either the market had changed so that the old rules were wholly abrogated or that its reversal, when it came, might be even worse in proportion to the violence of the movement which was interrupted. Noyes and his colleague Galbraith of the *New York Times*, who also predicted the Crash, were accused by economists, brokers and big investors of causing panic and chaos in the markets (Roush, 2011a; Klein, 2004; Galbraith, 1954).

These journalists may not have been the first people to predict the coming crash. They were more or less following the cue of an investment analyst, Robert Babson, who predicted a decline in the Dow Jones Barometer and that ‘sooner or later, the stock market boom will collapse like the Florida boom’ (referring to the burst of the Florida real estate ‘bubble’ in 1925). However, the *Chicago Tribune*, like the *Daily Mail* in the UK bubble-burst of 2008, published comments from renowned economists disagreeing with Babson's prediction and calling on the public not to take him seriously. A highly respected economist, Professor Irving Fisher, was on record as saying, 'stock prices are not high and Wall Street will not experience anything in the nature of a crash'. The good news is that Babson's predictions at the very least resonated with a few business journalists such as Noyes and Galbraith.

Yet Noyes and Galbraith were, like Robert Peston in the UK during the 2008 meltdown, very much in the minority, as most business journalists, such as those in the *Daily Mail*, turned out to be rather more financial journalists, echoing the chorus of the optimism of the markets constantly being chanted by economists, investors and brokers of Wall Street and the City of London (Roush, 2011a; Klein, 2004; Galbraith, 1954). Some of the headlines and phrases fanning the flames of optimism include 'Brokerage houses are optimistic on the recovery of stocks' (*NYT*), 'Brokers in meeting predict recovery' (*NYT*), 'Stock prices will stay at high levels for years to come' (*NYT*), 'The stock market will see bigger gains in the immediate future'(*NYT*) and 'Passing of crises' (*Washington Post*) in the wake of the 1929 Market Crash. During the latest 2008 crash, there were even more upbeat headlines and phrases such as: 'What, pray, is all the fuss about' (Emmott, *The Guardian*, 2008) and 'Slowdown, but not crash and burn' (Kaletsky, *The Times*, 2008). And so this chorus of optimism in the financial markets clouded the vision of business journalists and prevented them from reflecting a bit more on the apparently distorted assurances of a continued boom by economists, stock brokers and investors. Hence the frenzy of an upbeat market drove investors, big and small, mad, and they continued to borrow more money and pump it into more stocks. Thus, in this kind of madness, the reporting of business risks was either distorted or non-existent.

What is more, apart from the very limited scholarly engagement with the limitations of business journalism, especially in times of financial crisis, most of the evidence available is largely anecdotal, and even here the examples are mostly from the USA. There is therefore a need for more research to explain the failure of business journalism when it is most needed – during financial crisis, especially drawing on UK case studies.

Thus Tambini's (2010) research, pretty much like that by Doyle (2006), was largely based on the anecdotal wishful or speculative thinking of the financial journalists interviewed, and not on any hard evidence of their work. It is the aim of this chapter to address this gap in scholarship by drawing on a comparative framing analysis of the reporting of the subprime loans and the horsemeat scandals in the UK: this will be the focus of the remaining section of this chapter.

A comparative study of the reporting of the subprime mortgage crisis and the horsemeat scandal in the UK

The function of business journalism in providing financial literacy broadly speaking about macroeconomic and microeconomic activities resonates with the specialist business journalism beat called personal finance reporting. This beat involves writing about how people go about spending their money on a daily basis with a view to getting the best value for it. Nikki Usher (2011) refers to it as 'service journalism', which he says developed from a kind of a hybrid social identity oriented towards solving the problems of everyday life. The role of the journalist here is not only to transmit information but to help people make informed decisions about buying, or investing in, goods and services. The personal finance reporter must either have the expertise, or use experts, to offer strategic advice to individuals or firms on how to spend their money. They must have an enquiring mind, a strong dose of scepticism and a firm commitment to serving others. Dealing with people's livelihoods demands the highest standards of accuracy, fairness and honesty. To be a good personal finance reporter you need to try to always put yourself in your reader's place. By looking at the issues from your reader's perspective, you can get a better focus of what is needed to deal with their concerns. A simple personal finance story may involve interviewing a variety of people – from the highest to the lowest ranks in both the private and public sectors. In this way a personal finance reporter becomes more of a business journalist than a financial journalist as they avoid the risk of just focusing on spinning the lines of big investors and businesses. A personal finance journalist goes beyond telling the news by making in-depth evaluations, and sometimes judgements, on issues of personal finance such as whether to lease or purchase a car, take a mortgage, buy whole or term life insurance, take a retirement package, etc. Pauline Tai (2001) recommends the inclusion of at least a snapshot of the macroeconomic outlook to put the microeconomic view into perspective. She suggests that, if you are writing an article on investing in high-yield corporate bonds, it is better to 'compare their yield to the bellwether ten-year US Treasury bond for risk differentials as well as to the macro-indicators like changes in the Fed Fund interest rates that could affect their attractiveness' (Tai, 2001: 265). Personal finance reporters advocate the interests of their readers and audiences, especially where ads make it increasingly difficult for them to choose the best products and services. This suggests that service journalism reflects the ideals of journalism in the public interest.

While personal finance and consumer reporting are similar in the sense that both involve the use of money to buy or invest in goods or services, they differ in some respects. Consumer reporting is defined as the type of business reporting that ensures that consumers get value for money as they go about buying goods and services, and get compensation if they become victims of business deception. Consumer reporting differs from personal finance reporting in terms of scope and operation. Personal finance involves more long-term planning and investment advice to avoid or manage potential risks, while consumer reporting often involves assessing the quality and efficacy of products and services being purchased by consumers. In the discussion to follow I will be conducting a comparative frame analysis, in the context of mainstream financial journalism and alternative business journalism, of the reporting of the subprime mortgage crisis and the horsemeat scandal, both issues of personal finance and consumer reporting, in three British national newspapers.

Frame analysis

I employ a frame analysis method to determine the extent of lapdog financial journalism framing and watchdog business journalism framing of the subprime loans and horsemeat scandals in the UK. Entman (1993: 51–53) defines news framing as the processes that select 'some aspects of a perceived reality and make them more salient in a communicating text in such a way as to promote a particular problem definition, causal interpretation, moral evaluation, and/or treatment recommendation'. I have settled for framing analysis because it is a much more effective method of studying how journalists foreground some realities and background others in the context of promoting the interests of the political and corporate elites over those of the rest of the public.

This suggests that my use of the framing methodology is much closer to Erving Goffman's frame analysis. Goffman, the first scholar to employ frame analysis within a sociological context, was mainly concerned with a 'multiple realities' problem, or the question, 'Why am I in this social reality and should I bother to stay in it?' (Goffman, 1974: 6–7). According to Goffman, there is no such thing as 'real social reality'; rather, there are 'only multiple linguistic opportunities of reaching a consensus on a referential *frame* within which we can "playlike" we have found reality' (Suttles and Jacobs, 2010: 7). Goffman's idea of one 'real social reality' versus multiple linguistic routes to agreeing one 'real social reality' resonates with that of one modern objective 'universal truth' around which everybody, rich or poor, must rally versus many postmodern subjective 'relative truths' of different members of the public, rich or poor, discussed in detail in Chapter 5 of this book. And since I argued in that chapter that the modern objective 'universal truth' resonates with modern financial journalism for accepting all analyses and interpretations offered by big investors and other financial actors as constituting that 'universal truth' while postmodern subjective 'relative truths' resonate with the idea of postmodern business journalism for recognising all analyses and interpretations offered not only by big investors and other financial actors but also small investors and other financial actors, as well as workers and consumers of goods and services, it makes sense to use the frame analysis to explore modern financial journalism and postmodern business journalism in the reporting of the subprime crisis and the horsemeat scandal in the UK press.

Weaver (1987) sees framing as an extension of agenda setting. M'bayo *et al.* (2000) note that most mass communication researchers in the 1960s and 1970s, for example Bernard Cohen, tended to attribute a good deal of power to mass media in the agenda-setting process. Mass media have the power to manipulate public opinion to the extent that it has come to be widely accepted that the event or issue that is constantly in the media domain at any given time is automatically considered to be the most important item occupying the minds of the public. In this way mass media play an important role in setting the agenda of what the public is thinking and talking about. This is in fact what Piers Robinson called 'the CNN Factor' (2002). But the public, through public leaders and civil society, can also set the agenda for the media; this is what Virgil Hawkins (2002) calls the 'other side of the CNN Factor'. In this book, in particular this chapter, I am particularly concerned with framing as the construction of social reality mostly by big corporate investors and financial elites. McQuail observes that 'media have significant effects as they construct social reality by framing images of reality … in a predictable and patterned way' (McQuail, 1994: 331). The elite and the rich play an important role in the process of agenda setting and, by extension, framing, while the poor and the weak are left in the margins of power play.

Cooper (2009) sees a news frame as more or less an interpretation or representation of a 'raw fact', and that there is always a possibility of a counter- or alternative interpretation of that fact. Cooper (2009: 140) thus sees a frame as 'a construct applied to mediated information products'. He sees his understanding of a news frame as resonating with that described by Kuypers in a number of works (Kuypers, 2002: 7; Kuypers, 2006: 7; Kuypers and Cooper, 2005: 2).

> A frame is seen as a news story which subsumes the collection of raw facts into an interpretation of the meaning of events … . It is difficult for me to imagine a news story which does not offer some interpretation or meaning to the audience.
>
> (Cooper, 2009: 140)

The frame or counter-frame can be found anywhere in the news text, from the headline, the lead, to the main body. Drawing closely on Cooper's (2009) approach of 'rhetorical framing analysis' and, by extension, on Goffman's (1974) frame analysis approach based on the idea of 'real reality' versus 'multiple realities', I will identify and analyse the mainstream modern financial journalism cheerleading or lapdog journalism frames versus the counter- or alternative postmodern business journalism, critical or watchdog journalism frames in the reporting of the subprime loans and horsemeat scandals by three UK national newspapers, the *Financial Times*, *The Independent* and *The Guardian*, and show how too much focus on the former over the latter contributed to the crisis in the political economic reporting of the 2008 financial crisis in the UK. I chose the *Financial Times* for this study not only because it is the most authoritative UK, and in fact global, newspaper exclusively focusing on news about business, finance and the economy in the UK and the rest of the world, but because it has often been accused in most studies, not least those by Doyle (2006) and Tambini (2010), of being big corporate investor-oriented, which makes it more modern financial journalism than postmodern business journalism. I wanted to see whether my framing analysis of the reporting of the subprime mortgage loans and the horsemeat scandal by this newspaper would first confirm or negate this accusation, and to see whether there are variations in its framing of the subprime mortgage loans crisis and the horsemeat scandal which, if anything, are closely related, albeit being two distinct products, and finally to see how its framing of these two issues differs from that of *The Independent*. I chose *The Independent* and *The Guardian* because they are arguably the two most authoritative UK national newspapers known for their liberal leftist agenda, leaning more towards the interest of working-class people and small investors and businesses. Moreover, since these two newspapers have traditionally leaned more towards New Labour, which adopted the 'soft touch regulation' regime that partly contributed to the financial crisis in the UK, I wanted to see whether there were any variations in their framing of the subprime mortgage loan crisis in 2008 and the horsemeat scandal in the UK in 2013. Based on the discussion above I have decided to explore the following research questions:

RQ1: How does the *FT*'s framing of the subprime mortgage loans crisis differ from its framing of the horsemeat scandal?
RQ1: How does the *FT*'s framing of the subprime mortgage crisis differ from that of *The Guardian*?
RQ2: How does the *FT*'s framing of the horsemeat scandal differ from that of *The Independent*?

In order to answer the above research questions it will be helpful to outline the key elements of the financial journalism frame and the business journalism frame that I will be coding from the *FT* and *Independent* articles on the subprime mortgage loans crisis and the horsemeat scandal into Table 6.1.

The elements of these two frames – financial journalism and business journalism – are collapsed and coded from the headlines, the lead or the main body of the articles of the three newspapers in the study. Using the critical framing analysis of Cooper (2009) and to some extent Goffman's (1974) 'real reality' versus 'multiple realities' frame analysis, I will draw on some examples of texts containing some of the elements of the mainstream financial journalism frame

Table 6.1 Key elements of financial and business journalism frames

Financial journalism frame	*Business journalism frame*
More big investor sources	More small investor sources
More financial information, analysis and interpretation	More critical reflection on news about finance, economy and business
More financial and business deregulation	More financial and business regulation
More cheerleading or lapdog journalism	More critical or watchdog journalism
Closer to the rich	Closer to the poor
Advocates low tax for the rich	Advocates high tax for the rich
Focus on the investor	Focus on the consumer and worker
Credit crunch	Global economic recession

and the alternative business journalism frame located in articles randomly selected from the *FT* and *The Independent* covering the subprime mortgage loans crisis in January 2008 and the horsemeat scandal. Consider a hypothetical case of a small working-class family called A, defaulting on the payment of their subprime mortgage loan. The mainstream financial journalism framing of this will invoke meanings or interpretations that will frame family A simply as defaulters in the payment of their subprime mortgage loan, and will frame the investor who provided the credit for this loan as a victim of this fraudulent mortgage defaulter, or as a victim of some bad government policy such as regulation. On the contrary, alternative business journalism framing of this will invoke meanings or interpretations that will frame family A as the victim of bad business and financial policies such as deregulation, or as a friendly and poor victim of the deception and manipulation of fierce and rich investors and financial institutions, or as victim of economic recession. Moreover, the mainstream financial journalism framing of this will invoke framing elements such as appeals for deregulation or, where necessary, 'cautious regulation' and credit crunch to paint a situation of an uneasy calm rather than total economic collapse so as to help restore investor confidence, drawing mostly from analysis and interpretations from elite corporate sources representing the interests of big investors. On the other hand, the alternative business journalism framing of this will invoke framing elements such as appeals for regulation or, where necessary, 'cautious deregulation' and economic recession to paint a picture of total chaos and uncertainty in the financial markets, and to urge proactive policy interventions to calm the financial markets, drawing mostly from critical reflections on news about the financial crisis, some of which are based on inputs from small investor or consumer sources.

Financial Times (FT) *framing of subprime mortgage loans crisis and horsemeat scandal*

In this section I intend to answer my first RQ1: How does the *FT*'s framing of the subprime mortgage loans crisis differ from its framing of the horsemeat scandal? As I noted in the beginning of this chapter, my reason for choosing these two case studies is because both involve products – subprime mortgage loans and horsemeat – that are not only substandard and therefore of low and cheap quality, but also led to some form of crisis that attracted unprecedented media attention, despite being entirely different in characteristic, scope and value. I thought it would be interesting to see how a newspaper such as the highly authoritative *Financial Times*, which is arguably the most well-established global newspaper focusing exclusively on news and analysis of business, finance and the economy, adopted similar or different frames for two different but also similar financial products. I chose January 2008 as the period for the study of the subprime mortgage loans crisis because this was one of the months that registered the most coverage of this issue in the *FT* (71 articles in total in January 2008), and it is the seventh month since the first warning signs of a financial implosion in the USA in the summer of 2007. In a similar vein, I chose February 2013 as the period for the study of the horsemeat scandal because this was one of the months that registered the most coverage of this issue in the *FT* (57 articles in total in February 2013), and it is actually the month in which the horsemeat scandal broke out. Although I looked at all the articles in the *FT* framing of these two issues during the two different periods, time and space would allow me to draw on texts for the framing analysis from only some randomly selected articles that include news items, features, analysis and readers' letters. In answering RQ1 I will carry out a critical comparative framing analysis by juxtaposing similar or different framing elements of financial journalism and business journalism of the subprime mortgage loans with those of the horsemeat scandal. Readers are encouraged to read the complete articles from where the analysed texts are drawn so as to get the fuller picture. I will first look at the *FT* de-escalation framing (credit crunch) and escalation framing (economic recession), and second its regulation and deregulation framing of the subprime mortgage crisis and the horsemeat scandal in a critical comparative perspective.

FT *de-escalation framing (credit crunch) and escalation framing (economic recession)*

In my framing analysis of the *FT* coverage of the subprime mortgage crisis and the horsemeat scandal I found that the recurrent frame was that both were bad products that have led to a state of panic among investors and supermarket chains, respectively. This suggests a state of crisis, big or small. However, there was a fundamental difference in the way in which the *FT* framed the two crises resulting from the moral panic that these two bad products had generated.

Most of the *FT* framing of the subprime mortgage crisis and, by extension, the global financial crisis, which the crisis had, as a matter of fact, largely contributed to creating in the first place, was, rather more a 'credit crunch' kind of de-escalation frame that was apparently intended to calm investors into continuing to buy more equities, or at least refrain from withdrawing their investments, which has the risk of further worsening the crisis. Notable examples of such articles were written by Gillian Tett, author, finance and markets columnist, and assistant editor at the *FT*. In the lead of one of such articles titled: 'Sentiment shifts as credit woes sink in' (2008b) Tett wrote: 'In recent months, global investors have faced a conundrum. While the mood in the credit world has been bleak, until the start of this month equity markets were much less gloomy'. Apparently by way of reinforcing the 'cautious optimism' reflected in her 'credit crunch' frame, Tett quoted Lehman Brothers as saying that its research into previous recession cycles showed that stock markets usually hit the trough well before the worst part of the recession sets in, and that, what is more, 'they invariably rally sharply' following 'a recessionary trough'. In most of her articles analysed here, Tett routinely used framing elements such as 'credit crunch', 'banking crisis' and credit crisis' to de-escalate or sanitise the financial crisis. In her article: 'Financial faith found wanting' (2008a), Tett compared the US banking crisis to that of Japan in 1997, which led to the Asian financial crisis that year, by constantly quoting prominent Japanese economist Tadashi Nakamae, who said, 'Japan's banking crisis in the 1990s might prove an important lesson for America's subprime woes'. The UK-based Intermediary Mortgages Lenders Association, the mortgage brokers that sell all the subprime and self-certified loans, was also quoted in an article by Norma Cohen titled 'Many new mortgages dubbed subprime' (2008) as having 'warned against too much gloom into the housing picture'. The de-escalation framing was further reinforced in the article by Halifax Chief Economist Martin Ellis, who said: 'The UK balance sheet is very strong and stronger than it was 10 years ago'.

Even where there is tacit acknowledgement of the severity of the financial meltdown, the *FT* was resolute in reinforcing the de-escalation frame. For example, in his article 'Payback time' (2008) Peter Thal Larson wrote: 'The credit crisis has choked off many of the markets that banks in recent years relied on to take assets off their balance sheets'. The article acknowledged that the business model of 'origination and distribution' of highly risky securities that prevailed in the past has been found wanting and now obsolete, and that this made mortgage investors stop buying more securities, technically resulting in the banking liquidity crisis. This pessimistic framing of the credit crunch was provided by Alessandro Profumo, chairman of Unicredit, one of Europe's largest banks, in an interview with the *FT* in this same article. Yet this was immediately watered down by a less pessimistic framing, which, as we have seen earlier in this section, is the rule rather than the exception: 'Others are less gloomy, arguing that, despite the speculative excesses of the past few years, the mechanisms for dispersing risk through the financial system will still work'. Moreover, it is the pessimistic framing of a banking sector facing a 'prolonged squeeze' that is recurrent throughout the article, although of course it was acknowledged, albeit rather passively, that, at the very least, if the banking crisis was allowed to continue this would lead to a total economic meltdown.

This downplaying of the financial crisis provides a feeling of *déjà vu* here, as it is a stark reminder of how upbeat the media framing of the 1929 Market Crash was that things were going to be better sooner rather than later despite the sudden downturn. Most of the newspapers carried very optimistic headlines and stories about events leading to and after the 1929 crash, claiming that the 'future looked bright'. The *New York Times* carried screaming headlines such as 'Brokerage houses are optimistic on the recovery of stocks' and 'Brokers in meeting predict recovery' (Roush, 2011a).

However, the *FT*'s framing of the horsemeat scandal was that of escalation rather than de-escalation, even when big investors such as those investing in big supermarket chains were involved. What is more, the *FT*'s framing of the horsemeat scandal was neither particularly favourable to the big investors nor was it evidently critical of them, which makes the escalation framing of it slightly surprising. If anything, the *FT*'s framing leaned more towards the big investors while at the same being a little critical of the big food retailing supermarkets such as Tesco, Asda, Sainsbury's, etc., in which some of them have investments. One such article written by some *FT* reporters carried a very alarmist headline, 'Three arrested in horsemeat scandal' (2013), which said it all: 'Dyfed Powys Police said on Thursday evening that three men had been arrested on suspicion of fraud at Farmbox Meats near Aberystwyth, a processing plant, and Peter Boddy Licensed Slaughterhouse, West Yorkshire', following a raid by the FSA earlier in the week after it emerged that beef linked to the plants had tested positive for horsemeat. This article continued the shocking framing of the horsemeat scandal by providing anecdotal accounts of how big supermarket chains such as Asda, Sainsbury's and Morrisons, had quickly withdrawn all beef and processed meat that contained traces of horsemeat from their shelves. However, while both the arrest of the farmers and the dramatic withdrawal of allegedly contaminated meat products by the big supermarket chains constituted an escalation frame, it was the framing of the small local farmers as the perpetrators of the horsemeat crisis that was more evident than that of the big supermarket chains, which suggests a big investor-oriented framing that is also typical of financial journalism as opposed to a small-investor framing, which is typical of business journalism. At the very least there is no evidence of any critical watchdog framing of the big supermarket chains although they were clearly deeply involved in the escalation of the crisis. However, there are some articles that provided a few instances of critical framing of the big investors in the food chain even when this included cautioning them to be more vigilant with their suppliers, be they local or foreign, who are framed more as the perpetrators of the crisis. A good example of such articles is the one titled 'Horsemeat scandal is subprime cut: supermarkets should exercise more vigilance over suppliers' (*FT* leader 2013), which looks more like an editorial since it has no byline. The article framed the big food chains and consumers of the escalating horsemeat crisis as victims of the fraudulent behaviour of the suppliers by clearly spinning their point of view:

> Food retailers and the catering industry argue that they, along with consumers, have been betrayed by suppliers who have misrepresented the ingredients that go into their products. There is undoubtedly truth in this claim.

But the article added a critical reflection on the need for the big food retailers to bear even more responsibility to ensure that the foods they display on the shelves bear the proper labels, especially so when they are stocking increasingly cheap foods. Yet, going by the sub-headline of the article, it is clear that this critical reflection was added more as cautionary advice to them to be more vigilant in the future when dealing with the 'fraudulent' suppliers than any critical watchdog framing that will depict them as part of the problem. In fact, in the majority of articles, in the *FT*'s framing of the escalation of the horsemeat crisis there is more evidence of framing of the suppliers, especially those outside the UK, as perpetrators of the crisis. An earlier article by Louise Lucas and Elizabeth Rigby titled: 'Downing St calls "horsemeat" summit' (2013) accused foreign suppliers in France such as Comigel of 'criminal conspiracy', citing French investigators who believed that suppliers to British retailers may have deliberately sold them horsemeat as beef.

However, although there was more recurrent framing of the big retailers as victims rather than perpetrators of the fraud leading to the horsemeat crisis, there were a few articles that exceptionally pointed fingers of blame at them and even provided critical reflection on some more political economic causes of the crisis within the context of the escalation framing. One such article was by Louise Lucas in London and Neil Buckley in Rasnov, Transylvania titled 'From workhouse to main course' (2013), in which they wrote that the scandal involving the selling of horsemeat as beef to unsuspecting customers across Europe has

> sparked an outcry and triggered a blame game among politicians, the food industry and supermarkets. Tons of ready meals and burgers have been pulled off the shop shelves and junked; shoppers are switching over to less processed foodstuffs and vegetarian options.

Here the escalation frame took a swipe not only at the big supermarket chains but at the wider food industry and politicians. We can see that the escalation framing of the horsemeat scandal here, on the contrary, spun the line of ordinary shoppers. The article even went the extra mile to employ an apparent critical watchdog framing by not only critically reflecting on how the horsemeat scandal was in fact a fall-out of the financial crisis of 2008 but how the neoliberal idea of free market competition has failed, thus leading to the horsemeat scandal. The article explained that the recent 'economic slowdown' considerably diminished the purchasing power of many people, especially working-class families, hence increasing competition among shopkeepers and supermarket chains who 'have been engaged in a battle to keep consumers onside by wooing them with super-cheap food'. To get cheaper food to cope with demand means that shopkeepers and supermarket chains are criss-crossing Europe looking for the cheapest foods, including beef, or horsemeat. By technically adding fuel to the fire of the horsemeat crisis, the *FT*'s framing was rather expanding the crisis of public confidence in the food chain industry and apparently discouraging investors from investing in the industry, which was the direct opposite of its de-escalation framing of the 2008 financial crisis, which was aimed at restoring confidence in the banking industry.

Another escalation framing of the horsemeat scandal, this time not directly related to the crisis itself but dealing with animal welfare generally, has an even more alarming and dramatic headline, 'Food chain alert for investors' (2013), which is bound to make investors in the food chain industry sit up and act! The lead-in of the article by Ruth Sullivan looks tellingly dramatic as well:

> Investors will get a wake-up call on Monday when findings from a new benchmark reveal that many big global food companies in which they invest

> are failing to adequately monitor the welfare of farm animals used in the food chain.

It is also interesting to see how this escalation framing was spiced with an expression of concern by consumers and investors who are 'increasingly worried about risk management in the food chain' (Sullivan, 2013), although no quotes were provided from any consumer or investor to put these concerns in a proper context in the article. What is, however, very revealing is that in this article, just like the one analysed before it, there is evidence of crisis escalation framing but also a critical reflection on investors involved in the big supermarket chains and consumers: frames that are not very evident in the *FT* framing of the subprime mortgage crisis, even when it is a bit lacking in context, and even when the framing of the subprime crisis was more one of de-escalation than escalation.

Comparing the **FT'***s and* **The Independent'***s escalation and de-escalation framing of the horsemeat scandal*

The main aim of this section is to provide the first answer to my RQ2: How does the *FT*'s framing of the horsemeat scandal differ from that of *The Independent*? As *The Independent* traditionally leans more towards the New Labour government that adopted the 'soft-touch regulation' regime which partly contributed to the financial crisis in the UK, and by extension the horsemeat scandal, my interest in this critical comparative framing analysis is to see whether there were any variations in its framing of the horsemeat scandal in the UK in 2013 relative to that of the *FT*. The period selected for this study is February 2013 and the reason for this choice is three-fold: first, it is the month that the horsemeat scandal broke out; second, it is the month that saw the most coverage of the horsemeat scandal in *The Independent* (66 articles in total); and finally, it is the same month chosen for the *FT* coverage of the horsemeat scandal, which is necessary for an easy comparative study of the framing of the horsemeat scandal by the two newspapers. In terms of method and design I will follow pretty much the format of critical comparative analysis that I carried out with the *FT* in the previous section by looking at *The Independent*'s de-escalation and escalation framing.

While *The Independent*, like the *FT*, carried more horsemeat escalation framing than de-escalation framing, it certainly had more critical watchdog framing of the big supermarket chains than the *FT*. The headline and lead of an opinion piece in *The Independent* by Joanna Blythman (2013) are quite revealing of this critical/escalation framing, implicating not just the big food retailers but government as well in the 'criminal conspiracy': 'Save yourself from horsemeat horrors, because the government certainly won't' (headline) – 'The government, food industry and public health establishment connive in supporting the myth of convenience food' (lead). Unlike the *FT* articles analysed earlier, this article critically framed all the perpetrators of the horsemeat crisis by blaming all of them for persuading the public to buy processed food instead of wasting time in cooking, and warned that they do this to push their profit margins. The article warned that it is much easier to adulterate processed foods because they are usually mixed up with very 'cheap ingredients and laced with chemical additives'. The author observed that the government is all too reluctant to caution people not to eat too much processed food because it simply does not want to 'upset the Big Food Inc'.

Another article in *The Independent* that provided not only a horsemeat escalation framing but also one largely punctuated with critical watchdog framing of the key players, especially the big supermarket chains, was authored by John Von Radowitz and titled: 'Ban on British meat product ban linked to horsemeat scandal' (2013). The article provided critical context by blaming the horsemeat scandal on a European ban imposed on relatively cheap desinewed meat (DSM) processed by a local British abattoir and the need for cheap alternative meat in Europe. The article noted that the European ruling had created panic in the meat retailing sector as it meant that any meat that contained DSM was removed, especially so when only two days' notice was given before it came into force in April 2007, a little over eight months earlier. The critical horsemeat escalation framing was reinforced by a food consultant and former employee of the Food Standards Agency in charge of food authenticity, Dr Mark Woolf, who was quoted as saying that pressure from big food retailers to keep prices down made them avoid meat produced by British farmers that is expensive but of good quality, and look elsewhere in Europe for cheaper alternatives. However, 'Dr Woolf criticised supermarket chains for putting pressure on suppliers and not questioning the source of the cheap ingredients replacing DSM'. An even more critical escalation framing of the horsemeat crisis in *The Independent*, presenting the small farmers as the victims and the big food chains as part of the problem was provided by Terence Blacker with a title that succinctly tells the whole story: 'The real scandal behind horsemeat is the struggle of smallholding British farmers' (2013). Blacker lamented the unfortunate situation of small meat farmers and processors, who despite working within regulatory welfare and environmental conditions, have been put out of business by the push by retailers and their consumers for cheaper alternative meat in Europe. Blacker added that the important role of the smallholding farmers will be undermined 'if the only voices which are heard in the debates surrounding policy are those of developers or vast agribusiness for whom the countryside is a factory floor'. And so *The Independent*'s framing of the horsemeat scandal was not only escalation of the crisis like that of the *FT*, but also one of consistent critical watchdog framing of the big food-processing and retailing chains and sympathetic framing of the smallholding farmers and meat processors, which is not the case with the *FT*'s framing of the horsemeat scandal, as we have seen above.

The **FT***'s framing of deregulation and regulation in its coverage of the subprime mortgage crisis and the horsemeat scandal*

My critical comparative framing analysis also revealed a fundamental difference between the *FT*'s deregulation and regulation framing of the subprime mortgage crisis and the horsemeat scandal. In fact more framing of elements of deregulation and regulation was evident in the *FT*'s coverage of the horsemeat scandal than that of the subprime mortgage crisis. There was a passing reference to deregulation and regulation in the *FT*'s coverage of the subprime mortgage loans, and most of the time there was a clear-cut bias in favour of deregulation over regulation, which is not unusual for a newspaper often accused of leaning more towards big investors and their holy grail, neoliberal free market ideology. For example, in her article titled 'Financial faith found wanting' (2008a), Gillian Tett's framing clearly problematised complex financial regulations that partly contributed to the banking crisis by quoting a former US bank regulator who admitted to having been part of the problem:

> 'This time it is a lot more complex than earlier [banking crises]', admits Mr Ryan. 'Former US bank regulators like me feel a bit responsible because we used risk-adjusted capital rules to push riskier assets off balance sheet – but we never expected that it would lead to the creations of things such as the SIVs and complex leveraged CDOs … . This was financial engineering that went too far'.

Timothy Ryan was then Vice Chairman of financial institutions and governments at JP Morgan when he said this. Despite the rather sombre tone in which he admitted complicity in the banking mess, he sounded upbeat: 'I do think this crisis will work its way through quicker … . Banks are bringing the problem assets back on the balance sheet … and writing down positions and adding reserves'. Yet, according to this same article by Tett, while Wall Street banks are making moves to write off their losses, Washington politicians are not showing any sense of urgency in helping out 'subprime borrowers', let alone revealing the exact extent of the damage caused by the very complex 'many structured finance instruments' put together by the banking regulators to ensure that the financial system is in a better position to absorb shocks. Another *FT* article, this time by Stephanie Kirchgaessner, with the rhetorical headline: 'A subprime swing?' (2008), referring to the extent to which the subprime issue has made the US economy the main issue on the minds of US voters as they prepare to vote in the 2008 presidential election, making the Democrats clear favourites to win since they are traditionally stronger on the economy when it comes to persuading voters. Then Democratic party presidential candidate and Illinois senator Barack Obama was quick to make political capital of the political economic mess of the subprime crisis in this article by Kirchgaessner when he was quoted while campaigning in Nevada, a state where the rate of foreclosure is four times the national average: 'This is an outrage,' he said. 'It's an outrage that Washington caved to lobbyists when they knew this could happen and it's an outrage that they're doing nothing about it now'. While this article provided a kind of critical watchdog framing against lending financial institutions that have rendered most poor working-class subprime borrowers victims of foreclosures and homelessness, thus prompting intervention by charities such as the one by Sister Barbara Busch and Washington politicians, the framing was rather more patronising about the victims than critical of the perpetrators. In fact, if anything, the article employed some very pessimistic and patronising frames, putting the blame on the working-class victims of the subprime crisis and thus opposing any regulatory intervention to rescue them. Pollsters and analysts were cited in the article warning presidential candidates to tread carefully on the 'question of how much the government should assist homeowners some say made some irresponsible decisions'. The article reinforced the anti-regulation frame by echoing anti-bailout voices such as one Ms Duffy:

> 'There are a lot of people who say: "There are those of us who lived by the rules, you don't bail out those who didn't"', says Ms [Jennifer] Duffy [a senior editor of the Cook Political Report].

How about an expert voice to put the icing on the subprime borrower blame cake?:

> 'It cuts both ways. The people who are about to default out of their mortgage, they are very eager to get help. But the rest of the population has a very different view', says Allan Meltzer, a professor of political economy at Carnegie Mellon.

Yet, while the article provided very critical framing of blame against poor victims of the subprime crisis, backed by voices of elite sources, no such framing was forthcoming against the perpetrators – the lending bankers and their middlemen mortgate brokers – who were just giving out loans with high interest rates to prop up their balance sheets and economies of scale at the expense of the poor unsuspecting borrowers. What about framing of blame against other complicit perpetrators who made bad regulations or turned a blind eye to the violation of good regulations for alleged kick-backs?

However, when six years later another crisis broke out, this time the horsemeat scandal, which was widely believed to have fallen out of the 2008 financial crisis, the *FT*'s framing of this crisis was apparently in favour of regulation over that of deregulation and was somehow critical of the neoliberal free market system, which is the direct opposite of its framing of the subprime mortgage crisis as we have seen in the earlier discussion in this section. By far the most notable article reflecting this *FT* pro-regulation framing of the horsemeat scandal was that authored by Hannah Kuchler, with the headline, 'Pressure grows to reform light-touch regulation' (2013a), which captures the framing itself most appropriately. The lead sums it up even better with loud echoes of a growing frustration of the increasingly weak regulation regime and a call for action: 'The widening horsemeat scandal has led to calls for a shake-up of Britain's food inspection system, with critics likening its failure to that of light-touch bank regulation before the financial crisis'. The lead and some sections of the article referred to fitting parallels drawn by critics between this failure of regulation leading to the horsemeat scandal and the light-touch regulation (a kind of mild regulation or deregulation) which precipitated the financial crisis. There could well be a parallel between this *FT* framing of the horsemeat scandal and the subprime mortgage crisis being caused by this light-touch regulation failure, although this parallel was more or less acknowledged in this article and a few other articles written by the *FT* on the horsemeat scandal, but not necessarily those on the subprime mortgage crisis. What is more, this article ironically heaped the blame of the failure of the regulation regime on the austerity policies of Cameron's Conservative government, a government that is traditionally opposed to regulation of finance and business. 'Industry experts blame a perfect storm of austerity-driven budget cuts, a laisser-faire attitude and fragmented monitoring network for the spread of horsemeat into the food chain'. One such food industry expert, a retired food inspector, blamed the scandal on the reduction in the number of inspections at cutting plants following a change in EU laws in 2004 and added that pressure to work at break-neck speed in the abattoirs made it very difficult for the food inspectors to pick out contaminated food. By far one of the most tellingly critical *FT* leaders of light-touch regulation in the food industry relating to the horsemeat scandal was that titled 'Horsemeat scandal is subprime cut: supermarkets should exercise more vigilance over suppliers' (2013) with no byline, thus looking like an editorial. It is rather ironic that the main headline is apparently comparing the horsemeat scandal with the subprime mortgage loans, as both resulted from dealing in substandard products, while at the same framing the horsemeat scandal as being caused by light-touch regulation but framing the subprime crisis as being caused by regulation of the banking sector. This ambivalence is quite evident in the lead of the article:

> Regulation of the food industry has never been stricter. Yet the incentives for deception have never been greater. Europe's spiraling scandal over horsemeat masquerading as beef in processed food reveals an urgent need to push back hard against the commercial imperatives that make cheating profitable.
>
> (*FT* leader 2013)

Yet, as we also observed in the first section of the *FT*'s framing analysis, while the *FT*'s framing of the subprime mortgage loan crisis was more one of de-escalation, thereby downplaying the damage of the substandard quality of the loans, and therefore seeing no need for alarm or a call for urgent action, we can see that here, as demonstrated in the above article, the framing was one of escalating or foregrounding the damage of the substandard quality of horsemeat, and hence the need for alarm and urgent action to stop the fraud.

Having said that, however, it is important to note a parallel defensive framing of the big investors who provided the credit to the banks to provide the subprime loans to that of the big suppliers of the horsemeat. For instance in the same *FT* article analysed above, while 'undoubtedly' recognising the truth in the claim by 'food retailers' and the 'catering industry' and 'customers' of having been 'betrayed by suppliers who have misrepresented the ingredients that go into their products', retailers are urged to take responsibility to ensure that the foods that they sell are exactly what is on their labels. In this case the *FT*'s framing of the big food suppliers is as defensive as it was of the big investors in the subprime loans. The article also adopted a slightly defensive framing of the light-touch regulation of the food chain industry for providing competition and hence cheap food, which was beneficial to relatively poor consumers hit hard by the economic recession. However, in comparing the horsemeat scandal and the subprime crisis, the *FT*'s framing recognised the potential for fraud caused by the growing distance 'between supermarkets and their suppliers' but failed to have the same framing of the potential for fraud caused by the distance between the big investors who provided the credit and the banks who provided the subprime mortgage loans.

Comparing the **FT***'s and* **The Guardian***'s regulation or deregulation framing of the subprime mortgage loans scandal*

While the anti-regulation framing appears to be dominant in the *FT*'s reporting of the subprime mortgage loan crisis, in the case of *The Guardian* the framing looks more favourable to the idea of regulation of subprime mortgage lending or at the very least is unhappy or concerned with the failure of the light–touch regulation. These two opposing frames go to confirm the traditional ideological leanings of these two newspapers: the *FT* pushing the conservative neoliberal agenda, which includes deregulation, and *The Guardian* pushing the Marxist liberal agenda, which includes regulation. All 34 articles in *The Guardian* featuring the subprime crisis obtained from the Lexis Nexis database were examined in the comparative framing analysis, which revealed a dominant framing of the failure of the light-touch regulation, especially regarding the banking industry. The *Guardian* article (Elliott 2008) titled 'More gloomy economic data emerges' frames the anti-light-touch regulation by reporting the mounting pressure on the Bank of England to reduce interest rates in order to shore up demand for mortgage lending following a dip in demand in the wake of the subprime mortgage crisis and the general slowdown in economic activities. This *Guardian* framing was, by implication, more or less pushing the need for government regulatory intervention to decrease interest rates in order to increase demand for mortgage lending and halt the economic slowdown instead of leaving things to the invisible hand of the market forces of demand and supply. This framing also has a positive implication for struggling new mortgage borrowers since it will cost them less to buy their homes but has an obvious negative one for the mortgage-lending industry since this intervention would mean less profit margin for them. Thus this

Guardian framing is clearly for regulation of the banking industry to protect the interests of the public, while that of the *FT*, as we saw earlier in the articles by Tett and others, is clearly anti-regulation to protect the interests of the investor and the banking industry.

By far the most glaring example of *The Guardian*'s critical framing of the failure of light-touch regulation is the article titled: 'Le Roc du Nord' (2008b) comparing the crisis of the British Northern Rock bank (NR) and that of the French Société Générale (SocGen) caused by the fraudulent stock trader Jérôme Kerviel. The article (byline not provided) opens with a rhetorical question asking whether SocGen should be renamed 'Le Roc du Nord' as he thinks that there are very close similarities between the way in which the crises at the two banks unfolded – 'not least the blatant evidence of the failure of the internal risk management and of external regulatory control'. However, while this *Guardian* article recognises the differences between what actually caused the crises at the two banks – NR endorsing a 'high risk loan policy' and at SocGen the 'fraudulent behaviour' of the lone trader employed by the bank, it still frames both of them as corporate wrongdoing largely made possible because of light-touch internal and external regulatory regimes. Moreover, this article blames the worsening of the NR crisis on the

> confusion of responsibility among the three regulators (Treasury, Bank of England and Financial Services Authority – FSA), and goes even further to ask why they and their French counterparts (Bank of France, Banking Commission and the Financial Markets Authority) did not intervene earlier given the growing scale of the sub-prime debacle?

However, *The Guardian*'s framing of light-touch regulation that ensured a corporate blind eye to the activities of the 'rogue lone trader' of SocGen appears a bit more critical than its framing of a similar scenario of lax internal banking supervision at NR. The article cites colleagues who quit SocGen as confirming Jerome Kerviel's testimony to the police in saying that his 'superiors simply turned a blind eye to his activities so long as he was making money – and helping them secure hefty bonuses. ('Not seen, not caught. Caught, hanged', is how Kerviel summed it up to the cops). Although there were reports in the British media, not least in the *FT* regarding the public outcry against the hefty bonuses of bank executives who were asking for tax payers' money to bail their institutions out of the financial crisis, this *Guardian* article appears less critical of the lax NR banking system compared to the way it framed that of the SocGen. The article framed the SocGen crisis as even more serious by presenting French President Sarkozy as being on the warpath – determined to 'insert a bit of wisdom' into a financial system that has 'lost sight of its purpose', directly quoting his words, and yet suggested that his British counterpart Gordon Brown had declared a similar war against lax banking without any attribution of direct quotes to support this assertion. Whatever the difference in the critical framing of the light-touch regulation regimes of NR and SocGen, however, it is important to note that both frames emphasise how poor, or insufficient, regulation contributed to the subprime mortgage crisis.

On the other hand, the *FT*'s framing of the subprime crisis is more or less one of anti-, light-touch, or self-regulation; the *FT*'s framing of this crisis is also generally big business- and investor-oriented. *The Guardian*'s critical framing of light-touch regulation prioritises small businesses and new mortgage borrowers, most of whom were on the receiving end of the worst impact of the mortgage crisis. A *Guardian* article titled 'Credit crunch takes a bite out of McDonald's US Sales' (2008a) cites analysts as saying that the company's mainly blue-collar customers were already feeling the pinch. Mortgage defaulters who were struggling to catch up with their regular mortgage payments were obviously cutting down on their fast food consumption. The *FT*'s framing of mortgage borrowers, on the other hand, as we saw with our frame analysis of its article titled 'Subprime swing', is less sympathetic and in fact patronising in some instances. However, there are few exceptions, especially articles written by guest writers, where the *FT*'s framing has been both against light-touch regulation or deregulation, and more or less sympathetic to the cause of small investors and subprime mortgage borrowers. One such article in the *FT* titled 'Why America needs a little less laisser faire' (Frank, 2008) and authored by Barney Frank, Democratic Chairman of the House Financial Services Committee, emphasises not only the failure of deregulation but of the whole capitalist free market system which has widened the gap between the rich and the poor. The lead of the article captures the anti-regulation message more vividly:

> As we prepare for this autumn's election, the results are in on America's 30-year experiment with radical economic deregulation. Income inequality has risen to levels not seen since the 1920s and the collapse of the unregulated portion of the mortgage and secondary markets threatens the health of the overall economy.

On a more positive note, however, Frank refers to an emerging consensus among Democratic party politicians that is standing up against the free market politics of the Republican-led US government. He notes that Democrats believe that government's role as regulator is essential to maintain 'confidence in the integrity and fairness of the markets', and that they believe that economic growth alone cannot 'reverse unacceptable levels of income inequality'. Yet Frank is bold enough to caution that the lessons from the 2008 mortgage crisis tell us that a 'mature capitalist economy is as likely to suffer from too little regulation as from too much', which gives the impression of support for a moderate form of regulation, rather than an extreme form of regulation or deregulation, as the panacea for avoiding financial crisis.

Comparing the **FT***'s and* **The Independent***'s framing of regulation and deregulation of the horsemeat scandal*

The *FT*'s framing of the light-touch regulation or no regulation as a cause of the horsemeat scandal is to a large extent similar to that of *The Independent*. In the first place, both newspapers compared the horsemeat scandal to the subprime mortgage crisis not only because both involved substandard or low-quality products that are relatively cheap, but because they were produced because of a light-touch regulation regime adopted by both the banking sector and the food industry. In the *FT* leader: 'Horsemeat scandal is subprime cut: supermarkets should exercise more vigilance over suppliers' (2013) the title itself suggests the comparison that is made between the two crises, while reference to the massive fraud that takes place in the movement of meat products in the widening distance between the big supermarket retailers and the meat processing industry in Europe is apparently likened to that which takes place in the movement of credit from the big investors to the banking industry that gives out mortgage loans to customers. Yet, while clearly acknowledging the claim by the big retailers and the food industry of the deception of the meat suppliers in mixing and matching horsemeat as beef, and the difficulty in avoiding fraud in the long food supply chain, the *FT* called on the big supermarkets to exercise some vigilance to reduce the likelihood of fraud. As the regulators no longer have the resources to monitor the food supply chain, the article called on the big retailers to undertake self-regulation, which seems to suggest that the *FT* was occasionally leaning towards its more traditional deregulation position, although its framing was more supportive of regulation instead of that of the prevailing light-touch regulation.

However, this was not the case with *The Independent*'s framing of light-touch regulation of the horsemeat scandal, which on the contrary was more critical. The article in *The Independent*, which is much closer in comparison to the previous *FT* article analysed above in terms of drawing a parallel between the subprime mortgage loans crisis and the horsemeat scandal, is that authored by Andreas Whittam Smith titled 'How to sell horsemeat and subprime loans' (2013). From the lead to the end of the article, the framing is not only one that is critical of neoliberal business that cannot be trusted to be nice to consumers but also one in which the consumer is inevitably on the receiving end of any crisis that may result from lack of stronger regulation of the banking or meat industry. So here *The Independent* is even more categorical in calling for the need to regulate business in the public interest. The article is very clear about big business being the perpetrator of the banking and meat industries' crises and about the consumers being the poor victims. While, on the other hand, the *FT* equivalent or parallel article analysed earlier, despite being vaguely critical of the light-touch regulation, was far from critical in its framing of the role of big business in producing the two much related crises, let alone in framing consumers as the real victims. In fact, if anything, the *FT* article described the parallel between the subprime loan and horsemeat crises as 'disturbing', which gives the impression of something 'unhelpful', 'worrying', 'unsettling' and hence negative. This *Independent* article by Whittam Smith (2013), on the other hand, appears very upfront and convincing in its comparison of the subprime and horsemeat crises, and above all very critical in its framing of big business as perpetrator and the consumer as the victim, as is evident in this extract:

> It seems a far-fetched comparison, but the more closely the horse-meat scandal is examined, the more it brings to mind the origins of the banking crisis. In these two examples of globalisation gone mad, the resemblances are remarkable. To start with, there are the same hard-pressed customers.

What is more, another quite revealing difference between the *FT*'s and *The Independent*'s framing of consumers as victims of light-touch regulation is that the *FT* framing looks rather patronising in negatively stereotyping the customers as lacking agency and helpless, and urging them to brace themselves to pay more if they want quality instead of substandard mortgage loans or beef (*FT* leader, 2013). However, *The Independent*'s framing of consumers on the other hand looks genuinely supportive of them by saying that a survey carried out by Kantar revealed that 40 per cent of those questioned said that the horsemeat scandal is not going to change their food shopping habits. 'They couldn't afford to pay more. Horsemeat, if that was what they were eating, was better than no meat' (Whittam Smith, 2013). Whittam Smith provides further context to reinforce the supportive framing of consumers as the victims of the fraudulent behaviour of the big investors and their middlemen by drawing on the explanation by Professor Harvey Rosin of Princeton University that just before the 2008 market crash what he called 'innovations in the mortgage markets' had provided opportunity for the young and excluded with poor credit ratings and who could not afford to pay huge mortgage deposits to participate actively in the housing boom. In a rather fitting comparison of the perpetrators of the two crises, Smith adds: 'So, like it or not, both the suppliers of the horse meat fraudulently labelled as beef and the reckless suppliers of credit in the housing market were meeting a genuine need'. He notes, however, that since the aim was to disguise these substandard products, both suppliers decided to use the same technique of 'mix and match' of horsemeat and beef, and pass it off as beef, and subprime loans as better quality securities. Smith blames 'wilful ignorance' on the part of the supermarkets and professional investors for failing to notice the fraud and prevent it, which suggests a kind of critical framing of the big financial perpetrators of the crises. He points to 'strong-armed regulation' as a remedy, but laments the government's blatant rejection of this approach underpinned by his reference to the famous speech in 2006 to the Confederation of British Industry (CBI) by then Chancellor of the Exchequer Gordon Brown, where he heaped praise on what he called 'stability through a predictable and light-touch regulatory environment'. Whittam Smith also criticised the Conservative Coalition government that took over from Labour in 2010 for exacerbating the light-touch regulation regime by counting on the goodwill of business to self-regulate their activities but warned that this has worsened the problem because, as he puts it, 'It is like patting a tiger on the head and telling it to be good'. However, he said that the good news is the release of a report by *The Lancet* journal that documents the strategies that the food industry is using to undermine effective public health policies and programmes. He describes the report as noting that the strategies used included food industry companies sponsoring favourable articles about their products and business, and co-opting and corrupting public and health officials through well-established lobby organisations. He says that this corruption is as true in the food industry as it is in the banking industry.

Moreover, the conclusions of the two parallel *FT* and *The Independent* articles speak volumes of the difference in the way in which the two newspapers framed the regulation of these two similar products and consumers. On the one hand, the *FT* leader (2013) concludes by noting that consequences of a weak regulation regime may be higher, but rather patronisingly warned consumers to learn that 'there are no free lunches', and that it is sometimes 'right to look a gift horse in the mouth'. On the other hand, the *Independent* article by Whittam Smith (2013) cautioned that it is a situation of 'every one for themselves and only strong regulation can keep consumers safe' from the manipulations of business.

Another *FT* article that provides a patronising framing of consumers as victims of the horsemeat scandal was authored by Hannah Kuchler and titled 'Mixed feelings greet horsemeat scandal' (2013b). The lead of this article tellingly frames the consumers as lacking the agency and desire to recognise what is quality food:

> The microwave meal eaters of London's Old Kent Road reacted with shrugs rather than shock to the accusations of an 'international criminal conspiracy' over horsemeat.

The framing of consumers of processed food of one of the deprived neighbourhoods of London as 'microwave meal eaters' is pejoratively stereotypical and their framing of having shrugged off rather than being shocked by the fraudulent conspiracy against them shows how they were depicted as people who lack the agency to care about the safety of the food that they buy and eat on a daily basis. While the *FT* should be given credit in this article for taking the time to reflect the voices of the poor consumers as a result of 'criminal conspiracy', which in a way demonstrates diversity, albeit a rather isolated one, it should be noted that the fact that they were framed as being little concerned about the horsemeat crisis gives the impression of downplaying or sanitising the horsemeat scandal, which in a way is a parallel to its framing of the subprime crisis. Although most of those consumers whose voices were echoed in the article displayed a kind of 'I don't care' attitude to the news of the horsemeat scandal, insisting that the low prices would be 'too tempting to resist', there were few others who after all showed that they cared about the 'quality' of the food they eat: in fact one of them (Ian), who tries to avoid packaged meat, said that price was important: 'people should spend more money on what they eat'. Ian was, however, quoted as not necessarily blaming the shoppers for this problem but said that the onus is on the 'regulator to keep an eye on it'. This suggests some *FT* support framing for regulation although it is not as critical and recurrent as that of the support framing of *The Independent* for 'strong-arm regulation'. If anything, however, the *FT* article quoting above an apparently well-to-do consumer (Ian) who is not interested in packaged meat, suggesting that he can afford to buy expensive beef, and urging people to spend more for what they eat, seems to echo the dominant frame of the *FT* leader (2013) analysed above that, if you want quality beef, you have to pay more. Moreover, this seemed to resonate with the *FT*'s patronising framing of consumers not caring for quality beef because of their lack of money and agency, and not necessarily because the alternative beef available is just too expensive for their reach. This patronising framing was reinforced in a letter to the editor of the *FT* authored by Ms Mella Frewen, Director-General of Food-Drink Europe based in Belgium, titled 'Quality has been sacrificed to price' (2013) in response to an article in the *FT*, 'Demand for cheap food drives hard bargaining in global supply chain' (16/02/13). The titles of these two *FT* articles clearly tell the whole story of how dominant the *FT* framing of quality was over that of price, suggesting that the *FT* was more interested in what was good for the affluent class who can afford it and the big businesses that benefit if there is an increase in demand for the more expensive beef. The dominant *Independent* framing, on the contrary, was for a regulatory regime that would ensure the availability of safe, quality and affordable beef to the majority of consumers regardless of whether they are rich or poor.

Margareta Pagano took *The Independent*'s critical framing of the light-touch regulation related to both the banking and food retail industries a bit further in her article titled 'Horsemeat chaos shows shops, like banks, got too big for their boots' (2013). But instead of subprime mortgage loans, she compared horsemeat to interest rate swaps. She explains that, in the case of food manufacturers like Findus, and retailers such as Tesco, Aldi and Asda, using their own-label products, 'they have been packaging and labelling products as beef which are actually horsemeat of dubious origin'. She adds that, in the case of banks, sales teams have been selling 'payment protection insurance or interest-rate hedging instruments to their customers and passing them off as safe and useful'. What is more, this *Independent* writer goes beyond the call for regulation by naming and shaming the bosses of the businesses responsible for the failure of light-touch regulation that led to the banking and meat crises as is evident in this extract from her article:

> It's astonishing that the senior executives at the retailers and food manufacturers involved don't appear to have had quality control managers who regularly visit all the abattoirs or the farms that supply them annually with tonnes and tonnes of meat.

Although this extract is referring specifically to the horsemeat scandal, it may quite easily be applicable to the banking industry, where executives have been reported as having more interest in claiming fat bonuses than actually ensuring banking regulations are strictly adhered to by their staff.

Joanna Blythman's (2013) article in *The Independent* analysed earlier is also very illustrative of the critical framing of the light-touch regulatory regime of the government in not only accusing them of complacency but also weighing heavily on them for in fact conniving with the fraudulent food industry chains in downplaying the extent of the crisis. She laments that the 'Food Standards Agency – which was meant to be a vigilant watchdog, but which behaves like the food industry's biddable pet – staggers slowly to its feet from its comatose slumber to reassure us that everything is fine' (Blythman, 2013).

To conclude, the framing analysis above shows that the *FT*'s framing of the subprime mortgage loan was one of de-escalation, giving the impression of a less alarming credit crunch and thus denying the seriousness of the 2008 financial crisis while, on the contrary, its framing of the horsemeat scandal was more one of escalation, giving the impression of an alarming situation. While *The Independent*, like the *FT*, carried more horsemeat escalation framing than de-escalation framing, it certainly had more critical watchdog framing of the big supermarket chains than the *FT*. While the anti-regulation framing appears to be dominant in the *FT* reporting of the subprime mortgage loan crisis, in the case of *The Guardian* the framing looks more favourable to the idea of regulation of subprime mortgage lending or at the very least is unhappy or concerned with the failure of the light-touch regulation. However, *The Guardian*'s framing of light-touch regulation was far more critical than the *FT*'s framing. The *FT*'s framing of the light-touch regulation or no regulation as a cause of the horsemeat scandal is to a large extent similar to that of *The Independent*. However, *The Independent*'s framing of the light-touch regulation was far more critical than that of the *FT*. The findings in the research of this chapter support the argument that the *FT* ticks the box of financial journalism better than *The Guardian* and *The Independent*, while the last two tick the box of business journalism better than the *FT*.

This page intentionally left blank

Part III

The crisis in the political economy of business journalism

This part critically examines the political economy of the crisis that business journalism has been facing in the context of the huge challenges which have wreaked havoc on its very survival. Yet, to the extent that journalism owes its very foundation to the neoliberal capitalist model, and in a way breathes and lives capitalism, it stands to reason that any form of crisis that hits global capitalism is bound to have an adverse effect on it. Put in another way, as capitalism itself happens to be the foundation of the modern media system, and thus the two have a kind of symbiotic relationship, one of the two can hardly survive if the other is hit by crisis.

The media, particularly the old media, have faced, and are still facing, huge challenges of survival in the recession. Facing falling sales and declining advertising revenues, they have responded in several ways. While some media, in an attempt to establish new and sustainable business models, have diversified their output by expanding into digital provision delivered on new technological formats and/or have erected pay-walls, others have closed down or have rationalised their operations. Mergers and acquisitions, meanwhile, have increased as media entities pursued horizontal and vertical integration in an attempt to gain market share and maintain profitability. The net result has seen even greater corporate control of the media. Earlier works by Herman and Chomsky (1988), Herman (2002) and, most recently, Roush (2011a) have exhaustively explored the challenges of PR and advertising to business journalism, while other works by Karen Sanders (2003), Tony Harcup (2002), Chris Frost (2000) and Richard Keeble (2001) have provided much detailed discussion on the challenges of journalism ethics more broadly. The two chapters in this third part of the book will therefore focus on a comparative empirical analysis of the ethical and new media challenges facing business journalism in developed countries of the West, emerging BRICS (Brazil, Russia, India, China and South Africa) economies and developing countries.

This page intentionally left blank

Chapter 7

Comparing ethical challenges of business journalism in the USA, the UK, China and India

There has been increasing scholarly interest in the ethical challenges that journalists negotiate on a daily basis as they go about making sense of the world for their audiences. The ethical journalistic challenges vary across the globe, although most countries with well developed democratic structures such as freedom of expression and a free press modelled on Western liberal democracy tend to have more or less the same. Yet there is hardly any agreement on the definition of ethical journalism apart from the fact that the question of ethics is central to what has been accepted as professional journalism. Ethical journalism is generally taken to mean a morally acceptable behaviour of journalists based on following certain acceptable codes of conduct in their practice. In most countries with a less developed and vibrant business press, there is hardly any set of codes of ethics specially designed for business journalists. This means that business journalists in those countries are required to follow the general journalism code of conduct, if there is one. On the contrary, in those countries with a more developed and vibrant business and financial press, there are codes of conduct specially developed for business journalists. Yet there hardly exists any generally acceptable definition of what constitutes ethical business journalism. Ethical business journalism is how business journalists closely follow ethical standards that help them behave in a manner that promotes trust in them, the information they gather and disseminate, and the way in which they and their news organisation handle news about business, finance and the economy in national and global contexts.

This chapter offers a critical comparative study of the ethical challenges of business and journalism in two Western developed countries – the USA and the UK – and two emerging BRICS economies – China and India. These challenges are discussed in the context of how they hinder the efforts of journalists in performing their watchdog role. Particular attention will be paid to how journalists go about seeking and gathering information, in the course of reporting, writing or producing, of editing and displaying, and of publishing and broadcasting news, focusing on case studies from the two Western developed countries, the USA and the UK, and two newly emerging BRICS countries, China and India. The reason for selecting these four countries for this comparative study has more to do with the fact that the USA and the UK are by far the developed Western countries with the most orthodox tradition of Western liberal democracy which informs the business model of business journalism as practised in most parts of the world, while India, one of the newly emerging BRICS countries, has a well-established tradition of freedom of the press modelled on the Western liberal democracy system. The inclusion of China, another BRICS country, is considered necessary to help observe whether recent rapid economic growth in that country based on a moderate neoliberal market economic system has had any impact on the ethical challenges faced by Chinese business journalists. More importantly, the reason for comparing two developed countries of the Organization for Economic Co-operation and Development (OECD) and two newly emerging global economies grouped as BRICS is to observe whether there is a fundamental difference in the ethical business journalism challenges of free speech, privacy and conflicts of interest between the two OECD countries and two BRICS countries.

The main objective of this chapter is to look at the similarities and differences in the way in which business journalists in these two sets of countries respect or breach the ethical codes related to free speech, privacy and conflicts of interest. Earlier and most recent works by Keeble (2001), Frost (2000), Harcup (2002, 2009), Sanders (2003), De Burgh (2003), De Burgh *et al.*, (2012), Wilkins and Brennen (2004), Petley (2012) and others have looked at journalism ethics more broadly focusing on case studies in the UK, the USA or China. However, very little attention was paid in these studies to comparing ethical challenges faced by journalists in the UK and the USA, and, in the case of the work by De Burgh, in the West and China. This chapter aims to address this gap by contributing a comparative study of the application or breach of business journalism ethics in two OECD and two BRICS countries with respect to free speech, privacy and conflicts of interest. Another recent work by Wasserman and Shakuntala (2008) explores how the debates and issues of journalism ethics are being resolved through the adaptation of the global to local epistemologies and practices, which scholars have called 'glocalisation', drawing on examples from South Africa and India, two BRICS countries. Yet, while this study is important, it only looked at how this process of glocalisation of journalism ethics compares in these two BRICS countries, and not necessarily on the applicability or breach of business journalism codes between countries that share certain things in common, for example the BRICS, and others who share certain things in common, for example the OECD countries. It is the aim of this chapter to address this gap in scholarship as well. Moreover, the focus of this chapter, unlike previous studies which looked at journalism ethics in general, will be on the practice of business journalism ethics in these four countries. This chapter has two main sections: the first comparatively explores the human rights challenges of free speech and privacy, while the second examines the ethical challenge of conflicts of interest that journalists constantly navigate in carrying out their work, especially in covering business beats in the four countries in the study.

Free speech, privacy and watchdog journalism: the UK, the USA, India and China

Free speech is important to ethical business journalism because it provides the business journalist with the legitimate right and power to be fair, honest, accurate, truthful and critically reflective as he or she goes about making sense of business activities and issues for the public. Article 19 of the UN Universal Declaration of Human Rights (UDHR) affirms: 'Everyone has the right to freedom of opinion and expression; this right includes the right to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers'. As I argued in Chapter 4, free speech is a *sine qua non* for watchdog journalism as it provides the legal and societal conditions necessary for journalists to investigate and call to account political and corporate wrongs that undermine the public interest. Having provided the historical development of the principles of freedom of expression and freedom of the press as they directly relate to the historical evolution of watchdog journalism in Chapter 4 of this book, my focus in this chapter will be to look at the contemporary context of free speech and right to privacy as they relate to watchdog business journalism in the UK, the USA, India and China. Since the UK and the USA largely share a similar history of the Anglo-American Western liberal democracy model of free speech, despite a few differences, I will look at free speech, privacy and watchdog journalism as they operate in these two countries, and then look at the two BRICS countries, India and China, separately, but all of them in comparative perspectives.

The UK and the USA

In the UK the freedom of expression has a much older tradition than that provided for in Article 19 of the UN Charter: as noted in Chapter 4 of this book, it goes as far back as 1644 when John Milton published his political newsletter *Areopagitica* in defiance of the seditious libel law introduced by the British Crown. It is for this reason that freedom of expression is considered far more important than freedom of the press in the UK, since it not only provides the right of journalists to express their opinions but it also demands responsibility on the part of these journalists to provide accurate and fair information and opinions to the public and allow them the opportunity to access and enjoy these rights. Thus, in the United Kingdom, the right to freedom of expression is enjoyed not only by the journalist, or all those who work in the media, but also by all citizens subject to the law.

It is important to note that the same law that protects the freedom of expression for all also provides legal limitations in areas such as defamation, libel, contempt of court, protection of minors, privacy, blasphemy, racism, military secrets, etc. The heavy handed legal restrictions placed on freedom of expression and the free press in the UK have recently attracted accusations of Britain being a 'secretive' state from those who prefer the more open and democratic free speech regime in the USA specifically provided for in the First Amendment of the American Bill of Rights. The First Amendment to the US constitution proposed in 1789

> prohibits the making of any law respecting an establishment of religion, impeding the free exercise of religion, abridging the freedom of speech, infringing on the freedom of the press, interfering with the right to peaceably assemble or prohibiting … petitioning.

However, the First Amendment also has some restrictions, for example the US Court also 'provides no protection for obscenity, child pornography, or hate speech, and it provides less than full protection to commercial speech, defamation (libel and slander), speech that may be harmful to children, etc.'

In a way this ambivalent nature of the freedom of expression that has both legal protection and limitations has made way for what Rogerson (2003) has called one of the great dilemmas of the Information Age, which he describes as the

> tension between two dynamics: (1) the tendency of information to be free flowing and not to lose its value as it moves and (2) the tendency to want to control that flow of information in order to profit from its value.
>
> (Rogerson, 2003: 106)

Rogerson compares this dilemma to similar contradictions that Karl Polanyi identified in the industrial revolution in his book *The Great Transformation* (1944), except that in this case 'the flowing material was capital instead of information'. This implies that in a free market situation 'capital can flow to the place at which it makes the most profit'. But on the other hand, any controls by the state or business are 'put in place to improve the chance to profit from that flow' (Rogerson, 2003: 106).

Yet, as Rogerson (2003) notes, there are some differences between the industrial revolution and the information revolution, not least the fact that the latter has been socially and politically relevant for centuries. Harrold Innis (1972) provides a historical perspective on the potential power enjoyed by those who control the flow of information and communication processes. To the extent that both the state and business compete, and sometimes collide, in this control of information flow, the human rights principles of freedom of expression and freedom of the press are necessary to provide the necessary legal safeguards and protection. These principles provide for the right of journalists to enjoy free speech and put the obligation on them to ensure that others enjoy it as well. But the issue about what really takes precedence between free speech rights and obligations on the part of journalists vary across countries of the world, including well developed democracies. In the UK, for instance, the balance weighs heavily on the obligations of journalists to self-regulate their practice, especially when it comes to privacy, libel and defamation, whereas in the USA the balance weighs heavily on the rights of journalists to enjoy free speech, with a few limitations of course, including military or security secrets. Little wonder that veteran journalist and former *Sunday Times* (*ST*) editor Harold Evans has been calling for an American-style soft-touch regulation of the press in the UK. Karen Sanders (2003) refers to the struggle that Evans's newspaper had to undergo in 1972 publishing the truth and winning justice for 460 deformed child victims of the thalidomide drug after it was administered to their pregnant mothers. Most of the victims did not receive compensation despite the fact that the company that made the drug had been warned of its potential risks. The *ST* exposé was a big coup as it won compensation for the victims and forced the withdrawal of all advertising following the launch of the campaign. Yet the law on contempt of court restrained further publication of the issue by the *ST*. The matter was therefore taken to the European Court of Human Rights where the injunction on the *ST* was found to be in breach of Article 10 of the European Convention of Human Rights, although the judgement emphasised not so much 'the right of the press to publish' as 'the right of an individual to information which may affect his life, liberty and happiness' (cited in Sanders, 2003).

Despite these differences of free speech in the UK and the USA, there are similarities between them, especially as far as the concept relates to democratic accountability within the context of watchdog journalism. In fact, as Sanders (2003) puts it, freedom of expression has a status of 'unchallengeable dogma in democratic societies'. The US Society of Professional Journalists' code of ethics states in its preamble that 'public enlightenment is the forerunner of justice and the foundation of democracy'. In Western liberal democracies the free press is seen as a pillar of democracy since it provides the public, especially through the media, with the power to check on the excesses of the powers that be. However, as I argued in Chapter 4, the focus of the watchdog role of journalism in the UK and the USA has tended to be on the political elites. Since the emergence of public relations following the end of the muckraking era of journalism in the early part of the twentieth century, we have witnessed the dwindling role of watchdog journalism in holding business elites to account for their corporate wrongs. As I argued in Chapter 4 this failure to practise watchdog business journalism largely explains the contribution that journalists made to the financial crises of the twentieth and twenty-first centuries. Chomsky (2002: 24) observes that the public relations industry, which spends about a billion dollars a year, had expanded phenomenally to the extent of 'creating almost total subordination of the public to business rule through to the 1920s'. Chomsky points to how big business used subtle propaganda instead of force to put down the steel workers' strike in 1937 in western Pennsylvania at Johnston. The idea was to use propaganda to mobilise the public against the strikers by presenting them as 'disruptive, harmful to the public and against the common interests' (Chomsky, 2002: 24). This brings to mind the ridiculing of Occupy Wall Street protesters by CNN's

Erin Burnett in the wake of the 2008 financial crisis. Commenting on what looked little short of awful journalism in a piece in the *Baltimore Sun*, David Zurawik (2013) points to 'curiosity' and respect for people whom you report on as 'fundamental attributes of good journalism' but lamented that on both those two counts Burnett got an 'F'. Zurawik adds:

> Not only didn't she listen hard enough to learn anything from the people in the group, she and her producers positioned the speakers to be seen as objects of derision. That is deplorable. There is another large issue here, and that involves her producers and management at CNN. Don't they understand … where this nation is and the desperate pain it is in?
>
> (*Baltimore Sun* David Zurawik, 2013)

There are many examples like that above that show that business journalism in democratic societies such as the USA and the UK is losing its battle to perform its watchdog role, despite enjoying arguably one of the most advanced democratic principles of freedom of speech. This shows that business journalists in advanced democracies are increasingly failing in their social responsibility to pay back to the public for the freedom of speech that they are enjoying. However, there are a few cases of some Western media journalists braving the odds and doing some very interesting investigative journalism, but they are confronted with some legal and commercial constraints. For instance, Bloomberg sacrificed journalism on the altar of its commercial interests when it refused to publish investigative reports on the alleged financial ties of China's top leaders to powerful business interests put together by their Hong Kong-based reporter Michael Forsythe. In fact this made Chinese journalist Ying Chan call for Bloomberg's CEO Daniel Doctoroff to step down, or be forced to step down, from chairing the Committee to Protect Journalists annual International Press Freedom Award Dinner (Brill, 2013) in New York in 2013.

Another right that has also taken a heavy hit from the increasing commercialisation of business journalism is the human right to privacy provided for under Article 12 of the UN UDHR, which states: 'No one shall be subjected to arbitrary interference with his privacy, family, home, or correspondence, nor to attack upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks.' The right to privacy is included in the constitutions of most advanced democracies, including the UK and the USA, as one of the limitations of the freedom of expression and freedom of the press. However, there has always been a controversy over where freedom to access and impart information in the public interest ends and where the right to respect the privacy of the source of information begins. The increasing tabloidisation of the British press and the mad rush to gain the competitive edge has made some journalists of the News International Corporation and *News of the World* (*NOTW*), Andy Colson and Rebecca Brooks, cross the right-to-privacy red line, leading to the phone-hacking scandal. The frenzy to be the first to get the news, which became the *raison d'etre* of their success at the news stands, made the journalists of the *NOTW* relegate ethics to the backwater. The phone-hacking scandal was first reported by *The Guardian* in July 2011, where it revealed hacking by the *NOTW* of the phones and voicemails of Milly Dowler, relatives of deceased British soldiers and relatives of the victims of the London 7th July 2005 terrorist bombings. The scandal very quickly provoked a huge public outcry that led to the closure of the *NOTW*, the pressing of criminal charges and the setting up of the Leveson public enquiry into the scandal. *The Guardian*'s Nick Davies and Amelia Hill, who unearthed the scandal, reported that the *NOTW* hacked the mobile phone of Milly Dowler, the girl aged 13 who was found murdered six months following her disappearance. In fact the *NOTW* reporters went beyond hacking to deleting old messages from her phone in order to receive new messages. In this way the reporters confused the police investigating the matter and family members, leading them to hope that Milly was still alive. 'The interference created false hope and extra agony for those who were misled by it' (Davies and Hill, 2011). But states are also accused of breaches of people's privacy; this is particularly true in the USA where *The Guardian* recently exposed a secret court order on Verizon Corporation, one of America's largest telephone companies, to hand over its call data to the United States government. This meant that the American Security Agency based in Maryland knows all the Verizon customers, who they talk to and for how long. And so, while the journalists of the News Corporation and *NOTW* are dragged to court for privacy infringements, states are getting away with it.

India

The Indian constitution has no specific law that protects freedom of speech; this is a legacy that it may have inherited from its former British colonial master. India, like the UK, draws this right from Article 19 of the UN UDHR. However, under Indian law, freedom of expression and of the press do not accord an absolute right to express one's opinions freely. Article 19, Clause 2 provides for the imposition of certain restrictions on free speech in areas such as state security, friendly relations with foreign states, public order, decency and morality, contempt of court, defamation, incitement to an offence, and the sovereignty and integrity of India.

Most of the above legal restrictions of the right to freedom of expression exist in the USA and the UK. However, in India, unlike the UK and the USA, the offence of sedition is also factored in as a very serious restriction. Section 124A of the Indian Penal Code defines sedition as follows:

> Sedition. Whoever by words, either spoken or written, or by signs, or by visible representation, or otherwise, brings or attempts to bring into hatred or contempt, or excites or attempts to excite disaffection towards, the Government established by law in India, shall be punished with imprisonment

> for life, to which fine may be added, or with imprisonment which may extend to three years, to which fine may be added, or with fine.

But Explanation 3 says, ‘Comments expressing disapprobation of the administrative or other action of the Government without exciting or attempting to excite hatred, contempt or disaffection, do not constitute an offence under this section’ (124A of the Indian Penal Code cited in Wikipedia).

This Indian Penal Code of Sedition is a legacy of the old criminal offence under English common law that dates as far back as 1275. It is broadly defined as criticism that provokes public resentment by way of protests or acts of violence against the government. Those found guilty were punished with unlimited fines or imprisonment. Classic British journalist Daniel Defoe was accused of criminal sedition in 1703 and put in the pillory for three days. According to the Media Legal Defence Initiative (MLDI), the law on seditious libel was last used in the UK in the early 1970s against IRA organisers and, although the Law Commission made recommendations for its abolition in 1977, it was only abolished by a British Act of Parliament in 2009. However, most former British colonies, including India, whose legal systems are based on English Common Law, have retained sedition in their constitutions. During my days in the 1990s as a journalist in Sierra Leone I fell victim to the seditious libel law many times by way of harassment and imprisonment for writing against bad governance and corruption. The MLDI’s CEO Peter Noorlander explains that, while it is rare to see prosecutions for sedition in Western democracies, ‘authoritarian governments frequently use old colonial sedition laws to silence criticism’ (MLDI press release posted online, 2014). Sedition was in the first place introduced by the former British colonial authorities to suppress anti-colonial sentiments during British colonial rule. Yet, even with its constitutional scrapping five years ago in the UK, it continues to be used in most former British colonies, with very few exceptions such as Ghana, where it has recently been abolished. The MLDI (10/09/14) states:

> In India, over the years, hundreds and hundreds of cases have been brought, and it’s seen as one of the biggest threats to press freedom. There are a large number of trials but very few convictions. Here, the purpose is pure harassment of journalists.

What is even more worrying is the fact that most of the prosecutions involving sedition, which have resulted in non-conviction in India and other former British colonies, relate to corruption or wrongdoing implicating politicians or businesses. The Gujarat High Court in April 2012 dismissed five seditious cases brought against the Ahmedabad edition of the *Times of India* (*TOI*) for lack of a case even for defamation. The cases were filed in early June 2008 following a series of *TOI* reports that ‘had exposed Mathur’s dubious background and questioned if Ahmedabad was safe in his hands as police commissioner’. The *TOI* had reported that ‘the Narendra Modi government, particularly the then Minister of State

(MoS) for home Amit Shah, rewarded Mathur for botching up the Sohrabuddin fake encounter probe'. The *TOI* were apparently vindicated when 'a little more than a month later, terrorists had killed 57 people in the city (Ahmedabad) by triggering serial bomb blasts on July 26, 2008' (TOI, 2012). Seditious charges were brought against popular Indian cartoonist Aseem Trivedi for cartoons depicting Indian politicians as corrupt. One of his cartoons on corruption depicted the country's national emblem as 'comprising wolves instead of lions' (Greenslade, 2012) and replaced the words 'Truth alone triumphs' with 'corruption alone triumphs' (Sridhar, 2012). Another of Trivedi's allegedly seditious cartoons ridiculed the Indian parliament by presenting the parliament building as

> the base of a commode and in the other it was connected to several toilets from where sewage enters the Parliament building. One may not like it, but the cartoonist wanted to express his serious concern over the kind of people entering Parliament.
>
> (Sridhar, 2012)

However, following outcry from the media in India, the charges were dropped and the cartoonist was freed.

By contrast, the expenses scandal in 2009 involving British MPs accused of 'widespread actual and alleged misuse of the permitted allowances and expenses' (BBC, 2009) claimed by them did not attract any such seditious libel prosecution against the *Daily Telegraph* that first investigated and published the scandal. And this was despite the fact that the scandal sparked widespread public anger in the UK against MPs and a general loss of confidence in British politics. The scandal even led to the British Parliament elected in 2005 being branded a 'Rotten Parliament' (BBC, 2009), which pretty much parallels the negative portrayal of the Indian Parliament in Trevidi's controversial cartoon, albeit that this was just a cartoon. One can only imagine the political backlash by way of reprisals such as invoking sedition that would be visited on Indian journalists if they dared to replicate the *Telegraph* exposé in India. The consequences would be no different in other former British colonies. For instance, two journalists of *Expo Times* (of which I was editor), Gibril Koroma and Max Jimmy, were in 1996 arraigned before the Sierra Leone Parliament charged with contempt of parliament for publishing a report criticising MPs' requests for government loans to buy Mercedes Benz cars when the country's economy was really struggling amidst the then ongoing civil war.

Notwithstanding the challenges of sedition, however, India has a far better tradition of freedom of the press, and in fact a much more developed media system, than most other former British colonies. Indian journalists are also making use of this freedom to promote their watchdog role in their country. Sonwalkar (2002: 825) has described the Indian press as 'largely free of government control', operating more or less in the spirit of the Fourth Estate and enjoying over 100 years of 'opposition to government' (822). The Paris-based World Association of Newspapers ranks India's news media as the largest in the world in terms of audience and readers, while the New York-based Freedom House ranked it as the freest in South East Asia in 2006. The watershed in India's free press movement actually came in 2005 with the passing of India's Right to Information Act (RTIA), which has been hailed as 'the world's strongest laws giving the public access to information' (Relly and Schwalbe, 2013) For journalists, the law 'promised to be the key to unlock doors which usually stayed shut due to the government's obduracy' (Purie, 2008, para. 1). The UN and other organisations have called for access to information and freedom of expression as deterrents to corruption (Relly, 2011).

Yet a study by Relly and Schwalbe (2013) of the three leading newspapers in India, *TOI*, *The Hindustan Times* and the *Hindu*, revealed that journalists really constitute a minority of RTIA users – five out of 222 articles investigating corruption studied (which makes 2 per cent) used the RTIA. It is different in the USA and the UK, where investigative journalists generally make use of the Freedom of Information Act where necessary. For instance, the *Daily Telegraph* made a successful application under the Act, although after a long court battle, when it was investigating the MPs' expenses scandal. Some MPs initially put up a fight saying that this constituted an infringement into their privacy. The Relly and Schwalbe (2013) study also found some difficulties in implementing the RTIA, especially among investigative journalists. It found that initially some journalists and others ran into some problems when requesting information, such as receiving no response or being forced to make multiple visits to government offices to file a request (Jeeva, 2010, cited in Relly and Schwalbe, 2013). The Relly and Schwalbe (2013) study did, however, find that some steady progress has been made as more and more media organisations are now using the RTIA to investigate institutions of power. A top television news station has used the RTIA to investigate why newborns had died at a leading hospital at a 'disturbingly high rate' (Frammolino, 2009: 42).

Most of the journalistic infringements of privacy in India have been related to the undercover muckraking style of investigative reporting, where 'hidden cameras' or 'surreptitious tapping' are used to expose corruption in high public places. Internet news portal Cobrapost.com and Aaj'Tak TV channel recently broadcast hidden camera footage of 11 MPs representing different political parties receiving bribes from representatives of a fictitious organisation, North Indian Small Manufacturers Association (NISMA) in exchange for raising their issues in parliament. The sting operation, 'codenamed "Operation Duryodhan" after a character in the epic *Mahabharata* who was seen as an embodiment of evil, logged more than 56 video tapes, and recorded over 900 phone calls'. The response of the Indian Parliament was 'unprecedented' as it accepted the finding on the tapes as 'prima facie evidence' to expel the MPs (Wassermann and Shakuntala, 2008: 175). This shows that, in India, as far as the use of technological devices in undercover investigative reporting is concerned, journalists are breaching the privacy of top public officials to expose corruption in the public interest, whereas in the case of the UK, considering the phone-hacking scandal, journalists are influenced by the business bottom line in breaching the privacy of vulnerable members of the public. However, there is also evidence of undercover investigative reporting using hidden hi-tech video cameras in the UK; examples of this abound in the BBC *Panorama* and other investigative journalism programmes. ITV undercover reporters who posed as businessmen used hidden cameras in 2013 to film Conservative MP for South Suffolk, Tim Yeo, accepting a request to lobby colleagues and others in government to further business interests (ITV, 2013).

One area in which India has a parallel with the UK and the USA, is that most of the corruption-related watchdog investigative journalism reports, as we have seen above, have been about politicians or public sector workers, and not necessarily about big business.

China

According to Hugo De Burgh (2000), who has shown great scholarly interest in the historical and contemporary development of journalism in China, modern journalism developed in China at pretty much the same time as it did in England during the nineteenth century, although it slowed down until the 1920s. The Chinese media were effectively nationalised in 1949 following the founding of the People's Republic, with three state news organs, the *Xinhua News*, *Red Flag* and the *People's Daily* set up as authoritative voices of the people. Journalists were integrated into the state bureaucracy and ranked at the same level as soldiers or cadres in the executive organs of government. The death of Chairman Mao Zedong in 1976 was closely followed by the re-emergence of debate and criticism which permitted the reporting of some unpalatable truths that nevertheless conformed with the general consensus that the purpose of journalism is to advance China (De Burgh, 2000). The role of the press as a watchdog of society closely followed the attainment of independence and the ushering in of globalisation in Asia. Richstad (2000: 274) notes that few Asian leaders welcomed the Western idea of the free press as watchdog over government; they, rather, assign a submissive and collaborative role to the press in governance and socio-economic development in what came to be known as 'development journalism', which was, however, criticised as a clever way of keeping the press quiet on issues of corruption and bad governance. Hence there have been disagreements. While some see Western liberal press systems as leading to chaos and societal degradation, others see them as integral to their cultural and economic development, drawing on lessons from the 1997 Asian financial crisis, which many believed to have been caused by silence and lack of transparency (Hashimoto, 1998).

The turning-point for media freedom actually came with the coming to power in the 1980s of President Jiang Zemin, who proved to be more tolerant. Jiang, who saw himself as an ethical conservative communist, focused on promoting the 'free market as the way by which the economy may develop; the media are seen as liberating minds and inciting entrepreneurialism' (De Burgh, 2000: 550).

Writing online in the *World Crunch* (2013), Zhang Jiang, Journalism Professor at the Beijing Foreign Studies University, said press reform has been put on the agenda, and that the opening up of the ruling Communist Party to more intra-party democracy has gradually been loosening its grip on the media by allowing them to decide on their own content. He notes that 'the 17th Party Congress report of 2007 mentioned citizens' "Four Rights": the rights to stay informed about, participate in, express view on, and oversee Party and government operations', adding that Article 35 of the Chinese constitution provides 'for citizens to enjoy freedom of expression and freedom of the media'. Professor Zhang Jiang argues that China's first centralised media system was necessary because it was just emerging from a period of protracted war and, now that it is experiencing development in peace time, it is necessary to open up. Emphasising the unique brand of Chinese press freedom informed by the Marxian philosophy, Prof. Zhang Jiang (2013) observes:

> Of course, the freedom of press we stand for is different from the Western concept of media being a fourth power completely independent of the government. We stand for press freedom with Chinese characteristics, meaning media independence is developed step-by-step, based on the Marxist view of journalism.

He talks about Marx's idea of seeing the free press as the third force that stands in-between the administration and the administered, and that provides a complementary support to the two. This Marxist idea of complementary support to both the government and the governed suggests a kind of watchdog role for both of them, that is, watching the activities of the two of them, which is somehow different from that of the Western neoliberal model, which keeps an eye on the government on behalf of the governed. He cites Marx as saying, 'the absence of freedom of expression makes all other freedoms illusory'. He adds that Marx was particularly opposed to censorship, which he calls 'a bad police measure' and a serious form of spiritual slavery. But critics of press freedom violations in China will be surprised to read this professor's claim of Chinese press freedom being rooted in the Marxist philosophy of the free press, which is the direct antidote to censorship. Journalists are reported to be facing hard times with 33 of their colleagues in prison by the close of 2013. Journalists of China's *Southern Weekly* went on strike in 2013 in protest against the killing of a story calling for constitutional protections for individual liberty following orders from a 'local propaganda chief – and replaced it with an article praising the Communist Party' (Hutton, 2013). Yet Prof. Zhang Jiang goes one step further to ask: 'How can the Marxist idea of press freedom become localized in China?' He suggests two ways in which this can be explored:

> The first is perhaps best demonstrated by China Youth Daily in its 'Supervision by public opinion' (also known as 'watchdog journalism'). The second

> is a practical method, which is to gradually lift media controls during the process of fighting corruption.
>
> (Zhang Jiang, 2013)

Zhang Jiang's assessment of how the Marxian philosophy of press freedom, operationalised in the context of using watchdog journalism to fight corruption, resonates with recent research by Hugo De Burgh (2000), which points to a gradual change in Chinese news programming content from one of cheerleading, or lapdog, journalism to watchdog journalism. De Burgh notes that before 1978 Chinese news programme content 'famously eschewed negative stories and favoured those intended to inspire awe in the masses'. Although he admits that there is still a lot of room for positive stories, he observes that 'there has also developed a new genre, in-depth or investigative programming, corresponding to the UK's current affairs and sometimes consciously modelled on *60 Minutes*, *The Cook Report*, or *Panorama*' (De Burgh, 2000: 551). The most famous Chinese investigative journalism programme is *Focal Point*, hosted within CCTV's magazine *Oriental Horizon*; this is a programme that attracts 3,000–4,000 letters per week, and to which President Jiang Zemin was a keen caller; Premier Zhu is also believed to have instructed his ministers to watch it. *Focal Point* has a daily audience of 350 million on average; this can rise if there is more juicy scandal. It is widely believed that ministers watch the programme before making policy (Jiang, 1998). De Burgh (2000) notes that these observations underpin Gordon's argument that the Chinese leadership perceives no contradiction between investigative media and its own authority (Gordon, 1997).

What is more, Zhao Yuezhi argues in her book (1998) that Chinese investigative journalism, like that in the USA (Ettema and Glasser, 1998) and that in the UK (De Burgh, 2000), 'can serve the status quo no less in China than in other societies' (De Burgh, 2000: 552). In any case, Zhao (1998) offers many examples showing how exposure of corruption and administrative blunders serves the purpose of government, although she also shows how journalists carry out their watchdog functions independently of the Chinese authorities. Coronel (2009) observes that, although the new breed of Chinese investigative journalists were more or less responding to a more conscious and radical citizenry who were bitter about corruption and malfeasance,

> many of them were believers in the ambitions of China as a resurgent global power and in the idea that the media's role is as much to establish public confidence in government as it is to expose betrayals of the public trust.
>
> (12)

De Burgh also explains that China's steady market reform agenda, started by President Deng Xiaoping, which he was not able to finance himself, saw an increasing withdrawal of state funding from the media, which opened the way for its expansion through private capital and the logic of the free market economy.

With state 'subsidies slashed', the media were asked to attract funding from advertising and sales, which meant that they had to publish what the audiences wanted (De Burgh, 2003: 802). However, this did not bring strict separation between the state and market as the Chinese government maintained control over more sensitive political editorial content, issuing codes of conduct and holding censorship meetings while subjecting media operations to the risks and benefits of market forces (Ma, 2000). But most journalists seem to be making the most of this limited freedom that was brought about by the reform agenda of the 1990s. They seem to be very passionate about journalism that checks on the excesses and wrongs of the authorities.

This small window of liberalism has led to the rise of a new breed of radical investigative journalists such as 2010-award-winning Wang Qiang who published a 20,000-character exposé of China's corporate Frankenstein (Garnaut, 2011).

All 39 journalists interviewed in a study by De Burgh (2003) cited an investigative programme, or a print publication best known for its investigations, as their 'models'. De Burgh (2003: 803) explains that they trust 'reports that put things right', programmes that 'reflect what people really think and care about', and are 'controversial'. De Burgh (2003) provides many anecdotal accounts of successful investigative stories carried by some of the journalists whom he interviewed, although most of them involved environmental and social issues involving low-ranking officials. However, according to some of the accounts, investigating corruption involving big fishes was occasionally sanctioned by the big party officials after the situation or issue had been resolved and offending officials punished. There are also some big business scandals such as that of Sanlu baby food, which was exposed by one brave journalist, Guangzhou Jian, as causing kidney stones and being responsible for the death of many children, without any harassment from the authorities, even when the chairman of the company, Haoyi Zhou, who was later arrested, enjoyed favours from China's top brass (Cao, 2012).

As De Burgh (2003) puts it, Chinese journalists, in parallel with their Anglophone colleagues, are proud of their work in exposing issues such as corruption on which they know the public will side with them. Sometimes they even try to go a step further in proactively drawing their attention to issues of corruption that they did not know about. The Chinese investigative journalists can be said to be somewhat similar to their Indian colleagues in some of the methods they use, some of which are controversial, such as 'espionage, subterfuge and stings' (De Burgh, 2003: 806), which tend to breach the privacy of those investigated.

Conflicts of interest: the UK, the USA, India and China

The greatest ethical challenges facing business journalists are conflicts of interest. Conflict of interest could arise when a reporter allows their interests, or those of their sponsors, families or friends to stand in the way of their telling the truth without fear or favour. The British National Union of Journalists' Code of

Conduct affirms that 'A journalist shall not accept bribes nor shall he/she allow other inducements to influence the performance of his/her professional duties'. Conflicts of interest manifest themselves in the following different forms: intentions and motives; financial journalism; propaganda and news embargoes; and bribes, junkets and freebies. In the remaining part of this section I will look at the elements of conflicts of interest in comparative contexts as they apply to business journalism in the UK, the USA, India and China.

Intentions and motives, financial journalism, propaganda and news embargoes

Conflicts of interest can often manifest themselves in intentions and motives that are not always evident or obvious. A journalist's decision to investigate a business fraud or scandal can sometimes be shrouded in hidden agendas. This can apply to the reporter, editor, publisher or any staff involved in the running of the media outlet. Yet it is really difficult to gauge the intentions of business journalists as they go about investigating certain issues in the business world. In any case, if the trust of the public in what they see, hear or read in the media is to be upheld, the motives or interests behind the news should be made as transparent as possible. Clause 13 of the Press Complaints Commission (PCC) code of conduct deals with financial journalism and aims to ensure that readers receive disinterested advice and information, and that journalists and those connected with them do not profit as a result of the publication of financial information. A business reporter whose financial predictions of the movement of stock prices determined how much she or her editor might earn cannot be trusted to tell the truth in a situation 'where truthful information might adversely affect earnings' (Sanders, 2003: 124). Advertising and public relations can cause conflicts of interest by influencing propaganda in their favour and embargoing news that is unfavourable to them. This can happen in two ways: first, external advertising pressure to influence editorial content is cited as an area of ethical difficulty for journalists. Second, internal pressures from a media company's own marketing and publicity departments are said to attempt to drive journalistic content in certain directions.

In the UK and the rest of the world the BBC is highly respected for its objectivity as a model public service broadcaster. When people watch the BBC they expect to see news that is not only fair and accurate but that is free from any manipulation to further any particular partisan political or business interest. But of course it is not always easy to gauge the motives and intentions of editors or reporters when they write and publish/broadcast a particular story. The BBC in effect is not professionally allowed to show commercial or publicity material that is sponsored as part of a current affairs programme. Yet it is sometimes caught breaching these motives and intentions of the code of conflicts of interest, while on some occasions it simply gets away with it. For instance in May 2011 a BBC Trust Editorial Standards Committee found *Taking the Credit*, a programme bought by BBC World at a low cost from an independent programme supplier, to be in ‘breach of editorial guidelines around sponsorship of a current affairs show and conflict of interest’ (Sweney and Conlan, 2011). The programme was funded by a company called the Africa Carbon Livelihood Trust, which had links to Envirotrade, a firm which featured in the documentary. In admitting the BBC’s failure to respect the code of conflicts of interest in respect of its motives and intentions, the BBC trust investigation report adds:

> Further, the programme portrayed the work of Envirotrade in a positive way and as a result breached the requirement that sponsors’ activities should not be promoted. The programme also failed to credit the sponsor in the programme, so the viewers were unaware that there was a funding arrangement in place.
>
> (Sweney and Conlan, 2011)

Yet it is more or less a situation of ‘Not seen, not caught’, as there may well be many such breaches of conflict of interest that go unnoticed. I remember following a BBC Click story regarding complaints from consumers about the bending of the newly released Apple iPhone 6 and I found something that looked like a breach of the BBC editorial code of motives and intentions relating to conflict of interests. In the midst of all the complaints coming from consumers about their experiences regarding the bent iPhone when put in their pockets, including the anecdotal account of Russell Holly, who works for technology web site Geek.com, BBC Click’s Marc Cieslak was shown putting the iPhone 6 through some stress tests in an unscientific experiment and later concluding that nothing happened to it. While it is difficult to gauge the motives and intentions of this BBC reporter, some followers of BBC programmes, including my humble self, would find it difficult to believe that this experiment was non-commercial content, since it was more or less pushing the line of the Apple reaction to the complaints that the phone was not actually bending in people’s pockets unless you applied undue pressure to it (Kelion, 2014). But, as Lui (2014) warns, it is not always easy to ‘distinguish between sponsored content and real news as a study conducted by the Interactive Advertising Bureau indicated that 41 per cent of news readers were unable to tell the difference’.

The 1934 American Newspaper Guild code calls for restraint from conflicts of interest, and so in the USA, just like in the UK, there is zero tolerance for breaches of this ethical code. The code specifically condemns the practice of running ‘publicity in the news in the guise of news matter’ (Wilkins and Brennan, 2004: 301). However, just as in the UK, it is one thing to have all the best high-sounding ethical codes, it is another to actually see them respected on the ground. The Executive Director of the left-leaning watchdog group Citizens for Responsibility and Ethics in Washington, Melanie Sloan, accused Adam Feuerstein of the ‘The Street’ of corruptly furthering some business interests through his blog. She said further: ‘Publicly available information suggests a concerted effort to manipulate the price of shares of Northwest Biotherapeutics in a way that furthers the interests of short sellers through the blog posts of Adam Feuerstein' (Chittum, 2014 – The Audit). Sloan was more or less accusing Feuerstein of breach of Clause 13 – Financial Journalism (FJ) of the PCC code, although of course this clause is only applicable in the UK.

One of the most serious cases of a breach of the FJ clause was that involving the *Mirror* editor and two reporters. On 5th May 2000, the PCC found the actions of the *Mirror* 'City Slicker' columnists, Anil Bhoyrul and James Hipwell, and the *Mirror* editor Piers Morgan, in breach of the FJ clause. The 'City Slicker' developed a persuasive way of influencing the movement of the prices of stocks. Both reporters were found to have been buying shares which were featured in their column. 'They would identify a share that would become the next day's "tip of the day"; then purchase a number of those shares, publish the "tip of the day" and sell the shares on the day of the tip' (Sanders, 2003: 124). The internal investigation of the matter led to the immediate dismissal of the two reporters for gross misconduct in February 2000. The *Mirror* editor Morgan was also interrogated by the PCC for allegedly buying the shares that had been tipped by his reporters. But Morgan justified his action by saying that he was only behaving like a normal reader acting on a tip in the paper. However, he was still found in breach of Clause 13 of FJ and sanctioned for failing to take firm action against his two reporters beyond a verbal warning (Sanders, 2003: 124).

Another area of conflict of interest that has posed a very serious challenge to watchdog business journalism is that of the increasing blurring of the line between real news and advertising. Longman (2002) refers to issues where publishers or editors would refuse to sanction the publication of, for example, how to stretch a dollar and avoid credit card debt because the financial services industry who place the ads may not like it. In September 2013, *Washington Post* reporter Erik Wemple hit out at his newspaper for breaching what he called the Chinese wall between advertising and editorial by embargoing the publication of two stories from the 11th August 2013 education issue – one on college drinking and one on benefits for gay spouses of higher education workers – following objections from the business side of the newspaper, because, as the magazine's top editor, Lynn Medford, said: 'They didn't feel it was appropriate … . They were adamant about it' (Chittum, 2013). However, there is now an increasing tendency by news media organisations to disguise advertising as editorial content by using what has come to be called 'native advertising'. This is a grand plan to make advertisements appeal to the consumer without making them know that they have been pursued through advertising. Jonah Peretti, the CEO of entertainment news site, Buzzfeed, told Bloomberg in an interview that 100 per cent of the company's revenue comes from native advertising. Native advertising headlines that adorn the front page of Buzzfeed include '20 Things You Didn't Know were Illegal' (by the Discovery Channel); '22 Reasons Why Poor Labour Conditions Are Totally Awesome' (Apple). Such sponsored news snippets regularly surface not only on entertainment news web sites but also on those of mainstream newspaper web sites, especially in the USA and the UK. In July

2014, Time Inc. CEO, Joe Ripp, launched a department focusing on native advertising, and the *New York Times* did the same, despite issuing a warning five years ago about its implications in undermining public trust (Lui, 2014)

The challenges of conflicts of interests relating to suspect motives and intentions, the FJ clause and propaganda/news embargoes do not seem to be getting better as we move eastward to the BRICS countries of India and China. What has in fact made matters worse in India is the phenomenon of 'paid news', which has rendered the great firewall between advertising and real news virtually non-existent. British journalist and blogger, John Elliott, who is based in New Delhi, has criticised Niira Radia, a prominent business lobbyist in India for using 'well known journalists and editors as messengers and influence peddlers on key issues such as coalition government ministerial jobs and allocation of telecom licences' (J. Elliott, 2010). Elliott refers to reports of 'politicians paying for news coverage – and of newspapers and TV stations offering favourable coverage in return for substantial negotiable payments in the India elections of 2009'. It can on many occasions get even worse. Unlike the UK and the USA, where the idea of mixing and matching advertising and editorial content is still heavily frowned upon, or at the very least a blind eye is turned to it, in India it seems to have long been accepted as 'normal'. What makes the Indian case unique is that the practice has been institutionalised. Here, media outlets openly trade editorial content as ads to promote politicians or undo their opponents. An academic, Guha Thakurta, who recently produced a documentary criticising the practice, said: 'Amazingly, we have found that some newspapers even prepared rate cards for the candidates in the last few elections. There are different rates for positive news coverage, interviews, editorials and also putting out damaging reports against the opponents' (cited in Eastern Panorama by Nava Thakuria, n.d.). The President of the Indian Guild of Editors and Chief Editor of the CNN-IBN, Rajdeep Sardesai, expressed deep shock over the issue of putting out advertising as news, calling it 'a grave journalistic malpractice'. Yet, when you really come to look at it from a critical political economic perspective, the only difference between the 'paid news' in India and that in the USA and the UK that I discussed earlier in this section is the fact that the latter is disguised, while the former is done in the open. If, for instance, PR firms or lobbyists had been acting as proxies for the politicians in passing ads or advertorials as editorial content in India during elections, as is often done in the UK and the USA, the motives and intentions of the media outlets would have been far less noticeable.

Box 7.1 Ethical business journalism warm-up exercises

Scenario A

Imagine a situation where BJ **x** and BJ **z** are running a market forecast column in the *Daily Business Chronicle*. Suddenly they realised that prices in the stocks of a company that they have been covering are dramatically going down. Both reporters realised that it was their time to make some quick money. Both reporters began to buy shares in this company. They got away with it the first time and found out that they had hit gold. They continued doing it. They would identify a share that would become the next day's 'tip of the day', then buy a number of those shares, publish the 'tip of the day' and sell the shares on the day of the tip.

1 What ethical standard or consideration have the journalists broken?
2 What clause of the Press Complaints Commission Code of Ethics in the UK deals with this?
3 What should the publisher of the *Daily Business Chronicle* do to restore public confidence in his or her newspaper?

Scenario B

Imagine a situation where BJ **s** of the *Business Monitor* received a call from a computer company that has in the recent past offered a lot of ads to their paper. The caller was the CEO of the company and he was asking BJ **s** to pass him a copy of a story based on an interview he had just had with him to read before it is put in the public domain. The executive stressed that he deserved this treatment because of the ads his company is giving the reporter's newspaper.

1 Assuming that BJ **s** agreed to show the CEO the article before publishing, what ethical principle would he or she be said to have broken?
2 Imagine you were BJ **s**, how would you have reacted if the CEO said some aspects of your story that you probably got from another source were not true and advised you to drop the story?

Scenario C

Imagine a situation where BJ **k** of *Business Week* receives free tour tickets every three months from a travel agency. And, while on one of such tours in a Spanish island city, you witnessed, and in fact experienced, firsthand the bad condition of the buses and the hotels, and the unsupportive behaviour of the tour guides.

1 Assuming that your were BJ **k**, how would you react on your return home?
2 What would other participants of that tour in Spain think of you if it turned out that nothing of what happened appeared in your news magazine?

Scenario D

BJ **p** of the *Daily Echo* is invited to a dinner every Saturday by a proprietor of a night club. One Saturday BJ **p** saw girls as young as 12 lap-dancing in the club. The next day the proprietor sent you a press release saying beautiful things about his night club.

1 Assuming that you were BJ **p**, how would you have reacted?
2 Assuming that you refused the request of the proprietor, would you have accepted another invitation to dinner from this proprietor or any other?
3 Assuming that you went ahead with the proprietor's request, would you think that you were influenced by the dinners?

Scenario E

The editor of the *Daily Vanguard* is called by the publisher of that paper and told to ignore critical stories of Salim's autocratic regime in Leman. It turned out that the publisher had extensive business interests in Leman and was a personal friend of Salim. The editor succeeded in resisting the publisher's appeal on that occasion, but he did not succeed in resisting his publisher's interest in using the paper to campaign against his greatest rival Ramon Milatovic in his bid to take over Cheltham football club.

1 What can you say the editor and the publisher were guilty of?
2 How would the public regard the newspaper after knowing the relationship between Ramon Militatovic and the publisher of the *Daily Vanguard*?

In China, there is evidence of 'paid news' but, unlike in India, it is seriously frowned upon by Chinese authorities who sometimes see it as an easy route to punish some journalists whom they perceive as causing them trouble. In September 2014, Shangai police were reported to have detained the publisher and general manager of *21st Century Business Herald*, an influential financial newspaper, for allegedly extorting cash to cover up negative news. The publisher's detention came on the heels of the detention of the paper's chief editor and several employees (*Daily Mail* – Associated Press, 2014). However, not all incidents like this catch the attention of the police. In a separate but similar incident, a reporter working for the *Hangzhou Daily* in eastern Zhejiang province allegedly collected 'more than 300,000 yuan ($49,000) from a public relations company in return for positive coverage', while reporters covering the coal-mining industry have also been accused of 'covering up deadly mining incidents' in exchange for money or ads (*Daily Mail* – Associated Press, 2014). The naming and shaming of journalists implicated in 'paid news' and 'news embargoes' in China has not been limited to the private media. Chinese state broadcaster CCTV has also been caught in the dragnet, with the director of its financial news channel recently 'accused of demanding hefty public relations fees to avoid negative news coverage and offering positive coverage in return for advertising contracts and stock options' (*Daily Mail* – Associated Press, 2014). Thus, in China, unlike India, the UK and the USA, the naming and shaming, and sometimes prosecution, of business journalists who cross the line of 'paid news' and 'news embargoes' are common.

Bribes, freebies, and junkets

Bribery is the practice of giving and receiving money or some form of payment with the aim of influencing the decision of another. A 'freebie' is any good or service given free of charge to influence a favourable decision.

A 'junket' is an all-expenses paid trip to promote a product. While these were in the past accepted to some extent as perks for the badly paid, media organisations in the UK and some other countries are now increasingly frowning on them. Yet, freebies are still common in the UK media landscape, as journalists still accept free books, CDs, film tickets, car loans and foreign trips (Sanders, 2003). But this is generally considered ethically wrong, because it undermines the journalist's independence and objectivity. Bribes, freebies and junkets are especially common in business journalism, where journalists are manipulated to give favourable coverage to certain goods and services, as well as some corporate personalities involved in their production and distribution. The implication of this is the erosion of public trust in what the business journalists are saying or writing about.

The review of products – goods and services – by business journalists working in personal finance is especially vulnerable to manipulation. Fashion products are the most susceptible, while other notable ones include books, travel, wine, cars, music, technology and hotels. The idea of reciprocity made possible by offering such products as 'gifts' or 'freebies' makes a writer more likely to write positively about such products than they would otherwise. Such freebies can subtly corrupt and undermine a business reporter's 'integrity and objectivity' (Lawler, 2012: 56). Yet there is little evidence to suggest that the introduction of the Anti-bribery Act by the Conservative government, which came into force on 1st July 2011, has reduced the spate of journalistic breaches of bribery, either directly or indirectly, via freebies or junkets. The *London Press Gazette* reported a fashion journalist writing in *The Times* as saying: 'Right now, crammed under my desk, in paper bags, wrapped in ripped tissue, or just on the floor, there's more than £3,000 worth of stuff.' The items that she said she had received in the last fortnight included a

> BlackBerry (£200), a pair of ballet pumps (£190), ankle boots (£340), a leather bag (£850), a digital camera (£60), a leather jacket (£240), and a pair

> of diamond earrings (£110) … , even the £999 Apple Powerbook computer she used to write the article.
>
> (Pugh, 2011)

She was bold enough to admit the breach of freebies: ‘I am a magazine fashion editor, and this is our dirty little secret … we supplement our lower-than-you’d-think wages with thousands of pounds worth of free stuff’. However, the reporter cautioned that her way of life is over if everyone is to take the new anti-bribery act seriously (Pugh, 2011). The issue of junkets has also been a serious ethical challenge for business journalists, especially those specialising in writing about travel and holidays, and especially at a time when media outlets in the UK are increasingly cutting down editorial budgets. Most newspapers have strict guidelines against journalists accepting paid trips from businesses, institutions or organisations that they cover. However, while most offer to pay for these trips for their journalists, budgetary constraints are now making it difficult to resist the temptations to accept junkets. Some have found a way around the problem by accepting paid trips but making sure that the trip would provide access to other information beyond that which the sponsor is paying for the trip to cover, and also providing a footnote stating that the trip was indeed paid for. One such attempt by *The Guardian* involved a comment by their sports writer (whose trip was paid for by the Qatari government) praising the Qatari bid for the football World Cup in 2022, which attracted much scathing criticism from readers. One of the comments particularly cited the absence of any footnote providing information that the writer’s trip was covered by the Qatari government. *The Guardian* had turned down similar offers in the past, ‘ but as they knew that this time they would be able to have access to Sir Alex Ferguson, cover the Brazil v Argentina game and see what the Qataris had to say, the trip was accepted’ (C. Elliott, 2010). But this was explained as an isolated case, as many such trips are flagged up as being paid for by the organisation arranging the trip, although it admitted that the rule is not ‘rigorously applied’ (C. Elliott, 2010).

In the USA news media outlets are now increasingly introducing and enforcing very strict guidelines against bribes, freebies and junkets. The *New York Times* for instance was very quick to respond to accusations that its freelance travel contributor Mike Elbo took a free trip to Jamaica that was sponsored by Thrillist and Jetblue, but initially ended up defending itself by saying that after all Elbo was a freelancer and was not on any travel assignment. Yet the *NYT*’s attention was drawn to the fact that freelance travel writers of the paper also signed up to the paper’s internal rule which bars them from taking free services ‘from any element of the travel industry’ (*NYT* code cited in Tate, 2009). Nevertheless, breaches of the code by way of taking paid junket trips and holidays seem to be dwindling in recent times as they used to be far more prevalent about three decades ago. The Florida-based Disney World spent a whopping $7.5 million in bringing some 10,000 journalists and others working in the media to their three-day, fifteenth-anniversary celebrations of the Orlando Disney World in October

1986. The idea was to get them to report back to the world and promote the event and place as a holiday resort, although the organisers played this down by saying that the special guests were not required to write anything (Barney, n.d.).

The practice of giving bribes to journalists in the USA to help manipulate their editorial content actually experienced a dramatic upsurge in the early 1920s with the emergence of big corporate public relations, which closely followed the end of the muckraking era. In fact there is increasing scholarly evidence to suggest that the increasing maze of bribery of business journalists during this period partly contributed to them ignoring their watchdog role of holding corporate power to account, which ultimately led to the ugly developments that caused the Market Crash of 1929 and the Great Depression of the 1930s. During this time there were no strict ethical guidelines to follow and so most business journalists had a field day in collecting bribes and getting away with it. According to Roush (2011a) this was probably due to the fact that journalists were poorly paidand largely overworked. This vulnerability, for instance, made it easier for a railroad executive, who wished to manipulate his company's stocks, to bribe such a journalist to circulate a particular stock tip that had the potential to influence the demand and supply, as well as the price, of that stock, within hours. What is more, journalists knew of these practices but deliberately refused to condemn them (Neilson and Neilson, 1973). The *San Francisco Bulletin* publisher collected a $125 monthly cheque from the South Pacific Railroad company and some additional cheques from a gas company in exchange for positive coverage (De Lorme and Fedler, 2003; Roush, 2011a).

The ethical challenges of bribes, freebies and junkets are even more common among business journalists in India than they are in the UK and the USA. However, while in the UK and the USA news media organisations have very strict ethical guidelines to check the breaches of these conflicts of interest, their counterparts in India neither have such guidelines nor do they take such breaches seriously. These violations are hardly noticeable probably because they are simply seen as a way of life. Observers have said that this is partly due to the ridiculously low wages that journalists are paid, which is a reflection of the general wage structure in the country. Another factor might well be the high rate of corruption in the country, especially in the police and among other public sector workers who are not well paid like those in the private sector. John Elliott, who writes for *The Independent* in the UK from New Delhi, notes that low wages have made most Indian journalists 'more vulnerable to accepting "plants" and to being persuaded not to run controversial stories'. Elliott adds that 'most journalists … welcome the bribes that are offered by politicians and businessmen with "brown paper envelopes" and other gifts'. Elliott recalls when he and other journalists were given TV sets after a press conference in 1995 in Mumbai but had to return his own very quickly even before he could know its actual value (J. Elliott, 2010). Allegations of bribes and freebies also abound in Guwahati, which is home to by far the lowest paid journalists in India with starting monthly salaries as little as US $50. Reports say that most of these journalists supplement their low wages with regular monthly payments of bribes from politicians and businesses. 'Licenses for wine shops are offered to reporters (and accepted happily by many) with the inherent understanding that they only write positive stories and if possible, kill negative reports against their politician-financers' (Thakuria, n.d.).

The ethical challenge of bribery among business journalists is as common in China as it is in India. However, in China, unlike India, the authorities have been clamping down heavily on journalists involved in corruption scandals, sometimes leading to prosecutions. In October 2014 the Associated Press reported that a court in the Chinese Yuelu district found journalists Chen Yongzhou and Zhuo Zhiqiang of the *New Express* newspaper guilty of writing false information about construction company Zoomlion, and accepting bribes from it. Chen and Zhuo received one year and ten months', and ten months', jail terms, respectively. Chen was fined 20,000 yuan (US $3,300) and forced to return alleged bribe cash to the tune of 30,000 yuan (US $5,000), while Zhuo was fined 10,000 yuan (US $1,600). The Associated Press report, which was reproduced in the *Daily Mail* (2014), notes that the court stopped short of saying who at Zoomlion actually gave the bribe, and why, although it acknowledged that 'stock manipulators and extortionists increasingly employ false media reports for financial gain or to inflict harm' and that 'many executives are willing to pay bribes to gain the competitive edge' (Associated Press, *Daily Mail*, 2014). Moreover, the fact that Zoomlion's stock price took a hit in the stock market following the alleged 'false reports' by the jailed journalists, who were ultimately sacked from their posts at the *New Express*, makes it look like the journalists were also guilty of breaching the code in respect of financial journalism, although this applies only in the UK, and not in China or any other country for that matter.

However, most critics of the increasing violations of press freedom, which mostly relate to revenge against the growing number of investigative journalists exposing corruption in both the public and corporate sectors, have pointed fingers at the Chinese authorities for hiding behind any accusation of bribery involving journalists to settle old scores with them. Chen Weihua of the *China Daily* strongly reflected this line of thinking in an article that he rhetorically titled 'Could it be a revenge on journalists?', in which he said that former *China Business News* reporter Fu Hua, who is facing charges of bribery, is just another case of those paying the price for embarrassing the authorities. Fu had been accused of accepting 30,000 yuan in 2005 from two whistleblowers employed by Changchun Longjiapu Airport in north-eastern China's Jilin province. Fu had received a tip-off about the low quality of work that was going on at the airport under construction, and it was apparent that Fu's revelations angered some high-ranking Jilin officials. Weihua notes that, despite being accused of accepting a bribe, which he clearly condemns, he thinks the issue as to whether Fu violated the 'ethics of journalism or even the criminal law' is debatable. Weihua says this could be especially so considering the fact that the Jilin authorities have never publicly denied the facts in Fu's stories; and that Fu actually swore by the 'authenticity of his stories, which spoke of inferior quality material and excessive cost, and the ridiculous idea of constructing a chimney at the airport's flying zone' (Weihua, 2009). Weihua adds that this was far from being an isolated case as there have been reports of investigative journalists like Fu getting on the wrong side of the powers that be.

Yet there are many Chinese investigative journalists who have managed to stay above the temptation of bribery and thus out of the dragnet of the Chinese authorities seeking revenge. One such is Hu Shuli, award-winning journalist, founder and first editor of the radical *Caijing* business magazine, which was credited with exposing the cover-up of the SARS epidemic, illegal trading on the Shanghai Stock Exchange and other related types of corporate fraud (De Jesus, 2014). *Caijing* shot to fame following its exposé of 'major share price manipulation scams in 2000 and 2001', as well as corruption involving public and private sector executives, some of which caused some heads to roll (Oderberg, 2009). Moreover, *Caijing* carved out a reputation for itself for being the first business publication to demand high standards of ethical behaviour from its journalists, which include not being allowed to 'take hand-outs or gifts … from the companies they write about', albeit a widely accepted practice in the Chinese media (Oderberg, 2009). This could well be similar to the ethical codes against bribes, freebies and junkets in Western countries such as the USA and the UK, but which are rather more documented than acted upon.

To conclude, while the USA and the UK have a lot in common in terms of enjoying freedom of speech and watchdog journalism, the situation is different in India and China, although fundamentally not as widely different as it is perceived in the literature. There are also a lot of parallels in the ethical challenges of conflicts of interest between what obtains in the USA and the UK on the one hand and what obtains in the two BRICS countries, India and China, although there are differences in terms of scope and the impact on journalists in these two OECD and two BRICS countries. In China and India, there is evidence of conflicts of interest such as paid news and bribery but, unlike in India, where they are almost generally accepted and condoned by the authorities, they are seriously frowned upon by the Chinese authorities, who sometimes see them as an easy route to punishing some journalists whom they perceive to be causing them trouble. While freebies and junkets are seriously frowned upon by business journalists in the UK and the USA, in India and China these things are yet to be considered as serious ethical breaches of the code of business journalism. Despite the huge challenges to free speech and ethics in in China and India, the watchdog investigative style of business journalism is growing very fast.

Chapter 8

Challenges of business journalism in the digital age

Having critically examined the human rights and ethical challenges that business journalists are constantly facing, this chapter explores the challenges that business journalism is facing in the digital age from a critical political economy perspective. The business press, and the broader spectrum of print media, are experiencing dramatically dwindling sales of newspapers and the massive drift of advertising revenues to the internet. In the USA alone, newspaper revenues dipped by over 18 per cent in the third quarter of 2008 (Bird, 2009). More and more people are accessing information and news via the internet, while advertising and news items are increasingly delivered in a personalised way to reflect the interests of media consumers. The fact that, thanks to the internet, more and more people are reading news on the screen of their laptops, tablets, ipads or mobile handsets, rather than in print, has meant that newspapers and TV outlets are forced to look for new ways of catching up if they want to stay in business.

Newspapers and magazines are increasingly moving from print to online formats, for example the *Christian Science Monitor*, while others are disappearing altogether. The crisis in journalism has not only witnessed dramatic closures of newspapers but also plummeting falls in circulation, journalists' jobs and advertising revenues in the USA, the UK, and Europe (Meyer, 2004; Starr, 2009 cited in Franklin, 2012). However, according to Franklin (2012), the UK newspaper closures and job losses have been considerably fewer compared to the USA, where 'the website Paper Cuts reported 15,993 job losses in 2008, 15,000 in 2009, but 2,800 in 2010, 4,111 in 2011 and 991 for the first half of 2012' (Franklin, 2012: 665). Moreover, the crisis is yet to affect Germany, where the 'economic foundations of the media market are still very much intact (Bruggemann *et al.*, 2012). In fact, in Germany, increasing mass communication convergence made possible by new media has radically contributed to the growth of media conglomerates.

This chapter explores what these changes mean for the future of traditional business journalism and the current search for new business models to sustain it. Furthermore, while traditional business journalism is arguably struggling in the current period, digital journalism is fundamentally changing the way in which news about business, finance and the economy is produced and consumed. This chapter critically examines the implications of these technological changes for the relationships between business journalists and their audiences, and business journalists and their corporate elite sources. This chapter focuses on the impact of new media on business journalism. It particularly seeks to explore whether the changes brought about by new media, for example increasing interactivity, speed and accountability in news production processes, have made business journalists better serve the public interest within a critical political economy perspective or whether the situation is more or less the same, or even worse. There has been increasing research (Franklin, 2011, 2012; Curran 2011b; Curran *et al.* 2013) on the challenges of the digital revolution to legacy or traditional journalism broadly speaking, especially following the seminal conference (2009, 2011) on the future of journalism convened at the Cardiff School of Journalism, Media and Cultural Studies. Innovations in media technologies, the increasing role of social media as sources and distributors of news, changes in audience needs for news and the increasing use of mobile devices as new platforms for news are among the trends and developments discussed at the 2009 conference at Cardiff (Franklin, 2011, 2012; Peters, 2012). Franklin (2012: 663) argues that these changes have significant implications for journalism, for example job cuts, workplace routines, role perceptions, 'ethical judgements and day-to-day practice', as well as 'challenges to the future funding of a sustainable, critical and high-"quality" democratic journalism'.

However, while considerable research interest has been shown in the implications of new media technologies for traditional journalism broadly speaking, making it necessary to search for new business models, very little attention has been paid to the impact of the digital revolution on the practice of business journalism. One noticeable exception is Nikki Usher's (2011) study of service journalism in blog comments and social media in the *New York Times* personal finance and personal technology sections. It is the aim of this chapter to contribute to addressing this gap in scholarship about the impact of new media on business journalism. This chapter will critically examine the personal technology coverage of the Apple iPhone 6 bent phone scandal in September 2014 in three UK newspapers – the *Financial Times*, *The Guardian* and *The Independent* – to determine the impact of new media on business journalism within the context of public business journalism.

This chapter has three sections: first, it looks at debates on the challenges of 'digital' and 'convergence journalism'; second, it looks at new media, service journalism and public service journalism; and finally, it undertakes a critical framing analysis of the personal technology coverage of the bent iPhone 6 scandal in the online formats of two British newspapers and two tech consumer blogs to see whether or not the concerns of consumers were taken on board more than those of the business elites.

Debates on the challenges of 'digital' and 'convergence journalism'

Multi-media/convergence journalism

The digital changes have also increasingly led to the rationalisation of newsrooms and the integration of digital, television and print media news operations in the context of what has come to be called 'convergence journalism'(CJ). CJ is the process of providing news to people whenever, wherever and however they want it, using any and all available communication tools (Kolodzy, 2013). It meets the expectations of the twenty-first-century news consumer on the move. Consumers want news of specific interest to them, and if they cannot get it in print quickly enough they go online to look for it.

Journalism professor Jay Rosen points to the increasing blurring of the lines between the producer and the consumer of news (Rosen cited in Bird, 2009). Journalists are now forced to provide more participatory and audience-centric news to keep the news business afloat. They must produce stories that are both informative and entertaining. They must be able to use different communication tools across different media platforms. They must produce quick but credible news and commentaries. They must develop mini areas of expertise. They must be multi-skilled (Kolodzy, 2013).

To achieve all this, according to Kolodzy (2013), the convergence or multi-media journalist needs to be audience-centric, story-driven, tool-neutral and professional. Audience-centric means being able to be fast and immediate in providing information to audiences, wherever, whenever and however they want it. Journalists must also be able to sometimes go beyond throwing information by way of words, videos or images at audiences and provide in-depth knowledge by way of detailed analysis and evaluation; they must provide audiences with more choices by 'delving into a story, its source, context and history' (Kolodzy, 2013: 5). In both these two audience-centric approaches, the convergent journalist is involved in what Kolodzy (2013) calls the 'push' and 'pull' factors. The convergent journalist is thus not only involved in 'pushing' the story out to the audiences in whatever form they want it, but also 'pulling' information 'in from members of the public who want to share their situation with others to add to the collective knowledge' (Kolodzy, 2013: 5). This push and pull processing of news changes the whole relationship between the producers (journalists) and consumers (readers or audiences), from what Rosen called vertical (top-down – one to many), to horizontal (bottom-up – citizen to citizen), with the journalist at the centre playing more or less the role of the facilitator of the conversation of the networked community. The user-generated content (UGC) which comes from the conversation between citizens is fed back to the collective pool of knowledge available to the journalist for onward dissemination to the public. The new process changes the role of the audience from passive recipients of information to active partners in its production and consumption. The citizens who are pulled in to participate in the news production process are now increasingly constituting what has come to be called 'crowdsourcing'.

The multi-media journalist also needs to be able to be tool-neutral in the sense of being willing to use many tools and ways of reaching out to the ever changing needs of the audiences. His or her toolkit must include all tech devices that make it possible to provide information by way of text, images and videos. It is even preferred to carry one or two devices that carry out multiple tasks. The convergence journalist must, like members of the audience, be able to multitask or do multitask-switching to ensure that they are able to connect better with their audiences and offer what blogger and journalism Professor Jeff Jarvis calls 'the mass of niches'. Jarvis notes that the value in a 'mass of niches' economy is in what you know, how you serve others or how you can participate (Jarvis, 2009). This new type of journalism relies on the value of gathering and disseminating knowledge, providing services to the public while participating with and in communities. To achieve this, it is important that the modern multi-media journalist opens up their thinking and news offerings, which often requires the use of more than one tool or device to give the full picture.

The multi-media journalist must also be story-driven in that they must provide news that is not only based on facts but also entertaining and informative. They need to be efficient newsgatherers and disseminators. A story needs to stand on its own in terms of being both informative and properly sourced. The news production and dissemination processes must be more intellectually stimulating than just the routine production of facts. This may require an in-depth evaluation of the storyline or narrative that challenges audiences to engage better in the networked conversation in push and pull interactive ways. This often means that the journalist needs to develop mini-areas of expertise to serve the 'mass of niches'.

Finally, the multi-media journalist needs to be a professional journalist. Yet the professional standards of the traditional journalist such as objectivity and balance are often swept aside by citizen journalists and bloggers who participate in the news production processes by contributing texts, images or videos that normally take stands or positions. The whole notion of citizen journalism has raised several questions such as: Who is a journalist? Can any blogger be a journalist? Can any citizen who posts a newsworthy video on YouTube be considered a journalist? Can you be a journalist if you never worked for a traditional media outlet? A multi-media journalist is expected to go beyond being a citizen journalist who commits a 'random act of journalism' and be a professional journalist who still upholds the highest standards of fairness, neutrality, accuracy and balance in the news production and dissemination processes. A professional convergent journalist provides a sense of discipline, consistency and public service that is credible and trustworthy. But this raises the other question as to what you call citizen journalists such as expert or community bloggers, or even someone just committing 'a random act of journalism' by posting texts, images or videos online, who provide credible and newsworthy stories but does not normally see themselves as a professional journalist. Whatever way we want to ponder this question, it is important to note that the convergence journalist needs to uphold the highest journalistic standards if they are to succeed in serving more or less as curators of information and ideas to help the public make sense of the otherwise chaotic mass of information available out there thanks to the internet.

Response to challenges of the digital age

Editors have been particularly proactive in responding to change in order to adapt to the new hi-tech media environment. They have been exploring new ways of writing and presenting their stories and comments, using multifaceted skills and technological devices. The crisis in journalism in the digital age has put pressure on newspapers to make editorial and financial changes to accommodate media's technological innovations and the changing needs of the markets (Franklin, 2009). The editor of *The Guardian*, Alan Rusbridger, whose newspaper was among the first to launch an online edition (*The Guardian Unlimited*) in the UK in the late 1990s, is on record as having warned about this new 'open and collaborative future for journalism'. He said: 'The more we can involve others, the more they will be engaged participants in the future, rather than observers, or worse, former readers. That's not theory, that's working now' (Rusbridger, 2010). In December 2011, *The Guardian* online recorded its largest monthly visits (60 million) averaging 3.28 million unique visits per day, with more than 4 million Facebook users installing *The Guardian* app in two months. In a memo to his staff in December 2013, *Financial Times* editor, Lionel Barber, announced that the online version of his paper now enjoyed over 100,000 more paid subscriptions than its print version. In the same memo, Barber also announced plans to launch a single global print edition in 2014. He went further:

> The new FT will be refreshed and updated to reflect modern tastes and reading habits. It will continue to exude authority and quality, delivering a powerful combination of words, pictures and data to explain the most important issues of the day.
>
> (Barber, 2013)

Barber also said that the future *FT* would be produced 'differently and more easily', but was quick to warn that the changes will impact the structure of the newsroom and the way in which journalism is practised at the *FT*. The *Washington Post* (*WP*) has radically overhauled its editorial policy to reflect its primary goal of 'bringing as many visitors as possible to Washingtonpost.com' (Peters, 2012 cited in Franklin, 2012). To achieve that target, the print and online operations of the *WP* were conjoined early in 2009, cutting down staff from more than 1,000 to less than 640 (Franklin, 2012). The German newspaper, *Bild*, recently announced a new partnership with a supermarket chain that sells cheap digital cameras that include software to upload photos directly to the newspaper. All the editorial staff need to do is to review the photos and send them directly to the online editions of the paper. *Bild's* managing editor calls this 'an advance for journalism', 'opening a truly democratic marketplace of ideas, with information and opinion flowing freely' (Bird, 2009: 294).

The problem of job cuts has also been evident in online newspaper formats due mainly to the idea of recycling the same information across media platforms. *Pasadena Now* online publisher James Macpherson recently fired his entire staff and outsourced 'news coverage to writers in India who write news and features, using email, press releases, the web and live video streaming from a cell phone at City Hall' (Bird, 2009: 294 citing a column by Maureen Dowd). Dean Singleton, chairman of the Associated Press and head of the Media News group, which publishes several major newspapers, 'announced his company is considering outsourcing almost all its operations. One news desk, possibly offshore, could serve all the papers – a model of economic efficiency that co-opts the very technology citizen-journalists see as liberating' (Bird, 2009: 294 citing a column by Maureen Dowd).

However, the response to the challenges of survival of traditional journalism in the digital age so far appears to have backfired, as it has exacerbated rather than eased the crisis. In addition to the mass job cuts and newspaper closures, especially in the USA, most newspapers that have adopted radical editorial and organisation changes to win back audiences and readers have been struggling to survive, mainly because the present business model of allowing free access to their content in exchange for advertising revenue has failed woefully. Picard (2009) is critical of the rush by news organisations to welcome the new media developments without posing the killer question: 'How will the use of a given technology generate money?' For instance, *The Guardian* has experienced a mismatch between its success in attracting impressive traffic to its online version as indicated above and its overall poor business performance: it recorded a pre-tax loss of £171.0 million in 2010 compared with £96.7 in 2009 (Guardian Media Group 2010 Annual Report). Moreover, according to research by Ju et al (2013), the huge expectations that newspapers had that having their content freely available to users of social networking sites such as Facebook and Twitter was an effective way of expanding their traffic and hence subscription revenues have unfortunately turned out to be a huge disappointment. After analyzing the top 66 US newspaper's social media presence, the Ju *et al.* (2013) study found that, although there is positive relationship among newspapers' Facebook, Twitter, web, and print readerships, social media subscribers continue to represent a small fraction of print and web users. The research therefore found the level of contribution of social media to newspapers' web traffic and advertising to be far more 'underwhelming' than initially anticipated (Ju *et al.* 2013).

Yet the question is often asked, not least by some of the supporters of the huge potential of the internet: Why is journalism still facing crisis in the digital age despite all editorial and organisational changes that have been adopted as discussed above? The failure by mainstream journalism to practise socially responsible, 'quality' journalism in serving as watchdogs of society is the answer that has been offered by some critical political economists (McChesney, 2004, 2013; Curran, 2011b; Curran *et al.* 2013) of the role of new media as representing 'good' journalism, in the sense of serving the interest of the public or citizens, relative to the interests of the political and business elites, which are often served by 'legacy' or 'old' media, representing 'bad' journalism. It is possible that the increasing audience fragmentation caused by these technological innovations in the media has increased competition for audiences, which in turn has contributed to the increasing 'dumbing down' of 'quality' journalism in favour of infotainment. Little wonder that Paul Dacre, editor of the *Daily Mail*, whose online edition currently enjoys the largest online newspaper traffic in the UK, commented on the crisis of journalism leading to job cuts and closure of many newspapers in the new media age and attacked critics of a lack of 'good journalism' by saying that if they (the critics):

> spent as much zeal trying to help reverse this tragic situation and work out how good journalism, which is, by its nature expensive, is going to survive financially in an internet age, then democracy and the public's right to know would be much better served.
>
> (Dacre, 2010)

Yet, despite Dacre's criticism, there is increasing research that supports political economy criticisms of the failure of new media to deliver good journalism to society. Franklin (2012) refers to a recent study of the business and financial issues reported in the *New York Times*, the *Wall Street Journal* and *USA Today* during 2008–10 which found that 'journalists may have "overreacted" to the market down-turn since the recession thereby contributing to the pessimistic mood'. The study concluded that the newspapers could do better by 'providing a more contextualised picture of their troubles' (Franklin, 2012: 665). Journalists must look themselves in the mirror to see whether what they have been doing is good enough to cope with the challenges of the digital age.

Yet some scholars still seem to be upbeat about the power of the internet. Scholars such as Rosen and Bird (2009), David Held (2004, 2006), Nancy Fraser (2007) and Manuel Castells (2006, 2012) have argued that the internet has ushered in much more empowered public spheres, not only in nation-states but across global society. As Mark Poster (2001: 175) puts it, the internet is empowering 'previously excluded' communities, while others see it as ushering in a renaissance of democracy (Agre, 1994). These scholars and others have celebrated the internet for bringing about more transparency, accountability, participatory democracy, diversity and pluralism in the production and consumption of news, ideas and entertainment. They have been particularly upbeat about the role of the internet by way of citizen journalism and social media in narrowing down what Hackett called the 'democratic deficit' of traditional journalism (Hackett, 2005).

However, political economy of communication scholars such as James Curran and Robert McChesney have been less optimistic on the potential of the internet in addressing the problem of the traditional media in serving as the watchdog of society in both national and global contexts. If anything, the critics have argued, the internet has provided more opportunities for the increasing commercialisation of the media and their corresponding dwindling role in serving the public interest, which by implication has widened rather than addressed the 'democratic deficit' of the role of legacy media. Critics have argued that quick-fix efforts to make news entertaining and appealing have weakened quality, diversity and trust. Moreover, recent research by Curran *et al.* (2013) debunks the widely held claim of the internet as an 'empowering tool' for otherwise marginalised publics as a myth. The Curran *et al.* (2013: 886) research, which studied news websites, TV and the press from nine different countries, found online news to be 'very similar to the news of other media in being heavily reliant on state representatives (such as government ministers and public officials) and on experts' as sources of information. The research, albeit based on the study of hard news, found these dominant sources to represent '70 percent of the sources of online news compared with 64 percent of press sources and 60 percent of television news sources' (886). The research also found that the websites studied reflected the voices of opposition politicians and civil society less than those in traditional media (Curran *et al.*, 2013). Business and expert sources were rated a bit more highly, at 10.98 per cent and 25.87 per cent, respectively, which suggests that business and expert voices were better articulated than civil society ones. These findings are interesting in that they challenge the myth of the internet serving as an alternative to traditional media, which, according to a plethora of research (Bennett, 1990; Curran, 2011b; Entman, 2004; Mermin, 1999; Curran, 2002; Davis, 2009; Hall *et al.*, 1978; Manning, 2001), has been acknowledged as relying too much on elite political and business sources in setting the news agenda in the USA and the UK. Another interesting finding of the research contradicts the cosmopolitan consciousness benefit of the media. A total of 71 percent of website news across the nine nations studied is on average devoted to 'the home country … lower than the proportion in the press (77%) and in television news casts (74%)' (Curran *et al.*, 2013: 887).

The Curran *et al.* (2013) research suggests that not much has actually changed in journalism as a result of the recent technological changes in the media. This resonates with Curran's remark, 'All media were once new media' (Curran, 2011a: 3), which suggests more continuity than change in journalism in the digital age. Curran argues that, despite the wild anticipation that the radio, and later TV, would signal the end of the newspaper, that did not happen as the newspaper is still very much there, and he warns that the same mistake is being made now in saying that the internet will bring an end to the newspaper, which is yet to happen. The reality is that newspapers and other media platforms such as TV and radio are existing side by side with new media in what has come to be called convergence media or convergence journalism. Yet, apart from adding speed, interactivity and some semblance of accountability to the production and consumption of news, not much has changed in terms of news values (Galtung and Ruge, 1973) and the elite-orientated/infotainment type of journalism that caters more for the business bottom line instead of the public interest.

If anything, the production of 'free news' has further had a very serious impact on quality journalism as the routinely altered journalistic practices of news gathering and reporting are now ignoring 'traditional and democratically significant areas of journalistic coverage, including courts, councils, local decision making, parliaments, executives and administrations' (Franklin, 2012: 669–70; Davies, 2008; Fico *et al.*, 2013). The mad rush to fill in news online and across different media platforms sourced from 'amateur' and 'non-professional' citizen journalists also means that accuracy and credibility of the news are seriously undermined.

New media, service journalism and public business journalism

As discussed in Chapter 7 of this book, service journalism, which caters for the needs and interests of members of the public as they manage their day-to-day financial activities by way of accessing personal finance or consumer reporting, has, especially during periods of financial uncertainty, been considered to be the perfect answer to criticisms often levied against traditional business journalism, which caters more to the interests of the big corporate investors, such as making profits (Gans, 2010). 'Service journalism serves an important role in the ecology of business news' (Usher, 2011: 109): many magazines and newspapers have sections devoted to specialist areas such as personal finance, personal technology and travel, etc., while those specifically focusing on business, economy and finance devote more editorial space to these beats. A new book by Chernomas and Hudson (2011) argues that the *New York Times*'s economic coverage has largely been influenced by its publishers' interest in bringing in profits for the paper. And although Usher (2011) draws on his newsroom experience and 'other accounts of the newspaper's activities (Mnookin, 2008) to reject this claim', there is increasing research by political economy of communication researchers (McChesney, 2004, 2013) to suggest that Chernomas and Hudson (2011) may not really be far from the truth.

What is more, recent scholarly debate (Starkman, 2012b; Teitelman, 2012; Roush, 2011a) following the 2008 financial crisis seems to suggest a kind of confusion as to who actually constitute the public: Are they the investors who make up the bulk of the audiences of news about business, finance and the economy? Or are they both the investors – big or small – and the rest of the public, including consumers of goods and services produced by capital made available by the investors, and by creative workers involved in the real production process? The business journalist is forced to constantly negotiate the dilemma of meeting the interests of all these players in the issues and events associated with business, finance and the economy. However, the criticism that traditional business journalism often pushes the line of the business investor over that of the consumer and producer of goods and services that lubricate the machinery of business, finance and the economy is simply refusing to go away, as we saw in the theoretical and empirical discussions in Chapters 6 and 7 of this book looking at the comparative studies of the 1929 and 2008 financial crises as well as the coverage of the subprime mortgage loan and horsemeat scandals in the USA and the UK.

It is the aim of this and subsequent sections of this chapter to look at this criticism in the context of the challenges of business journalism in the digital age within a critical political economy perspective. It is therefore necessary to go along with Usher's (2011: 109) suggestion that 'careful study requires thinking about whether the audience actually does consist primarily of investors'. More research is of course needed to help gauge the business journalist's interpretations of what constitutes public interest business journalism and what constitutes the investor interest, since, most of the time, for business journalists, especially those working for the more traditional financial press such as the *Financial Times* and the *Wall Street Journal*, the public or audiences whom they target are often investors and not necessarily consumers and workers. I referred to research by Doyle (2006) and Tambini (2010) in Chapters 6 and 7 which showed that business journalists interviewed are far from clear about their role towards the public, and that most see their role as limited to issues of corporate governance and financial transparency to boost the investment climate for their corporate elite target audiences, rather than as journalists working in the interest of the public more broadly. Research by Usher (2011), in which he employed networking journalism as a useful theoretical construct to 'understand the values and imperatives of business journalists' in servicing the interest of consumers in the context of service journalism, is no doubt a useful breakthrough in efforts to understand how business journalists view their role in serving the interest of the public broadly speaking and not just investors. Usher notes that the business journalists he observed in his research working in the personal finance and personal technology sections of the *New York Times* and using networked digital platforms such as Twitter and the blogosphere 'were actively trying to understand what it meant to engage with their community so as to better understand the everyday consumer experience' (Usher, 2011: 109).

Usher sees a nexus between this type of journalism powered by the internet, what Beckett and Mansell (2008) call 'networked journalism' in the web 2.0 era, and service journalism, which Eide and Knight (1999: 527) call journalism that 'represents the development of a hybrid social identity – part citizen, part consumer, part client – that is oriented to resolving the problems of everyday life'. Eide and Knight (1999) basically see service journalism as problem-solving journalism; it looks at individual problems or issues and finds solutions to them in a collaborative way with members of a community. Eide and Knight (1999) argue that service journalism is more broadly connected with issues of the public sphere. More importantly, Hanitzsch *et al.* (2005: 109) see service journalism as representing a fundamental change in the 'social function of the news', from journalism that provides information to one that helps select relevant information. The Eide and Knight (1999) and Hanitzsch *et al.* (2005) definitions more or less see service journalism as public service journalism, especially from the point of view of being a stand-point or advocacy form of journalism that mobilises public opinion for change, as opposed to professional journalism that espouses neutrality and objectivity in just providing news based on facts. Yet Usher says that service journalism should not be confused with public service journalism. But, again, Usher may be right if the advocacy/problem-solving nature of service journalism is only limited to a community of people with shared interests, for example those engaging in a collective conversation to resolve a particular personal technology issue involving a defective device. Can we then call it public service journalism if the advocacy/problem-solving targets a much broader public sphere by looking at problems that affect the general public good, such as eradicating structures that reinforce poverty and inequality across cultures and communities? Usher says that service journalism should not be confused with public service journalism, but, while offering a definition for the former, he fails to do so for the latter. In my view, while I do not see much difference between the two notions or concepts in that both have advocacy/problem-solving elements, I can see a resonance between public service journalism and the social responsibility or watchdog role of journalism in addressing the political, social and/or economic imbalances of society. Public service journalism in the context of business journalism resonates with what I have called public business journalism – business journalism with a critical political economic perspective – which seeks to hold corporate power to account to promote the public interest, i.e. the interest of consumers and producers of goods and services who are in the majority, as opposed to the investors who are in the minority. Public business journalism holds that, since objectivity is a myth and stand-point or advocacy journalism is the norm, the balance should be tipped in favour of the interest of the poor and weak members of the public who are victims of manipulation by the rich and strong players in issues and events involving business, finance and the economy. Public service journalism, *à la* public business journalism, is therefore different from service journalism because it goes beyond advocating solutions to problems shared by a community to addressing structural imbalances of society at large. Thus, while public service journalism addresses structural imbalances in all spheres of life such as politics, economics, business, society, culture, etc., public business journalism addresses structural imbalances in the spheres of economics, business and finance. Service journalism is similar to networked journalism in terms of problem-solving interactivity, but, in terms of the latter, new media platforms such as blogs and social networking sites become part of the chain of news-production–distribution–consumption (Beckett, 2008). Jarvis (2006) notes that networked journalism makes the public provide facts, questions and suggestions in the making of the story before it is reported.

Framing the bent iPhone 6 scandal in the UK press and blogosphere

Drawing on content and framing analyses, I critically explore how the controversial bent iPhone 6 scandal, dubbed ‘bendgate’ on social media, was framed in two British newspapers – *The Guardian* and *The Independent* – as well as on two online tech news blogs – Crave.net and Geek.com. It investigates whether the changes brought about by the internet such as increasing interactivity, speed and the so-called ‘democratic accountability’ in news production processes have made business journalists better serve the public interest within a critical political economy perspective or whether it is business as usual, or even worse. As we saw earlier in this chapter, the Curran *et al.* (2013) study debunks the widely held claim that the internet has empowered the otherwise voiceless members of civil society as it found that the news websites studied from nine countries used more elite state sources than even the mainstream presses in those countries, and far above those of civil society. The Curran *et al.* (2013) study also found more elite business and expert sources used, far above those of civil society. This study therefore suggests that the claim of the empowering of the voices of the public, which are normally marginalised in mainstream media, on new media platforms is a myth. It is the aim of this section to contribute to the research by Curran *et al.* (2013) by also testing the validity of the 'empowering' role of the internet in looking at whether the framing of the bent iPhone 6 scandal by both the mainstream personal technology business journalists and tech consumer bloggers foregrounded the business elites of Apple, producers of the iPhone 6, over the consumers expressing concerns about the bent iPhone. As the Curran *et al.* (2013) study also recognises, much more empirically based case study work, such as their own and mine here, is needed if we are to make an informed judgement about the existence or otherwise of the 'internet revolution'. This study also aims to contribute to Usher's (2011) research on service journalism as it relates to network journalism by looking at UK case studies of personal technology business journalism.

I draw on Jean De Bonville's (2000) model of content analysis on the basis of the quantitative statistical measurement of the aggregate data from all the articles covering the bent iPhone 6 scandal downloaded and coded from two British newspapers – *The Guardian* and *The Independent* – and from two UK-based tech blogs – Crave.net and Geek.com – with a view to observing how they framed the Apple business elites and the consumers of the bent iPhone 6. The reason for choosing the two British newspapers is the same offered for choosing them for the analysis in Chapter 7 of this book. Another reason for choosing these two papers is that, considering the fact that they both traditionally lean towards working and middle-income people, it would be interesting to see whether they would have a more consumer-oriented framing of the bent iPhone 6 coverage. Moreover, their choice here would offer an insight into how they are coping with the challenges of the digital age and whether they are doing things differently or whether it is business as usual. The two tech blogs were chosen because one of them (Crave.net) is among the top ten in the UK, while Geek.com, in addition to being one of the leading tech blogs in the UK, had a reporter (Russell Holly) who experienced the bendgate problem first hand and shared this in one of his posts. It was also necessary to have two tech blogs whose operations are totally separate from the chosen mainstream newspapers so as to help further validate the results of the content and framing analysis. Geek.com was founded in 1996 as an online technology resource and community for technology enthusiasts and professionals, while Crave.net is a news blog that specialises in 'crushworthy tech, science and culture'. The period of the study is September 2014 because this was when the bendgate scandal broke out and received most coverage. Only articles collapsed using the search words, 'bent iPhone 6' covering this period were coded and analysed. Results that had 'iPhone 6', which was launched in the same month that the bendgate scandal broke out, were excluded. All user-generated content (UGC) used in the main body of the articles was included in the coding. However, all UGC based on readers' comments at the end of the articles was excluded from the coding.

The content and framing analyses particularly look at how the four news outlets framed two issues: the consumers' bendgate concerns and the response by Apple. The aim is three-fold: first, to determine whether the four news outlets used more elite business sources than consumer sources; second, to see which received more critical framing and which received more support framing; finally to discover how the framing differed across the four news outlets. I attempt the statistical measurement of the above two issues on the basis of their presence or absence in the articles analysed. I use Entman's definition of framing, which is based on the idea that the more an issue is framed in the media, the more it is likely to remain on the news agenda – which has the knock-on effect of setting the agenda for the public as well (Entman, 1993). (For more discussion of framing analysis, see Chapter 7). The following research questions will be examined:

RQ1: Were the elite business sources cited more than the consumer sources in all four news outlets?

RQ2: Which, between the bendgate concern and Apple's response, was more critically framed, and which received more support framing in the four news outlets?

In all, 27 articles from the four news outlets were coded: seven from *The Independent* online; eight from *The Guardian* online; eight from Crave.net; and four from Geek.com. The articles coded included news reports, features and opinions. Following De Bonville's model (2000) of quantitative content analysis, all articles were coded to determine the number of Apple business sources and consumer or user sources cited in the four news outlets, in order to answer RQ1. The articles were also coded to determine which of the issues received more support or critical framing in answer to RQ2. Table 8.1 and Figure 8.1 will address RQ1, while Table 8.2 and Figure 8.2 will address RQ2. These tables and figures will be followed by a discussion of the content analysis, and sourcing agenda-setting and framing analysis. All Apple employees and experts defending the Apple position in the scandal are categorised as Apple business sources (ABS), while all consumers and experts defending the consumer position are categorised as consumer sources (CS). The two issues framed are bendgate scandal and Apple response. I will content analyse the extent to which support and critical frames were employed in the coverage of the bent iPhone 6 scandal. I will therefore analyse two

Table 8.1 Apple business sources and consumer sources in *The Independent*, *The Guardian*, Crave.net and Geek.com

Newspaper/tech blog	*No. of ABS*	*No. of CS*	*No. of articles*
The Independent	17	5	7
The Guardian	19	28	8
Crave.net	3	14	8
Geek.com	6	6	4

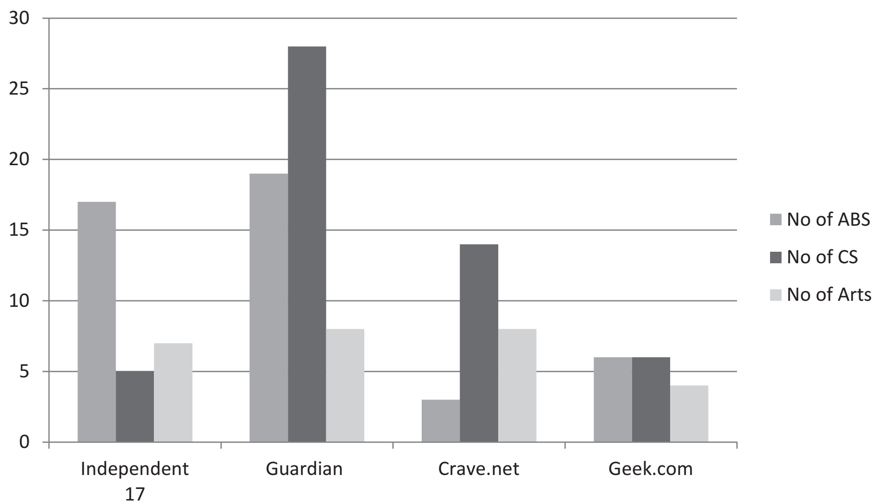

Figure 8.1 Chart reflecting the pattern of data in Table 8.1

Table 8.2 Support frame of Apple response (SFAR) and critical frame of Apple response (CFAR) in *The Independent*, *The Guardian*, Crave.net and Geek.com

Newspaper/tech blog	*No. of SFAR*	*No. of CFAR*	*No. of articles*
The Independent	5	2	7
The Guardian	6	2	8
Crave.net	3	5	8
Geek.com	2	2	4

categories of frames: 1) support frame of the Apple response (SFAR) to the bendgate scandal, which means critical framing of the scandal itself; 2) critical frame of the Apple response (CFAR), which means support framing of the scandal itself. Each coded article will be analysed to determine whether its dominant framing is critical or supportive of the Apple position in response to concerns about bendgate of users or consumers.

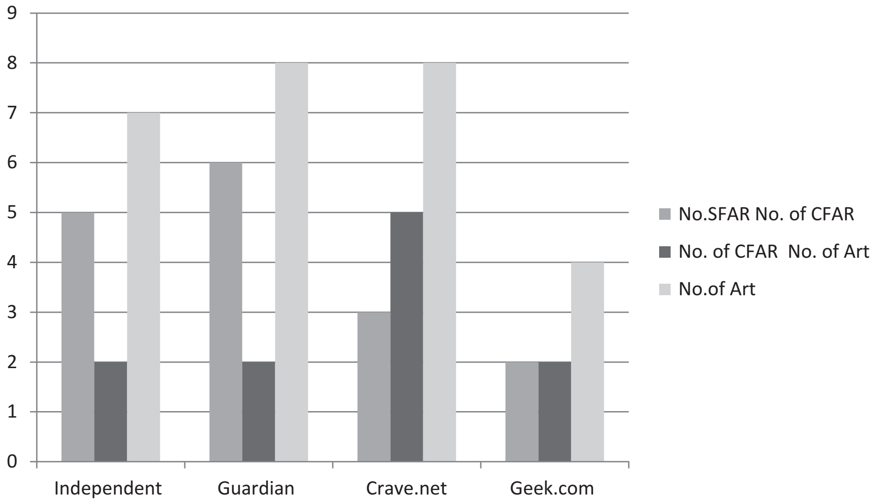

Figure 8.2 Chart reflecting the pattern of data in Table 8.2

Top-down or bottom-up representation in digital business news?

In order to determine whether the top-down approach to sourcing routine, which, according to a plethora of research (Bennett, 1990; Curran, 2011b; Entman, 2004; Mermin, 1999; Curran, 2002; Davis, 2009; Hall *et al.*, 1978; Manning, 2001; Curran *et al.*, 2013), has long been acknowledged for mainstream media, is no different from what obtains in digital business journalism, I measured the number of times that Apple business and tech experts were cited in the 27 articles content analysed and compared this with the number of times that consumers who raised concerns over the bendgate scandal were cited in the two mainstream newspapers and the two tech blogs.

As we can see in the statistics in Table 8.1 and represented in the chart in Figure 8.1, there is first of all a big difference between the two mainstream online newspapers in terms of the number of elite business sources cited against consumer sources. While they are close in the number of elite business sources (17 for *The Independent* and 19 for *The Guardian*), which may be because the latter had one more article in the study, there is a very big difference between their use of consumer sources (five for *The Independent* and 28 for *The Guardian*). However, the very big difference may well be because two of the eight *Guardian* articles in the study have user-generated content, which made them very good examples of service journalism and network journalism; the two had between them at least 18 consumer sources cited using the Twitter platforms of the authors (more on this in the discussion later in the chapter). Yet, even without these 18, the remaining ten still constitute a huge difference between *The Guardian* and *The Independent* in terms of how they have adapted their business journalism to the digital revolution. This huge difference in consumer sources cited (28:5) shows that the internet has had a powerful empowering influence on personal technology consumers participating in network journalism with *The Guardian*.

And the fact that the number of consumer sources cited by *The Guardian* (28), a mainstream newspaper, surpasses that of tech blog Crave.net (14) by half, even when both have the same number of articles (8) studied, shows that traditional news outlets such as *The Guardian* that have adapted very well to the digital revolution are having more impact than the community network journalism tech blogs such as Crave.net in empowering their tech-savvy readers. At least Crave.net scores far better than *The Independent* on this count, with nine more consumer sources cited by the former; this shows that some online news platforms are still doing better in empowering otherwise marginalised communities than mainstream media outlets that are still lagging behind in adapting to the digital revolution. Yet it may well be that the user-generated content by way of Twitter in one of the articles in Crave.net helped it to have access to a few more consumer sources. The Crave.net blog also did better than its counterpart tech blog, Geek.com, in terms of having more consumer bottom-up framing of the personal technology news regarding the bent iPhone 6 scandal although this might be due to the fact that the latter's coverage turned out to be too limited, with only four articles on the scandal compared to eight by the former.

Another interesting result is the very vast difference between Crave.net's cited business elite sources (three) and consumer sources (14), which suggests a very high bottom-up ratio. This result is even more important in that, unlike the research by Curran *et al.* (2013), it shows that the internet has indeed provided an empowering voice to personal technology consumers to talk back authoritatively and help influence the production of better quality tech products. Yet, the fact that the other tech blog, Geek.com, cited an equal number of business elite sources (six) and consumer sources (six) goes to show that there are still some online news platforms that try as best as possible to uphold the professional journalistic standard of objectivity in order to maintain credibility.

Support or critical framing of the bent iPhone 6 scandal

In order to determine whether the business position of Apple in response to the bendgate scandal received more support framing in the mainstream press and news blogs than the concerns expressed by consumers or users in reply to RQ1, I quantitatively measured how the Apple response was consistently framed, or not, over that of bendgate concerns in one article. As we can see from the statistics in Table 8.2 and represented in the Figure 8.2 chart, the traditional newspapers, *The Independent* and *The Guardian*, had far more support framing (six and five, respectively) than critical framing (two for each) of the Apple business response to the scandal over that of the bendgate concerns of the consumers. These results, especially the *Guardian* one, may sound somewhat strange, since it is often said, and even confirmed by media agenda-setting researchers such as Cohen (1963), McCombs and Shaw (1972) and Weaver (1987), that people who are more cited in news reports are most likely to set the news agenda. Going by the agenda-setting theory of the media, one would have expected that the greater number of CS cited in *The Guardian* (28) relative to the ABS(19) would have provided more critical than support framing for the business elites. The reason for this, as it turned out, is that most of the consumers who contributed to the UGC in one of the eight *Guardian* articles studied were supportive of the Apple spin pushing the need to have a case to shelter the iPhone 6 as a way of preventing bending, instead of making changes to the design of the device. Another reason may well be that one article is measured as one frame – support or critical – even if it has many consumers cited (for example there is one critical frame article that cited ten consumer sources). However, it is interesting to note that the fact that there is a kind of disconnect between bottom-up agenda-setting (more consumer sources) and critical framing shows that, while there is evidence of network journalism and service journalism on the part of *The Guardian* online as discussed earlier, this does not necessarily translate into public business journalism or business journalism with a critical political economy perspective. For example, the *Guardian* article in the US Money blog section by Heidi Moore title: 'Why are you carrying your bendy iPhone 6 Plus without a case?' (25/09/14) has all the hallmarks of community network and service journalism such as interactivity and audience-centric journalism by way of pushing rhetorical tips to readers and consumers and pulling them back so as to provide answers that are fed back into the main content of the article. Heidi sends an open invitation in the lead of her article:

> The iPhone is an expensive, sophisticated computing device. Tell us why you prefer your iPhone swaddled in protective gear or like to forgo a case enjoy its beauty [sic].
>
> (Heidi Moore, *The Guardian*, 2014)

The whole article is based on a growing debate on social media about whether or not users should go for a protective cover or case for their iPhone 6 to prevent it from bending in their pockets. The article makes reference to an earlier article by Charles Arthur in the same *Guardian* that reported that bumper telephone case manufacturers are jumping at the opportunity to design cases that will protect the iPhone 6 from bending. Yet, according to the debate generated from Heidi Moore's 'admittedly judgemental tweet about the need for cases', there were disagreements as to whether this case would mask the beautiful design of the iPhone 6. The first response was a tweet from Farhad Manjoo, a tech columnist for the *New York Times* who made a case for design over function: 'it's mind boggling to me that people are paying $900 for devices whose main feature is beauty and then stuffing them in cases'. Another tweet from Anne W. Vander-Mey reinforced the argument for design: 'It's designed to fit perfectly in your hand. The case ruins the whole experience'. But there were also tweets from those who prefer function over beauty. Low Whiteman joined the debate and said: 'yes. My non-Apple is cased and will remain cased. But give me function (toughness) over form (pretty)'. Another pro-function tweet came from Hayes Brown: 'People who go around without iPhone covers make me so, very, nervous'.

It is clear that these interactive horizontal exchanges by users with the business journalist Heidi playing the role of a facilitator or moderator of the conversation are empowering from the point of view of giving users a voice to participate in the construction of the news content (network journalism) and providing answers as to whether or not a case or bag for the iPhone 6 is needed (service journalism). However, the fact that the whole debate centred on the more distractive issue of whether or not a case or a bag is necessary, which sounds like a kind of 'native marketing' for telephone cases anyway, instead of on the bendgate concerns expressed by many users on social media, makes it service and network journalism, but definitely not public business journalism. Providing answers to solve problems such as the issue of whether or not a phone case is necessary can constitute a kind of service journalism, but if the problem for which answers or solutions are sought is a distractive one (phone case) and not the main bendgate concern, then there may even be a problem in calling it service journalism from the point of view of serving the public interest. Thus, despite having many users participating in the debate that formed the basis of the article, the fact that they were distracted from the critical issue of bendgate, which in a way meant letting Apple off the hook of the criticisms that were mounting against its apparently problematic tech device, shows that the dominant framing of the article by Heidi was that of support rather than critical. What is more, the emphasis by users on the 'beauty' and 'function' of the iPhone 6 in the debate was probably good for Apple's bottom line since it was a smart, albeit less obvious, way of promoting the product's visibility.

Yet all is not lost for *The Guardian* as one of its two critical frame articles cited ten consumer sources, most of whom shared their critical bendgate experience. This article by Samuel Gibbs and titled 'Apple iPhone 6 and 6 Plus can bend in pockets, users complain' (2014) foregrounded the bendgate scandal big time. The article goes on to describe the weak area of the phone 'which appears to be around the volume buttons, where the frame is at its thinnest and creates a fulcrum point around which the phone bends', thus providing support to consumers expressing concern over the bendgate scandal and critical of the defence provided by Apple. Moreover, by way of debunking the claim made by Apple that they have received only nine complaints regarding this bendgate scandal, thereby downplaying it, a claim that received wide coverage across the media, including the four news outlets studied here, this article reported that '*The Guardian* found dozens of people on Twitter whose iPhone 6 or 6 Plus had bent' and that 'there are also hundreds more echoing news reports and pictures put up by those who have been affected' (Gibbs, *The Guardian*, 2014).

But again there is another surprise! The article that turned out to have the most critical framing of Apple was an opinion piece in *The Independent* by

Memphis Barker titled 'Yes, the iPhone 6 is a miracle but it's Apple's tax affairs that deserve a double take' (2014), which had absolutely no consumer cited, nor was the author bothered about the bendgate issue, although he made a passing reference to it. Instead, the author went for the big picture in the Apple story – a multi-billion dollar company swimming in the ocean of wealth, which yet can afford to avoid tax: 'the company pushes most of its profits offshore to avoid paying tax in America, where corporation rates are high at a peak of 35 per cent' (Barker, *The Independent*, 2014).

Crave.net, on the other hand, had relatively far more critical framing than support framing for the Apple bottom line (five: three) regarding the bendgate issue than the two mainstream newspapers combined (four). This result is interesting because it shows that, although it does not demonstrate evidence of a lot of network and service forms of journalism by way of community problem-solving, such as what we saw in the case of *The Guardian* online, Crave.net tended to practise a more adversarial type of bottom-up investigative journalism that resonates with public business journalism. One such article by Claire Reilly titled 'Will it bend? iPhone takes a turn for the worse' (2014) cited six consumers with very negative experiences of the bendgate problem. The article offers a rare insight into the mechanical deficiencies of the tech device:

> Photos have begun appearing online showing distinctly bent aluminium devices, with complaints that the new iterations of the iPhone, which feature a thinner and larger aluminium body, are unable to stand up to the wear and tear of staying in a pocket.
>
> (Claire Reilly, Crave.net, 2014)

The article went the extra mile to provide videos and comments posted by concerned victims on social media such as Twitter and the Mac Rumours forum to complain about the 'design flaw, which seems to affect the device at the top end near the volume buttons'. The article provided a lot of critical insights reflecting the concerns by users who experienced the problem first hand. The Geek.com result of two each for support and critical framing resonates with its equal citing of business elite sources and consumer sources, which demonstrates a kind of consistency in upholding the objectivity standard. It shows that some tech community blogs are not only interested in providing solution-oriented service to their tech costumers but also in considering meeting the business bottom line of the tech companies that they work with.

Conclusion: public business journalism in the digital age

The main aim of this chapter was to investigate the impact of the digital revolution on business journalism. To be more precise, it sought to find out whether the changes brought about by the internet, such as speed, interactivity and democratic accountability, have helped to make business journalism move towards public business journalism or whether it is business as usual. It sought to test the validity of the findings of the research by Curran *et al.* (2013) that the internet is reinforcing, rather than changing, the power relations in which the news agenda is set more by political and business elites than members of civil society by drawing on content and framing analyses of the coverage of the bent iPhone 6 scandal in two British national dailies and two tech blogs.

Five interesting findings are worthy of mention in this conclusion: first, the disconnect between the very high score by *The Guardian* on citing the most number of consumer sources (28) over that of Apple business sources (19) and its low score on critical framing of the Apple response (two), which is less than the support framing of the Apple response (six) shows that there is a difference between empowering people to participate in an online community conversation where they share their experiences on how to solve a shared problem and empowering them to participate in an online community where they not only share their experiences on how to solve a shared problem but challenge the very structures of the problem in order to make sure it does not happen again in the future. This result shows that consumers or users were empowered to participate in conversations generated by *The Guardian* by way of network journalism and service journalism to share how they were coping with the bendgate problems, either by getting a phone bag or case or taking more care. However, the consumers were not empowered enough by the conversations to ask some critical questions and challenge the structures of the bendgate problem by way of public business journalism to make sure that the Apple iPhone 6 producers provided compensation and prevented similar problems in the future. Distracting consumers from the main problem of bendgate to issues of how to use a phone bag or be more careful, thereby letting Apple off the hook, made *The Guardian* fail to practise public business journalism. Thus, for public business journalism, it is not just the number of people from the public participating to share coping mechanisms in the conversation that matters, but the critical quality of the conversation in terms of addressing the main problem at stake.

Second, the fact that *The Guardian* scored highest in the number of consumer sources cited, thereby practising network journalism and service journalism, shows that this traditional newspaper has adapted better to the challenges of digital revolution than not only *The Independent* but also the two tech blogs put together.

Third, that Crave.net had relatively far more critical framing than support framing for the Apple bottom line (five: three,) regarding the bendgate issue than the two mainstream newspapers combined (four) shows that, after all, contrary to the findings of the Curran *et al.* (2013) research, which shows limited potential of the internet in empowering the public, the internet through network community journalism can empower tech consumers not only to participate in conversations and share their coping experiences but to critically engage in and with the discussions aimed at addressing the main technical issue or issues at stake.

Fourth, that *The Independent* opinion article by Memphis Barker turned out to have the most critical framing of Apple, despite citing no consumer source, shows that there are times when traditional business journalists can practise public business journalism by way of spinning the public interest against the corporate interest even with or without the internet by way of network journalism.

Finally, the parallels in the findings of Geek.com (of two each) for support framing and critical framing as well as (2 each) for consumer and business sources show that some tech blogs are also interested in respecting professional standards of objectivity that is common with traditional business journalism.

Although the limited scope of this research in terms of the number of news media outlets and issues studied will make it difficult for its findings to apply generally, it provides a useful starting point for much bigger future research in this area of business journalism in the digital age such as the one undertaken by Curran *et al.* (2013) looking at political communication.

Chapter 9

Conclusion

A case for public business journalism and a look to the future

Drawing largely on a critical political analysis of the triple crisis of business and journalism, grounded in theoretical and empirical research, I have done my best in making a very strong case for what I have called 'public business journalism' as the journalism to address the current imbalance of traditional business journalism that is skewed to meeting only the bottom line of the big business investors as opposed to the interest of the public at large.

As recognised in this book, the failure of business journalism to serve as a proper watchdog of corporate activities in the interest of the public, especially the real workers and consumers of goods and services, despite all its great achievements in the building of modern industrial society, has over the years met with heavy scholarly criticism.

However, earlier research by critical political economy of the media researchers such as Herman and Chomsky (1988), Mosco (2009) and McChesney (1999, 2003, 2004) has tended to focus more on the structural issues of the media more generally rather than looking at how these issues specifically apply in the practice of business journalism. Moreover, earlier research has been good at identifying the problematic structures of the media generally, but fell short of proposing alternative paradigms to mainstream media, let alone to mainstream business journalism. This book has addressed these gaps in the literature by critically analysing the triple crisis of business journalism and offering public business journalism as an alternative.

Moreover, one of the most important contributions of this book is its attempt to proactively provide a solution to the crisis of identity of the journalistic beat, by focusing on the reporting and analysing of news about business, the economy and finance, sometimes called business journalism or financial journalism.

Looking at the systemic function of financial journalism as watchdog of corporate governance (Tambini, 2010; Borden, 2007; Engwall and Sahlin, 2007), it is rather strange to see that business and financial journalists are still struggling to come to terms with what their roles and responsibilities are. Or is it that they know, but they always try to let go and instead give excuses for their failure to serve as watchdogs? Or is it that they are simply content with the routine analysis and interpretation of financial information available to them instead of going beyond and asking those critical questions and investigating unanswered questions regarding financial irregularities? Or are they simply letting the investors off the hook and cheering them on to make more profits against the public interest because of conflicts of interest? These are some of the questions that should be occupying the minds of media researchers and policymakers, as well as journalists who identify themselves as business or financial journalists, and who are really interested in making business journalism as a specialist journalistic beat have an impact on society.

Drawing on the political economy approach of business journalism, based on the social responsibility watchdog role to hold state and corporate powers to account, this book makes the argument, as emphasised in Chapter 5, that one sure way of answering the above questions is to resolve the identity crisis in business and financial journalism. This book has used the critical political economy approach of business journalism to resolve this identity crisis and restore business journalism to where it truly belongs. The ambivalence in the roles and responsibilities of business or financial journalists, as we saw in the analysis in Chapter 5 and elsewhere in this book, is understood in the context of two interests and audiences – the investor and the public: Are their roles and responsibilities serving the interests of the investor or the public? Using the critical political economy approach of business journalism informed by watchdog and investigative journalism, therefore, this book argues that the investor interest-oriented form of finance and business reporting can be best described as financial journalism, while the public interest-oriented form can be best described as business journalism. I have proposed that public business journalism be named after the latter so as to make it different from mainstream financial journalism, which is problematically called business journalism. In the rest of this conclusion I will offer a summary of the key arguments and conclusions in the three parts of the book and then look at existing work and organisations that can support the realisation of public business journalism practice in the mainstream media. It is important that business journalism education recognises this dichotomy between business journalism, which embraces the interest of the public as a whole, that is the investor, big or small, as well as workers (producers) and consumers of goods and services on the one hand, and financial journalism, which orientates more towards the interests of the investors and corporate elites.

The triple crisis of the political economy of business and journalism

Part I provides historical, conceptual and empirical frameworks to explain the crisis that global capitalism is presently going through and how traditional business journalism has failed to address it. It identified two distinct political economy of capitalism approaches: political economy of capitalism led by Adam Smith and the political economy of anti-capitalism led by Karl Marx. Chapters 2, 3 and 4 in this part explored how the crisis in global capitalism has largely been caused by the conflicting tensions between these opposing dynamics of capitalism and anti-capitalism, and how failure to strike a balance between these two tensions has negatively impacted on traditional business journalism. As this book argues in the chapters in Part I, global capitalism has been in crisis since its emergence following the industrial revolution of the nineteenth century; this has been more evident in the great global financial crises of the twentieth and twenty-first centuries. Responses by political and business elites to these crises have largely been polarised along political economic lines of neoliberal capitalist or Marxist-Socialist interventions. However, lines between these two political economic interventions to resolve these financial crises have often been blurred as governments have found themselves implementing the two, depending on the changing circumstances and interests of those calling the shots.

Chapter 2 makes the argument that, while traditional business journalism resonates more with classical or orthodox neoliberal capitalism, which lays more emphasis on the idea of maximising profit or economic growth that would trickle down to the poor (Smith, 1776; Sachs, 2005), public business journalism, or business journalism with a critical political economy perspective, resonates more with the political economy of anti-capitalism, which lays more emphasis on the principles of equality (Sen, 1999; Unwin, 2007), ‘do no harm’ (Pogge, 2005) and, above all, institutional development (Shaw, 2012). Within the context of the political economy of anti-capitalism, institutional development is prioritised over service delivery or charity. More people suffer from extreme poverty and hunger (and live on less than $1 a day) because of the failure of the dominant neoliberal economic logic of wealth created trickling down to the poor. The past 30 years are considered as lost years for most developing countries due to the focus on development as charity (more service delivery) and not development as freedom (more capacity building).

Emphasis on imports and less on exports, thereby widening the balance of payment of developing countries is the consequence of overall donor control through overseas development aid. The focus on profit-centred development as opposed to people-centred development is a direct consequence of the discarding of the development project in favour of the globalisation project.

The debt trap is a consequence of debt recycling through unreasonably high insurance premiums and interest rates, and sometimes unclear rules of engagement. Key to the process of development are the interconnections of the instrumental human freedoms. Expanding the freedom that peoples enjoy relates both to the end and means of development; national wealth could sometimes be the means, but not the end, of development (Sen, 1999). The crisis of capitalism is further developed in Chapter 3, which focused on the political economic communication of capitalism as corporate journalism, drawing on the reporting of the Africa–EU Lisbon summit in 2007 in the British and French press.

Chapter 3 concluded by arguing that *Le Monde*, and to some extent *The Guardian* and *Le Figaro* reflected the less dominant voices to avoid the distortion and omission of genres, styles and discourses of ‘difference’ and ‘resistance’ (typical of public interest communication as public business journalism) instead of just following the more dominant neoliberal genres, styles and discourses (typical of political economic communication as corporate journalism). By avoiding the above distortions and omissions these approaches in effect serve as effective panaceas to addressing the obstacles discussed in sub-section three (political economy of the media, professional and ideological structures, and audience pressures) of Chapter 3, which stand in the way of resolving the social problem of national interest as political economic communication of corporate journalism. The panaceas, as we have seen in the analyses above, constitute the whole maze of public interest communication as public business journalism, with all its trappings of diagnostic reporting, which helped to lay bare the distortions and omissions typical of political economic communication as corporate journalism, with all its trappings of evocative reporting, which helped to reinforce them in the first place.

Chapter 4 concluded by making the argument that the great work of the muckrakers such as Bly, Steffens and Tarbell has proved to be a more radical and effective genre of investigative journalism compared to the much watered-down version used in exposing the Enron scandal. In order to achieve their role as watchdogs of business and industry, business journalists must rise above the influence of business elites. However, it is rather ironical that Tarbell's exposé of Standard Oil Company also had a negative impact on the future of business journalism as it led to the gradual demise of this great muckraking genre of investigative journalism in the business press with the ushering in of the PR industry following the hiring of spin doctors to manage the damage caused to the Standard Oil Company by the Tarbell exposé.

Part II exclusively focused on the crisis in the political economic reporting of financial crises, drawing largely on the 1929 and 2008 financial crashes. Some interesting findings in Chapters 5 and 6 grounded in theoretical and empirical research, respectively, show the failure of business journalists in practising watchdog-oriented public business journalism – educating and informing the public, offering diverse and alternative viewpoints, speaking truth to power, holding political and business elites to account for their decisions and actions, etc. – and so in this way failed to help prevent or address the financial crises of 1929 and 2008.

Chapter 5 tried to provide a critical historical and conceptual exploration of the reporting of business, the economy and finance to resolve the crisis of identity in traditional business journalism. It concludes that what makes the business journalist different from the financial journalist is the ability not only to provide financial literacy to big and small investors and businesses (macroeconomics and modernity) and help promote corporate governance, but also to provide financial accountability through watchdog investigative journalism that would hold corporate power to account with the aim of providing a level playing field for all businesses, big or small, and other stakeholders such as workers and consumers of goods and services (postmodernity and microeconomics). The chapter argues that too much focus on financial journalism over business journalism largely contributed to the great global financial crises of the 1920s, 1990s and 2008.

The comparative framing analysis in Chapter 6 shows that the *FT*'s framing of the subprime mortgage loan crisis was one of de-escalation, giving the impression of a less alarming credit crunch and thus denying the seriousness of the 2008 financial crisis while, on the contrary, its framing of the horsemeat scandal was more of escalation, giving the impression of an alarming situation. While *The Independent*, like the *FT*, carried more horsemeat escalation framing than de-escalation framing, it certainly had more critical watchdog framing of the big supermarket chains than the *FT*. While the anti-regulation framing appears to be dominant in the *FT*'s reporting of the subprime mortgage loan crisis, in the case of *The Guardian* the framing looks to be more favourable to the idea of regulation of subprime mortgage lending or at the very least unhappy or concerned with the failure of light–touch regulation. However, *The Guardian*'s framing of light-touch regulation was far more critical than the *FT*'s framing. The *FT*'s framing of light touch regulation or no regulation as a cause of the horsemeat scandal is to a large extent similar to that of *The Independent*. However, *The Independent*'s framing of light touch regulation was far more critical than that of the *FT*. The findings in the research of this chapter support the argument that the *FT* ticks the box of financial journalism better than *The Guardian* and *The Independent*, while the last two tick the box of business journalism better than the *FT*. The few examples of critical framing of the subprime mortgage and horsemeat scandals in the public interest show that, after all, public business journalism is possible and not just a utopian idea. The only problem is that the newspaper (the *FT*) that exclusively focuses on reporting about business, finance and the economy has more investor-orientated framing of the two scandals than the more general newspapers (*The Guardian* and *The Independent*), which tended to offer more critical framing of big business. Moreover, the fact that the *FT* provided more cheerleading framing of regulation and de-escalation of the subprime mortgage crisis means that it also contributed to letting the big financial executives and regulators whose corporate wrongs caused the crisis in the first place off the hook, and in this way failed to prevent the crisis.

But critics of the neoliberal business model of business journalism would argue that it is rather naïve to think that business journalists would be enthusiastic to prevent, or rather put cold water on the fire of, any financial crisis, since their bottom line is better served by such a crisis (McManus, 1994; Hamilton, 2004). If anything, the emotions and anxieties among investors and other members of the public that accompany such financial tsunamis are just what the media outlets need to drive sales and advertising, and what some opportunistic business journalists need to make some quick money through bribes and investing in some stocks. The journalists are interested in the drama but not the issues informing the financial crisis. In this way they serve their business bottom line; they also serve the interest of the investors by letting them off the hook and becoming their cheerleaders. Yet the business journalist has the social responsibility to report the fluctuations of the markets with accuracy, fairness and honesty with a view to serving the public interest. This means writing about not only how the markets are behaving, but also why they are behaving in certain ways, and in some cases forecasting how they would behave in the near future, given certain developments. The truth must be told, whatever it takes, in serving the public interest. In this way journalists would be sensitive to market movements that provide early warnings of an impending financial meltdown. Yet, so far this largely remains an ideal. This explains why past financial crises have taken investors, the rest of the public and even journalists by surprise. What is even more disturbing is that this is nothing new as we have observed this happen in almost all past financial crises from the great market crash of 1929 to the most recent 2008 financial meltdown. It seems that business and financial journalists are struggling to demonstrate that they have learnt any lessons from their past mistakes. The research in Chapter 6 shows that we need to see more business journalism than financial journalism if future financial crises can be avoided or at the very least minimised.

Part III explores how the fall-outs of the crisis in capitalism and recent financial crises have greatly impacted on the ethical and digital challenges facing business journalism. As the media system itself owes its foundation to modern capitalism, any crisis in the global financial system is bound to impact on business journalism as a practice. It is clear that there has been greater corporate control of the media which has resulted from vertical and horizontal integration, acquisitions and mergers, as well as the rush for new business models in the digital age. Earlier works by Herman and Chomsky (1988), Herman (2002) and most recently Roush (2011) have exhaustively explored the challenges of PR and advertising to business journalism, while other works by Karen Sanders (2003), Tony Harcup (2009), Chris Frost (2000), and Richard Keeble (2001) have provided detailed discussions on the challenges of journalism ethics more broadly. The two chapters in this part therefore focused on a comparative theoretical and empirical analysis of the ethical and new media challenges facing business journalism in two developed countries of the West and two emerging BRICS economies.

Chapter 7 concludes that the USA and the UK share a lot in common in terms of enjoying freedom of speech and practising watchdog journalism. However, the situation is different in India and China, according to the analysis here, although not fundamentally as widely perceived in the literature. There are also a lot of parallels in the ethical challenges of conflicts of interest between what obtains in the USA and the UK on the one hand, and what obtains in the two BRICS countries, India and China, although there are differences in terms of scope and the impact on the ability of journalists in these two OECD and two BRICS countries to practise watchdog business journalism. In China and India, there is evidence of conflicts of interest such as paid news and bribery but, unlike in India, where they are almost generally accepted and condoned by the authorities, they are seriously frowned upon by Chinese authorities who sometimes see them as an easy route to punish some journalists whom they perceive to be causing them trouble. While freebies and junkets are seriously frowned upon by business journalists in the UK and the USA, in India and China these things are yet to be considered as serious ethical breaches of business journalism. Despite huge challenges of free speech and ethics in China and India, the watchdog investigative style of business journalism is growing very fast.

Chapter 8 concludes by discussing the following five interesting findings: first, the disconnect between the very high score by *The Guardian* on citing the most number of consumer sources (28) over Apple business sources (19) and its low score on critical framing of the Apple response (two), which was less than the support framing of the Apple response (six), shows that there is a difference between empowering people to participate in an online community conversation where they share their experiences on how to solve a shared problem and empowering them to participate in an online community where they not only share their experiences on how to solve a shared problem but challenge the very structures of the problem in order to make sure it does not happen again in the future. This result shows that consumers or users were empowered to participate in conversations generated by *The Guardian* by way of network journalism and service journalism to share how they were coping with the bendgate problems either by getting a phone bag or case or taking more care. However, the consumers were not empowered enough by the conversations to ask some critical questions and challenge the structures of the bendgate problem by way of public business journalism to make sure that the Apple iPhone 6 producers provided compensation and prevented similar problems in the future. By distracting consumers from the main problem of bendgate to issues of how to use a phone bag or be more careful, thereby letting Apple off the hook, *The Guardian* failed to practise public business journalism. This is similar to the distraction of the British public from the important issue of global partnership for development in the reporting of the EU–Africa Lisbon Summit in 2007 to the issue of Brown's absence discussed in Chapter 3. Thus, for public business journalism it is not just the number of people from the public participating in sharing coping mechanisms in the conversation that matters, but the critical quality of the conversation in terms of addressing the main problem at stake.

Second, the fact that *The Guardian* scored highest in the number of consumer sources cited, thereby practising network journalism and service journalism, shows that this traditional newspaper has adapted better to the challenges of digital revolution than not only *The Independent* but also the two tech blogs put together.

Third, that Crave.net had relatively far more critical framing than support framing for the Apple bottom line (five: three) regarding the bendgate issue than the two mainstream newspapers combined (four) shows that, after all, contrary to the findings of the Curran *et al.* (2013) research, which shows limited potential of the internet in empowering the public, the internet through network community journalism can empower tech consumers not only to participate in conversations and share their coping experiences but to critically engage in and with the discussions aimed at addressing the main technical issue or issues at stake.

Fourth, that *The Independent* opinion article by Memphis Barker turned out to have the most critical framing of Apple despite citing no consumer source shows that there are times when traditional business journalists can practise public business journalism by way of spinning the public interest against the corporate interest even with or without the internet by way of network journalism.

Finally, the parallels in the findings of Geek.com (of two each) for support framing and critical framing as well as (two each) for consumer and business sources show that some tech blogs are also interested in respecting the professional standard of objectivity that is common for traditional business journalism.

Although the limited scope of this research in terms of number of news media outlets and issues studied will make it difficult for its findings to apply generally, it provides a useful starting point for much bigger future research in this area of business journalism in the digital age such as the one undertaken by Curran *et al.* looking at political communication.

Some alternative counter-hegemonic models that support public business journalism

This section of the conclusion offers recommendations on how to improve the vigilance of public business journalism in helping to make the world a better place, not only for business men and women but for the members of the public whom they deal with in both national and global contexts. There are a few counter-hegemonic models to mainstream journalism that I think support the idea of public business journalism from the point of view of the watchdog of journalism in addressing the imbalances of society in both national and global contexts. I would like to briefly refer to them here and encourage students of business journalism to look at them and see how they can help them improve their understanding of public business journalism and improve their practice of writing about business, finance and the economy in the interest of the public as a whole.

Peace journalism: This model was developed by Galtung (1996) and later by Lynch and McGoldrick (2005) to address the problem of war journalism which prioritises the use of violence to prevent and address violence. Lynch and McGoldrick (2005: 5) define peace journalism as

> a set of tools, both conceptual and practical, intended to equip journalists to offer a better public service. It is a journalism that helps reporters and editors alike to make informed choices of what stories deserve reporting and how this reporting itself is done to provide the society at large with opportunities to consider and value non-violent responses to conflict.

Where peace journalism resonates with public business journalism is where both share the win-win situation in preventing conflict and exploitation of man by man, as the victim and the perpetrator in the case of peace journalism, and the investor on the one hand and the worker and consumer on the other in the case of public business journalism. Both models are also interested in the truth, are people-oriented and are solution-oriented.

Human rights journalism: Shaw (2012: 46) developed this new model and defined it

> as a diagnostic style of reporting, which gives a critical reflection on the experiences and needs of all victims and perpetrators of human rights violations of all types – physical as well as cultural and structural – in order to stimulate understanding of the reasons for these violations and to prevent or solve them in ways that would not produce more human rights imbalances or violations in the future. Moreover, it is a journalism that challenges, not reinforces, the status quo of the powerful dominant voices of society against the weak and marginalised ones in the promotion and protection of human rights and peace.

Public business journalism resonates with human rights journalism in the sense that it is also very interested in addressing, rather than reinforcing, the imbalances in traditional business journalism which tend to orientate more towards the interest of the investor, the big investor for that matter, against the interest of the workers and consumers of goods and services as well as small investors and businesses.

Global journalism: Berglez (2007: 151) defines the idea of global journalism as the global outlook that journalists provide in their reporting in which they make their readers or audiences see how people and their actions, practices, problems, life conditions, etc. in different parts of the world are interrelated. One example of global journalism (Shaw, 2012) is where a journalist attempts to give the global context of the political crisis in the DR Congo by relating it to the unfair trade polices of EU countries, for example explaining the war in the DR Congo in the context of cobalt, the mineral extracted exploitatively in that war-ravaged country but in high demand in the West where it is used to make the chips in mobile telephones. Public business journalism resonates with global journalism in that, in addition to being solution-oriented like peace journalism and human rights journalism above, it provides the bigger picture in understanding complex problems of inequality in a global context.

Movements and NGOs working to promote the ideas of public business journalism

There is some interesting work going on by social justice activist organisations that I think will be very supportive to business journalists interested in practising public business journalism. As I discussed in the conclusion of Chapter 3 of this book, it is important to combine academic research and the work of civil society organisations. It is true, as Fairclough (2001: 136) puts it, that some of these people who darkened the doors of higher education institutions 'can "carry" ideas and approaches into other parts of their lives', but it is also equally important that these important players are proactively engaged in research and other scholarly activities in promoting social projects that can address the imbalances of the neoliberal capitalist project, and in this way help narrow the divide between the concerns of dominance, difference and resistance, and foster what Shaw (1996) called a cosmopolitan global civil society. I will refer here to a few examples of such social economic justice movements that can support public business journalism

Freakonomics: this is a social economic justice movement started by young economist Steven D. Levitt at Chicago University and journalist and author Stephen J. Dubner in their groundbreaking book *Freakonomics: A Rogue Economist Explores the Hidden Side of Everything* (2005). The idea of 'freakonomics' according to them 'is about stripping a layer or two from the surface of modern life and seeing what is happening underneath' (10). It is basically about asking those difficult questions, especially those involving 'life-and-death issues'. Morality, argued the authors, represents the way that people would like the world to work – whereas economics represents how it actually *does* work. The work of this movement is very relevant to the idea and practice of public business journalism, especially from the points of view of business journalism based on the idea of morality advanced by political economy philosopher and founder of capitalism Adam Smth, drawing from his earlier book *The Theory of Moral Sentiments* (Smith, 1759), which came before his *Wealth of Nations* (Smith, 1776), and the idea of addressing social economic imbalances in society.

Public Business Media Association: this is a collaborative non-profit organisation set up to scrutinise the economic and social implications of business actions. The organisation says in its mission statement published on its website (www.publicbusinessmedia.org) that they 'invest in public interest journalism that takes us beyond the bottom lines of individual companies or the personalities in the boardroom and shows us the intersection between business and the wider world'. The organisation, however, admits that this kind of reporting is 'imperilled and expensive', especially at a time when news organisations face very serious budgetary constraints. The idea of public business journalism resonates very much with the work of this organisation and so those business journalists interested in how to improve their practice in the public interest more broadly are encouraged to visit the website of this organisation and learn more about them.

Centre for Investigative Journalism: this 'is a charity committed to the education and training of journalists, editors and researchers towards critical in-depth reporting and defence of the public interest'. They provide these services via their centre of excellence in practical expertise and in-depth research resources. The founders and directors said in a statement about their organisation published on their website (www.tcij.org) that they are 'motivated by a strong commitment to the principles of social justice, human rights, whistleblowing and the protection of the environment'. Business journalists interested in the idea and practice of public business journalism are encouraged to visit the website of this organisation and learn more about how they can be of help.

Bibliography

Agre, P. (1994) 'Networking and democracy', *The Network Observer*, 1(4).

Anderson, R., Dardenne, R. and Killenburg, G.M. (1994) *The Conversation of Journalism: Communication, Community and News*, London: Greenwood Press.

Associated Press (2014, 17 October) 'China jails 2 reporters accused of faking stories', *Daily Mail*. www.dailymail.co.uk/wires/ap/article-2796897/China-jails-2-reporters-accused-faking-stories.html (accessed 20/10/14).

Bachman, S.L. (2001) 'The political economy of government and business', in Terri Thompson (ed.) *Writing About Business: The New Columbia Knight-Bagehot Guide to Economics and Business Journalism*, New York: Columbia University Press.

Bagdikian, B.H. (2000) *The Media Monopoly*, 6th edn, Boston, MA: Beacon Press.

Bagdikian, B. (2004) *The New Media Monopoly*, Boston, MA: Beacon Press.

Barber, L. (2013, 9 October) 'Lionel Barber memo to staff on reshaping the newspaper for the digital age', *Financial Times*. http://aboutus.ft.com/2–13/10/09/lionel-barber-memo-to-staff-in-reshaping-the-newspaper-for-the-digital-age/#azxx2nLqtkmY3 (accessed 20/1/ 14).

Barker, M. (2014, 29 September) 'Yes, the iPhone 6 is a miracle but it's Apple's tax affairs that deserve a double take', *The Independent*. www.independent.co.uk/voices/comment/yes-the-iphone-6-is-a-miracle-but-its-apples-tax-affairs-that-deserve-a-do uble-take-9763417.html?origin=internalSearch (accessed 10/14).

Barluet, A, (2007, 10 December) 'Spectaculaire visite parisienne du Guide libyen; MAGHREB Moammar Kadhafi ename aujourd'hui en France un déplacement de cinq jours critiqué par les socialistes', INTERNATIONAL, *Le Figaro*, Paris (accessed 17/7/14).

Barney, R.D. (n.d.) 'The wonderful world of junkets', *Brigham Young University*. highered.mheducation.com/sites/dl/free/007288259x/ … /Junkets.doc (accessed 12/9/14).

Baudrillard, J. (1983) *In the Shadow of the Silent Majorities*, New York: Semiotext.

BBC (2009, June) 'Q & A: MP expenses row explained', http://news.bbc.co.uk/1/hi/uk_politics/7840678.stm (accessed 8/14).

BBC Trust (2012) 'Seminar on impartiality and economic reporting' (PDF report, 6/11). http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/our_work/economics_semi nar/impartiality_economic_reporting.pdf (accessed 14/03/14).

Beckett, C (2008) *SuperMedia: Saving Journalism So It Can Save the World*, Malden, MA: Wiley.

Beckett, C. and Mansell, R. (2008) 'Crossing boundaries: new media and networked journalism', *Communication, Culture and Critique*, 1(1), 92–104.

Bennett, W.L. (1990) 'Toward a theory of press–state relations in the United States', *Journal of Communication*, 40(2): 103–25.

Bennett, W.L. and Entman, R.M. (2001) 'Mediated politics: an introduction', in W.L. Bennett and R.M. Entman (eds) *Mediated Politics: Communication in the Future of Democracy*, Cambridge: Cambridge University Press, pp. 1–29.

Bennett, W.L. and Iyenga, S. (2006) 'A new era of minimal effects? The changing foundations of political communications', *Journal of Communication*, 58(4), 707–31.

Berglez, P. (2007) 'For a transnational mode of journalistic writing', in Birgitta Hoijer (ed.) *Ideological Horizons in Media and Citizen Discourses. Theoretical and Methodological Approaches*, Goteborg: Nordicom, pp. 147–61.

Berry, M. (2012) 'The today programme and the banking crisis', *Journalism*, 14(2), 253–70.

Bhaskar, R. (1986) *Scientific Realism and Human Emancipation*, London: Verso.

Bird, E. S. (2009) 'The future of journalism in the digital environment', *Journalism*, 10(3), 293–95.

Blacker, T (2013, 25 February) 'The real scandal behind horsemeat is the struggle of smallholding British farmers', *The Independent*. www.independent.co.uk/voices/comment/the-real-scandal-behind-horsemeat-is-the-struggle-of-smallholding-british-farmers-8510186.html (accessed 12/09/14).

Bly, N. (1887) *Ten Days in a Mad-House or Nellie Bly's Experience on Blackwell's Island: Feigning Insanity in Order to Reveal Asylum Horrors: The Trying Ordeal of the New York World's Girl Correspondent*, New York: Norman L. Munro.

Blythman, J. (2013, 8 February) 'Save yourself from horsemeat horrors, because the government certainly won't', *The Independent*. www.independent.co.uk/voices/comment/save-yourself-from-horsemeat-horrors-because-

Bobbio, N. (1987) *The Future of Democracy*, Cambridge: Polity.

Bourdieu, P. (1998) 'A reasoned utopia and economic fatalism', *New Left Review*, 227, 125–30.

Borden, M. J. (2007) 'The role of financial journalists in corporate governance', *Fordham Journal of Corporate and Financial Law*, 12(2), 311–70.

Boyce, D.G. (1987) 'Crusaders without chains: power and the press barons 1896–1951', in C. Smith and P. Wingate (eds) *Impacts and Influences: Essays on Media Power in the Twentieth Century*, London: Methuen, pp. 97–113.

Briggs, B. (2010) 'John Maynard Keynes: The Man Who Transformed the Economic World'. *StreetAuthority*. http://www.investinganswers.com/education/economics/john-maynard-keynes-man-who-transformed-economic-world-621 (accessed 05/10/2014).

Brill, E. (2013, 25 November) 'Former committee to protect journalists honoree says Bloomberg chief should not chair press freedom dinner', *Asia Society*. www.chinafile.com/former-committee-protect-journalists-honoree-says-bloomberg-chief-should-not-chair-press-freedom (accessed 23/9/14).

Bruggemann, M., Esser, F. and Humprecht, E. (2012) 'The strategic repertoire of publishers in the media crisis: the "five C" scheme in Germany', *Journalism Studies*, 13(5–6), 742–52.

Buchanan, S.L. (2001) 'The political economy of government and business', in T. Thompson (ed.) *Writing About Business: The New Columbia Knight-Bagehot*

Guide to Economics and Business Journalism, New York: Columbia University Press, pp. 13–24.

Bugge, A. and Henrique, A. (2007, 9 December) 'Ambitious EU–Africa summit ends in trade deadlock', *The Guardian* (accessed 15/9/14).

Burke, K. (1969a) *A Rhetoric of Motives*, Berkeley, CA: University of California Press.

——(1969b) *A Grammar of Motives*, Berkeley, CA: University of California Press.

Butterick, K.J. (2015) *Churnalism, Complacency and Collusion: A Critical Introduction to Business and Financial Journalism*, forthcoming, London: Pluto Press.

Cao, W. (2012) 'China's Sanlu's infant formula proves fatal', in A.M. George and C.B. Pratt (eds) *Case Studies in Crisis Communication: International Perspectives on Hits and Misses*, London: Routledge, pp. 133–51.

Capella, J.N. and Jamieson, K.H. (1996) 'News frames, political cynicism, and media cynicism', *The Annals of the American Academy of Political and Social Science*, 546(1), 71–84.

Castells, M. (2006) *The Power of Identity: The Information Age: Economy, Society and Culture*, Oxford: Blackwell Publishing.

——(2012) *Networks of Outrage and Hope*, Cambridge: Polity.

Central Government Act (2014) Section 124A in the Indian Penal Code. http://indiankanoon.org/doc/1641007/ (accessed 10/14).

Chang, H. and Grabel, I. (2004) *Reclaiming Development: An Alternative Economic Policy Manual*, London: Zed Books.

Chapman, J. (2005) *Comparative Media History: An Introduction*, Cambridge: Polity.

Chernomas, R. and Hudson, I. (2011) *The Gatekeeper: 60 Years of Economics According to The New York Times*, Boulder, CO: Paradigm Press.

Chittum, R. (2013, 6 September) 'A weakened *Washington Post*, a serious ethical breach. Erik Wemple hits his own paper for hopping the wall between ads and news', The Audit, *Columbia Journalism Review*.

——(2014, 20 October) 'The *Washington Post* short-sells a report's integrity', *Columbia Journalism Review*. www.cjr.org/the_audit/the_washington_post_shorts-sel.php (accessed 10/14).

Chomsky, N. (2002) *Media Control: The Spectacular Achievements of Propaganda. An Open Media Book*, New York: Seven Stories Press.

Chouliaraki, L. and Fairclough, N. (1999) *Discourse in Late Modernity: Rethinking Critical Discourse Analysis*, Edinburgh: Edinburgh University Press.

Christians, C.G., Glasser, T.L., McQuail, D., Nordenstreng, K. and White, R.A. (2009) *Normative Theories of the Media: Journalism in Democratic Societies*, Urbana: University of Illinois Press.

Cohen, B.C. (1963) *The Press and Foreign Policy*, New Jersey: Princeton University Press.

Cohen, N. (2008, 12 January) 'Many new mortgages dubbed subprime', *Financial Times*. www.ft.com/cms/s/0/e3cf0dca-c09e-11dc-b0b7–0000779fd2ac.html (accessed 20/9/14).

Conboy, M. (2011) *Journalism in Britain: A Historical Introduction*, London: Sage.

Cooper, S.D (2009) 'The oppositional framing of bloggers', in Paul D'Angelo and Jim A. Kuypers (eds) *Doing News Framing Analysis: Empirical and Theoretical Perspectives*, New York: Routledge, pp. 135–55.

Coronel, S. (2009) 'Corruption and the watchdog role of the news media', in P. Norris (ed.) *Public Sentinel – News Media and Governance Reform*, Washington, DC: The World Bank Institute, pp. 111–36.

Curran, J. (2002) *Media and Power*, London: Routledge.
——(2011a) *Media and Democracy*, London: Routledge.
——(2011b) 'The future of journalism', in B. Franklin (ed.) *Journalism Studies: Theory and Practice: The Future of Journalism*, London: Routledge, pp. 23–35.
Curran, J., and Witschge, T. (2010) 'Liberal dreams and the internet', in N. Fenton (ed.), *New Media, Old News: Journalism and Democracy in the Digital Age*, London: Sage, pp. 102–18.
Curran, J., Coen, S., Aalberg, T., Hayashi, K., Jones, P.K., Splendore, S., Papathanassopoulos, S., Rowe, D. and Tiffen, R. (2013) 'Internet revolution revisited: a comparative study of online news', *Media, Culture and Society*, 35(7), 880–97.
Dacre, P. (2010, July) 'Killing the myths', *Editors' Code of Practice Committee*. www.editorscode.org.uk/downloads/reports/webLH_Report_2009.html (accessed 10/14).
Davies, N. (2008) *Flat Earth News*, London: Chatto and Windus.
Davies, N. and Hill, A. (2011, 5 July) 'Missing Milly Dowler's voicemail was hacked by News of the World', *The Guardian*.
Davis A. (2000) 'Public relations, business news and the reproduction of corporate elite power', *Journalism*, 1(3), 282–304.
——(2009) 'Journalist–source relations, mediated reflexivity and the politics of politics', *Journalism Studies*, 10(2), 204–19.
De Bonville, J. (2000) 'Analyse de contenu des medias: de la problematique de traitment statistique', Quebec, Canada: De Boek Université.
De Burgh, H. (2000) 'Chinese journalism and the academy: the politics and pedagogy of the media', *Journalism Studies*, 1(4), 549–58.
——(2003) 'Kings without crowns? The re-emergence of investigative journalism in China', *Media Culture Society*, 25(6), 801–20.
De Burgh, H., Rong, Z. and Miao, M. (2012) 'Responding to an activist public: Hangzhou press office rethinks its role', *Media Culture Society*, 34(8), 1013–27.
De Jesus, M.Q. (2014, 2 September) 'Hu Shuli: investigative reporting in China', Medias Res-A Center for Media Freedom and Responsibility blog. www.cmfr-phil.org/inmediasres/hu-shuli-investigative-reporting-in-china/ (accessed 9/14).
De Lorme, E. and Fedler, F. (2003) 'Journalists' hostility toward public relations: an historical analysis', *Public Relations Review*, 29 (2), 99–124.
Doyle, G. (2006) 'Financial news journalism: a post-Enron analysis of approaches towards economic and financial news production in the UK', *Journalism*, 7(4), 433–52.
Durham, F. (2007) 'Framing the state in globalisation: the *Financial Times* coverage of the 1997 Thai currency crisis', *Critical Studies in Media Communication*, 24(1), 57–76.
Dyck, A. and Zingales, L. (2003, 1 August) 'The media and asset prices', unpublished paper, Harvard Business School.
Eide, M. and Knight, G. (1999) 'Public/private service: service journalism and the problems of everyday life', *European Journal of Communication*, 14(4), 525–47.
Elfenbein, J. (1969) *Business Journalism*, California: Greenwood Press Publishers.
Elliott, C. (2010, 13 December) 'Open door: the readers' editor on … freebies, transparency and trust in our journalism', *The Guardian*. www.theguardian.com/commentisfree/2010/dec/13/freebies-transparency-trust-journalism-readers-editor (accessed 9/14).
Elliott, J. (2010, 3 December) '"Radia tapes" highlight media flaws that fit with modern India', *Riding the Elephant*. http://ridingtheelephant.wordpress.com/

2010/12/03/radia-tapes-highlight-media-flaws-that-fit-with-modern-india (accessed 9/14).

Elliott, L. (2008, 4 January) 'More gloomy economic data emerges', *The Guardian*. www.theguardian.com/business/2008/jan/04/economics.lendingfigures (accessed 20/10/14).

Emmott, B. (2008, 12 August) 'What, pray, is all the fuss about?', *The Guardian*.

Engwall, L. and Sahlin, K. (2007) 'Corporate governance and the media: from agency theory to edited corporations' in Tore Slaatta and Peter Kjær (eds) *Mediating Business: The Expansion of Business Journalism*, Copenhagen: Dawson Books.

Entman, R. (1993) 'Framing: towards clarification of a fractured paradigm', *Journal of Communication*, 43(4), 51–58.

——(2004) *Projections of Power*, Chicago, IL: University of Chicago Press.

Errington, W. and Miragliotta, N. (2011) *Media and Politics: An Introduction*, Oxford: Oxford University Press.

Ettema, J.S. and Glasser, T.L. (1998) *Custodians of Conscience: Investigative Journalism and Public Virtue*, New York: Cambridge University Press.

Evensen, B.J. (2002) 'Objectivity', in W.D. Sloan and L.M. Parcell (eds) *American Journalism: History, Principles, Practices*, Jefferson, NC: McFarland, pp. 258–66.

Fahy, D., O'Brien, M. and Poti, V. (2010) 'From boom to bust: a post-Celtic tiger analysis of the norms, values and roles of Irish financial journalists', *Irish Communications Review*, 12(2), 5–20.

Fairclough, N. (2001) 'Critical discourse analysis as a method in social scientific research', in R. Wodak and M. Meyer (eds) *Methods of Critical Discourse Analysis*, London: Sage.

Falk, R. (2008) 'Foreword', in Jake Lynch, *Debates in Peace Journalism*, Sydney: Sydney University Press.

Fengler, S. and Ruß-Mohl, S. (2008) 'Journalists and the information-attention markets: towards an economic theory of journalism', *Journalism*, 9(6): 667–90.

Fico, F., Lacy, S., Wildman, S.S., Baldwin, T., Bergan, D. and Zube, P. (2013) 'Citizen journalism sites as information substitutes and complements for United States newspaper coverage of local governments', *Digital Journalism*, 1(1), 152–68.

Filler, L. (1976) *The Muckrakers*, University Park, PA: Pennsylvania University Press.

Fowler, R. (2001) *Language in the News: Discourse and Ideology in the Press*, London: Routledge.

Frammolino, R. (2009) 'Opening India: the world's largest democracy finally has an FOI law, so why have journalists been slow to embrace it?', *Columbia Journalism Review*, 47(5), 40–42.

Frank, B. (2008, 14 January) 'Why America needs a little less laisser faire', *Financial Times* (accessed 12/09/14).

Franklin, B. (2011) 'Introduction', in B. Franklin (ed.) *The Future of Journalism*, London: Routledge, pp. 1–22.

Franklin, B. (2012) 'The future of journalism', *Journalism Studies*, 13(5–6), 663–81.

——(2013) 'Introduction', in B. Franklin (ed.) *The Future of Journalism: Developments and Debates*, London: Routledge, pp. 1–22.

Franklin, R.A. (2009) 'Editorial: the future of newspapers', in R.A. Franklin (ed.) *The Future of Newspapers*, London: Routledge.

Fraser, N. (2007) 'Transnationalizing the public sphere: on the legitimacy and efficacy of public opinion in a post-Westphalian world', *Theory, Culture and Society*, 24(4), 7–30.

Frewen, M. (2013, 23 February) 'Quality has been sacrificed to price', *Financial Times* (accessed 12/09/14).
Friend, T. (2007) '150 years ago in news history: birth of a muckraker', Newseum.
Frost, C. (2000) *Media Ethics and Self-Regulation*, London: Longman.
FT leader (2013, 15 February) 'Horsemeat scandal is subprime cut: supermarkets should exercise more vigilance over suppliers', *Financial Times* (accessed 12/09/14).
FT reporters (2013, 14 February) 'Three arrested in horsemeat scandal', *Financial Times* (accessed 12/09/14).
Galbraith, J.K. (1954) *The Great Crash*, Harmondsworth: Penguin.
Galtung, J. (1996) Peace by Peaceful Means – *Peace and Conflict, Development and Civilization, PRIO* – International Peace Research Institute, Oslo; London: Sage.
Galtung, J. and Ruge, M. (1973) 'Structuring and selecting news', in S. Cohen and J. Young (eds) *The Manufacture of News: Social Problems, Deviance and the Mass Media*, London: Constable, pp. 62–72.
Gamon, M.L. (2007, 31 December) 'L'Europe, la France et l'Afrique: commerce ou développement?', DEBATS, *Le Figaro*, Paris (accessed 9/08/14).
Gans, H. (2010) 'News and new media in the digital age: implications for democracy', *Daedalus*, 139(2), 8–17.
Garnaut, J. (2011, 21 June) 'Free press in China is gaining ground', *The Sydney Morning Herald*. www.smh.com.au/business/free-press-in-china-is-gaining-ground-20110620-1gbsf.html (accessed 9/14).
Gibbs, S. (2014, 25 September) 'Apple iphone 6 and 6 Plus can bend in pockets, users complain', *The Guardian*. www.theguardian.com/technology/2014/sep/24/iphone-6-plus-bend-pockets-complain (accessed 10/14).
Ginneken, J.V. (2001) *Understanding Global News: A Critical Introduction*, London: Sage.
Gordon, K. (1997) 'Government allows new public sphere to evolve in China', *Media Development*, 4, 30–34.
Graber, D.A. (1984) *Mass Media and American Politics*, Washington, DC: Congressional Quarterly.
Graber, D. (1993) 'Political communication scope, progress, promise', in Ada W. Finifter (ed.) *Political Science: The State of the Discipline, Part 11*, Washington, DC: American Political Science Association, pp. 305–52.
Graber, D.A. and Smith, J.M. (2005) 'Political communication faces 21st century', *Journal of Communication*, 55(3), 479–507.
Greenslade, R. (2012, 10 September) 'Indian cartoonist arrested for sedition', *The Guardian*.
Guardian article (2008a, 29 January) 'Credit crunch takes a bite out of McDonald's US Sales', *The Guardian* (accessed 10/9/14).
——(2008b, 30 January) 'Le Roc du Nord', *The Guardian*.
Guardian Media Group (2010) *Annual Report and Accounts 2010*. www.gmgannualreview2010.co.uk/files/annual-review-2010/GMG_AR_2010.pdf (accessed 10/9/14).
Habermas, J. (1989) *The Structural Transformation of the Public Sphere*, Cambridge: Polity.
——(1998) 'Three normative models of democracy', in J. Habermas (ed.) *The Inclusion of the Other*, Cambridge, MA: Massachusetts Institute for Technology Press, pp. 239–52.

——(2006) 'Political communication in media society: does democracy still enjoy an epistemic dimension? The impact of normative theory on empirical research', *Communication Theory*, 16(4), 411–26.

Hackett, R. (2005) 'Is there a democratic deficit in US and UK journalism?', in S. Allan (ed.) *Journalism: Critical Issues*, New York: Open Society Press, pp. 85–97.

Hall, S., Critcher, C., Jefferson, T., Clarker, J. and Roberts, B. (1978) *Policing the Crisis: Mugging, the State and Law and Order*, London: Macmillan.

Hallin, D. (2009) 'Not the end of journalism history', *Journalism*, 10(3), 332–34.

Hallin, D.C. and Mancini, P. (2004) *Comparing Media Systems: Three Models of Media and Politics*, Cambridge: Cambridge University Press.

Hamilton, J.T. (2004) *All The News That's Fit to Sell: How the Market Transforms Information Into News*, Princeton, NJ: Princeton University Press.

Hanitzsch, T., Loffelholz, M. and Weaver, D. (2005) 'Building a home for the study of journalism: ICA creates a journalism studies interest group', *Journalism*, 6(1), 107–15.

Harcup, T. (2002) 'Journalism and ethics: the quest for a collective voice', *Journalism Studies*, 3(1), 101–14.

——(2007) *The Ethical Journalist*, London; Thousand Oaks, CA: Sage.

——(2009) *Journalism: Principles and Practice*, London: Sage.

Hardy, J. (2014) *Critical Political Economy of the Media: An Introduction*, London: Routledge.

Hashimoto, H. (1998) 'The Importance of the Free Circulation of Information: lessons from the economic crisis', *Media Asia*, 25(4), 213–17.

Hawkins, V. (2002) 'The other side of the CNN factor: the media and conflict', *Journalism Studies*, 3(2), 225–40.

Hawkins, V. (2012) *Stealth conflicts: how the world's worst violence is ignored*, Aldershot: Ashgate.

Hayes, K. (2014) *Business Journalism: How to Report on Business and Economics*, New York: Apress.

Held, D. (2004) *Global Covenant*, Cambridge: Polity.

——(2006) *Models of Democracy*, 3rd edn, Cambridge: Polity.

Held, D. and McGrew, A. (2007) *Globalization/Anti-Globalization*, Cambridge: Polity.

Hemstreet, C. (1901) *Reporting for the Newspapers*, New York: A. Wessels.

Henriques, D.B. (2000) 'What journalists should be doing about business coverage – but aren't', *The Harvard International Journal of Press/Politics*, 118.5.

Herman, E.S. (2002) 'The media and the markets in the United States', in R. Islam (ed.) *The Right to Tell: The Role of the Mass Media in Economic Development*, Washington, DC: The World Bank, pp. 61–82.

Herman, E.S. and Chomsky, N. (1988) *Manufacturing Consent: The Political Economy of the Mass Media*, New York: Pantheon Books.

Herman, E.S. and McChesney, R. (1997) *The Global Media*, London: Cassel.

Humphreys, P. (1996) *Mass Media and Media Policy in Western Europe*, Manchester: Manchester University Press.

Huntington, S. (1996) *The Clash of Civilizations and the Remaking of World Order*, London: Simon and Schuster.

Hutton, W. (2013, 22 December) 'Politically bankrupt China dare not tolerate freedom of the press', *The Guardian*.

Innis, H.A. (1972) *Empire and Communications*, Toronto: University of Toronto Press.

ITV (2013, 9 June) 'Tory MP Tim Yeo "abused position in return for cash"'. www.channel4.com/news/tory-mp-tim-yeo-abused-position-in-return-for-cash (accessed 10/9/14).

Jamieson, K.H. (1992) *Dirty Politics: Deception, Distraction and Democracy*, Oxford: Oxford University Press.

Jarvis, J. (2006, July) 'Networked journalism', *Buzzmachine*. http://buzzmachine.com/2006/07/05/networked-journalism/ (accessed 10/14).

Jarvis, J. (2009) *What Would Google Do?*, New York: HarperCollins.

Jeeva (2010, 29 December). 'Putting knowledge to good use'. *The Times of India*.

Jenkins, S. (2007, 9 December) 'An impotent West jerks its knee – and leaves Darfur hurting more', *Sunday Times*. www.thesundaytimes.co.uk/sto/news/Features/Focus/article76777.ece (accessed 9/8/14).

Jiang, Hong [Deputy Director of the International Office, CCTV] (1998) Interview, Beijing, 12 April (interview cited in Hugo De Burgh's 'Chinese Journalism and the academy: the politics and pedagogy of the media', *Journalism Studies*, 1(4): 549–58.

Ju, A., Jeong, S.H. and Chyi, H.I. (2013) 'Will social media save newspapers?' *Journalism Practice*, 8(1), 1–17.

Kaletsky, A, (2008, 10 January) 'Slowdown, but not crash and burn', *The Times*.

Kaplan, R.L. (2002) *Politics and the American Press: The Rise of Objectivity, 1865–1920*, New York: Cambridge University Press.

Keeble, R. (2001) *Ethics for Journalists*, London: Routledge.

Kelion, L. (2014, 24 September) 'Bent iPhone claims put Apple under pressure to respond', BBC. www.bbc.co.uk/news/technology-29331349 (accessed 9/14).

Keynes, J.M. (1936) *The General Theory of Employment, Interest and Money*, London: Macmillan Cambridge University Press.

Kirchgaessner, S. (2008, 16 January) 'A subprime swing?', *Financial Times* (accessed 12/9/14).

Kjaer, P. and Slaatta, T. (2007) *Mediating Business: The Expansion of Business Journalism*, Denmark: Narayana Press, Gylling.

Klausner, M. (2005) 'The limits of corporate law in promoting good corporate governance', in J.W. Lorsch, L.B. and A. Zelleke (eds) *Restoring Trust in American Business*, Cambridge, MA: American Academy of Arts and Sciences, pp. 91–98.

Klein, M. (2004) *Rainbow's End: The Crash of 1929*, New York: Oxford University Press.

Kolodzy, J. (2013) *Practicing Convergence Journalism: An Introduction to Cross-Media Storytelling*, Abingdon: Routledge.

Kuchler, H. (2013a, 15 January) 'Pressure grows to reform light-touch regulation', *Financial Times* (accessed 12/9/14).

Kuchler, H. (2013b, 11 February) 'Mixed feelings greet horsemeat scandal', *Financial Times*.

Kuper, A. (2002) 'Debate: global poverty relief. More than charity: cosmopolitan solutions to the "Singer Solution"', *Ethics and International Affairs*, 16(1), 107–20.

Kuypers, J.A. (2002) *Press Bias and Politics*, Westport, CT: Praeger.

——(2006) *Bush's war: media bias and justification for war in a terrorist age*, Lanham, MD: Rowman & Littlefield.

Kuypers, J.A. and Cooper, S.D. (2005) 'Comparative framing analysis of embedded and behind the lines reporting on the 2003 Iraq War', *Qualitative Research Reports in Communication* 6(10), 1–10.

Kwansah-Aidoo, K. (2001, December) 'The appeal of qualitative methods to traditional agenda-setting', *International Communication Gazette*, 63 (6), 521–38.

Langer, J. (1998) *Tabloid Television: Popular Journalism and the 'Other News'*, London: Routledge.

Larson, P.T. (2008, 7 January) 'Payback time', *Financial Times.* www.ft.com/cms/s/0/6185d5c6-bc69–11dc-bcf9–0000779fd2ac.html (accessed 12/9/14).

Latour, B. (1999) *Pandora's Hop*, Cambridge, MA: Harvard University Press.

——(2005) *Reassembling the Social*, Oxford: Oxford University Press.

Lawler, D. (2012) *Frequently Asked Questions in Anti-Bribery and Corruption*, London: John Wiley and Sons.

Lee, A.J. (1978) 'The structure, ownership and control of the press, 1855–1914', in D.G. Boyce, J. Curran and P. Wingate (eds) *Newspaper History: From the 17th Century to the Present Day*, London: Constable, pp. 117–29.

Levitt, S.D. and Dubner, S.J. (2005) *Freakonomics: A Rogue Economist Explores the Hidden Side of Everything*, London: William Morrow.

Leys, C. (2001) *Market-Driven Politics*, London: Verso.

Lippmann, W. (1922) *Public Opinion*, New York: The Free Press.

Longman, P. (2002) 'How Business Journalism Helped Inflate the Bubble', *Bad Press*, 34(10), pp. 1–5.

Lucas, L. and Rigby, E. (2013, 8 February) 'Downing St calls "horsemeat" summit', *Financial Times* (accessed 12/9/14).

Lucas, L. and Buckley, N. (2013, 15 February) 'From workhouse to main course', *Financial Times.* London.

——(2013, February) 'Demand for cheap food drives hard bargaining in global supply chain', *Financial Times* (accessed 12/9/14).

Lui, H. (2014, 26 September) 'Sponsored "news" ruins public trust', *Young Post.* http://yp.scmp.com/over-to-you/op-ed/article/91076/sponsored-news-ruins-public-trust (accessed 25/9/14).

Lynch, J. (2008) *Debates in Peace Journalism*, Sydney: Sydney University Press.

Lynch, J. and McGoldrick, A. (2005) *Peace Journalism*, Gloucester: Hawthorn Press.

Ma, E.K.W. (2000) 'Rethinking Media Studies', in J. Curran and P. Myung-jin (eds) *De-Westernising Media Studies*, London: Routledge, pp. 16–17.

MacCarthy, J.P. (1906) *The Newspaper Worker: Designed for All Who Write, but especially Addressed to the Reporter Who May Have only a Vague Notion of the Aims, Scope and Requirements of his Profession*, New York: The Press Guild.

McChesney, R.W. (1999) *Rich Media, Poor Democracy*, Urbana: University of Illinois Press.

——(2003) 'The problem of journalism: a political economic contribution to an explanation of the crisis in contemporary US journalism', *Journalism Studies*, 4(3), 299–329.

——(2004) *The Problem of the Media: US Communication Politics in the 21st Century*, New York: Monthly Review Press.

——(2013) *Digital Disconnect*, New York: New Press.

McChesney, R.W., and Nichols, J. (2010) *The Death and Life of American Journalism: The Media Revolution That Will Begin the World Again*, Philadelphia: Nation Books.

McCloskey, D. (2002) *The Secret Sins of Economics*, Chicago, IL: Prickly Paradigm Press.

McCombs, M.E. and Shaw, D. (1972) 'The agenda-setting function of the mass media', *Public Opinion Quarterly*, 36(2), 176–87.

McLean, B. (2001) 'Is Enron overpriced?', *Fortune*, 143(5), 122–26.

McManus, J.H. (1994) *Market-Driven Journalism: Let the Citizens Beware?*, Los Angeles, CA: Sage.

McNair, B. (1995) *An Introduction to Political Communication*, New York: Routledge.

McQuail, D. (1994) *Mass Communication Theory*, London: Sage, p. 331.

Maddox, B. (2007, 11 December) 'Africa must drop the guilt card to strengthen its hand', *The Times*. www.thetimes.co.uk/tto/opinion/columnists/bronwenmaddox/article2052612.ece (accessed 08/7/14).

Manning, P. (2001) *News and News Sources*, London: Sage.

Marr, A. (2004) *My Trade: A Short History of British Journalism*, London: Pan MacMillan.

Marx, K. and Engels, F. (1848) *The Communist Manifesto*, Harmondsworth: Penguin.

M'bayo, R.T., Onwumerchili, C. and Nwafo, N. (eds) (2000) 'Press and politics in Africa', *African Studies*, 53.

Mermin, J. (1999) *Debating War and Peace*, Princeton, NJ: Princeton University Press.

Miege, B. (1989) *The Capitalization of Cultural Production*, New York: International General.

Meyer, M. (2001) *Between Theory, Method, and Politics: Positioning of the Approaches to CDA*, London: Sage, pp. 15–32.

Meyer, P. (2004) *The Vanishing Newspaper: Saving Journalism in the Information Age*, Columbia: University of Missouri Press.

Mill, J.S. (1859) On Liberty.

Milton, J. (1644) Areopagitica.

Mindich, D.T.Z. (1998) *Just the Facts: How 'Objectivity' Came to Define American Journalism*, New York: New York University Press.

Mirando, J.A. (1992) *Journalism by the Book: An Interpretative Analysis of News Writing and Reporting Textbooks, 1867–1987*, unpublished dissertation, Mississippi: University of Southern Mississippi.

——(2001) 'Embracing objectivity early on: journalism textbooks of the 1800s', *Journal of Mass Media Ethics*, 16(1), 23–32.

Mnookin, S. (2008, December) 'The *New York Times*' Lonely War', *Vanity Fair*. www.vanityfair.com/politics/features/2008/12/nytimes200812 (accessed 10/14).

Moore, H. (2014, 25 September) 'Why are you carrying your bendy iPhone 6 Plus without a case?' *The Guardian*. www.theguardian.com/money/us-money-blog/2014/sep/25/iphone-6-no-case-why (accessed 10/14).

Mosco, C. (2009) *The Political Economy of Communication*, London: Sage.

Muhlmann, G. (2008) *A Political History of Journalism*, Cambridge: Polity.

Murphy, W.R. (1914) 'Essentials in news-writing', *The Editor*, 38(12), 420–21.

Neilson, W. and Neilson, F. (1973) *What's News – Dow Jones: Story of the Wall Street Journal*, Pennsylvania: Chilton Book Co.

Neuman, R.W. (1996) 'Political communications infrastructure', *Annuals of the American Academy of Political and Social Science*, 546(1), 9–21.

Noorlander, P. (2014, 10 September) 'Explaining the issues: sedition', *Media Legal Defence Initiative*. www.mediadefence.org/stories/explaining-issues-sedition (accessed 8/14).

O'Dell, D.F. (1935) *The History of Journalism Education in the United States*, New York: Teachers College, Columbia University.

Oderberg, I. (2009, 14 October) 'China's faltering free press', *Business Spectator*. www.businessspectator.com.au/article/2009/10/14/media-and-digital/chinas-fal tering-free-press (accessed 9/14).

Ong, W. (1982) *Orality and Literacy: The Technologising of the Word*, London: Methuen.

Pagano, M. (2013, 17 February) 'Horsemeat chaos shows shops, like banks, got too big for their boots', *The Independent*. www.independent.co.uk/news/business/comment/margareta-pagano/margareta-pagano-horsemeat-chaos-shows-shops-like-banks-got-too-big-for-their-boots-8497745.html (12/9/14).

Peters, J. (2012) 'A newspaper and a legacy reconsidered', *The New York Times*. www.nytimes.com//business/media/the-washington-post-recast-for-a-digital-future.html?hp_&pagewanted_printt.

Petley, J. (2012) 'The Leveson inquiry: journalism ethics and press freedom', *Journalism*, 13(4), 529–38.

Phillip, M. (2004) *The Vanishing Newspaper: Saving Journalism in the Information Age*, Columbia: University of Missouri Press.

Picard, R. (2009) 'Blogs, tweets, social media and the news business', Nieman Reports. www.nieman.harvard.edu/reportsitem.aspx?id_101884 (accessed 25/9/14).

Pilling, D. (2012, January) 'Capitalism in crisis: perilous path to prosperity', *Financial Times*. www.ft.com/cms/s/0/1d92589a-3090-11e1-9436-00144feabdc0.html (accessed 12/9/14).

Plonka, N. (2007, September) 'Britain's empty chair. EU–Africa summit', *Euaustralia Online*. www.euaustralia.com/2007/09/21/%E2%80%9Cempty-chair%E2%80%9D-policy-britain-to-boycott-the-eu-africa-summit/ (accessed 12/8/14).

Pogge, T. (2005) 'World poverty and human rights', *Ethics and International Affairs*, 19(1), 1–7.

Polanyi, K. (1944) *The Great Transformation*, Boston, MA: Beacon Press.

Poster, M. (2001) *What's the Matter with the Internet?* Minneapolis: University of Minnesota Press.

Puddephatt, A. (2005) 'Freedom of Expression', in R. Smith and C. van den Anker (eds), *The Essentials of Human Rights: Everything You Need to Know About Human Rights*, London: Hodder Arnold, pp. 127–30.

Pugh, A. (2011, 26 August) 'Could accepting freebies land journalists in jail?', *Press Gazette*. www.pressgazette.co.uk/node/47771 (accessed 9/14).

Purie, A. (2008, February) 'Editor-in-chief on RTI Act', *India Today*. http://indiatoday.intoday.in/story/Editor-in-chief+on+RTI+Act/1/4323.html (accessed 15/9/14).

Ramonet, I. (2007, December) 'Africa says no – and it means it!', *Le Monde Diplomatique*. http://mondediplo.com/2008/01/01africa (accessed 8/7/14).

Randooke, B. (2009) '1929 stock market crash – why did it happen and can it happen again'. http://ezinearticles.com/?1929-Stock-Market-Crash---Why-Did-it-Happen-and-Can-it-Happen-Again&id=2473428 (accessed: 17/2/14).

Reilly, C. (2014, 23 September) 'Will it bend? iphone takes a turn for the worse', Crave.Net. www.cnet.com/news/will-it-bend-iphone-6-takes-a-turn-for-the-worse/ (accessed 30/9/14).

Relly, J.E. (2011) 'Institutions of information access and constraint: the cases of China and India', in Y. Chen and P. Chu (eds) *Electronic Governance and Cross-boundary Collaboration: Innovations and Advancing Tools*, Hershey, PA: IGI Global, pp. 247–69.

Relly, J.E. and Schwalbe, C.B. (2013) 'Watchdog journalism: India's three largest English language newspapers and the Right to Information Act', *Asian Journal of Communication*, *22*(3), 284–301.

Ricard, P. (2007) 'Europe-zone ACP accords de partenariat économique; Bruxelles accuse Paris de tenir un double discours sur le commerce avec l'Afrique', *Le Monde Diplomatique* (accessed 3/7/14).

Richstad, J. (2000) 'Asian journalism in the twentieth century', *Journalism Studies* 1(2), 273–84.

Robinson, J. (2011, 14 November) 'Phone hacking: 58% of UK public say they have lost trust in papers', *The Guardian* (accessed online 16/2/14).

Robinson, P (2002) *The CNN Effect: The Myth of News: Foreign Policy and Intervention*, London: Routledge.

Rogerson, K.S. (2003) 'Addressing the negative consequences of the information age lessons from Karl Polanyi and the industrial revolution: a note on the politics of theorizing technology', *Information, Communication and Society*, 6(1), 105–24.

Ross, C.G. (1911) *The Writing of News; A Handbook with Chapters on Newspaper Correspondence and Copy Reading*, New York: Henry Holt.

Roush, C. (2010) *Show Me the Money: Writing Business and Economics Stories for Mass Communication*, London: Taylor and Francis.

——(2011a) *Profits and Losses: Business Journalism and Its Role in Society*, 2nd edn, Chapel Hill: University of North Carolina.

——(2011b) 'The Financial Press: it is not as bad as its reputation', in A. Schiffrin (ed.) *Bad News: How America's Business Press Missed the Story of the Century*, New York: The New Press, pp. 54–70.

Rusbridger, A. (2010, November) 'The splintering of the Fourth Estate', *The Guardian*. www.guardian.co.uk/commentisfree/2010/nov/19/open-collaborative-future-journalism/print (accessed 10/14).

Sachs, J. (2005) *The End of Poverty: the Economic Possibilities for Our Time*, New York: The Penguin Press.

Sanders, K. (2003) *Ethics and Journalism*, London: Sage.

Schechter, D. (2009) 'Credit crisis: How did we miss it?', *British Journalism Review*, 20(1), 19–26.

Schifferes, S. (2011) 'The financial crisis and the UK media', in A. Schiffrin (ed.) *Bad News: How America's Business Press Missed the Story of the Century*, New York: The New Press, pp. 148–78.

Schiffrin, A. (2011) 'The US press and the financial crises', in Anya Schiffrin (ed.) *Bad News: How America's Business Press Missed the Story of the Century*, New York, London: The New Press.

Schiller, D. (1981) *Objectivity and the News: The Public and the Rise of Commercial Journalism*, Philadelphia: University of Pennsylvania Press.

Schiller, H. (1996) *Information Inequality: The Deepening Social Crisis in America*, New York: Routledge.

Schudson, M. (1978) *Discovering the News: A Social History of American Newspapers*, New York: Basic Books.

——(1996) *The Power of News*, London: Harvard University Press.

——(2001) 'The objectivity norm in American journalism', *Journalism*, 2(2), 149–70.

Seamark, M. (2008, 8 October) 'Does this BBC man have too much power? Reporter blamed for helping trigger shares fall', *Daily Mail online*.

Sen, A. (1999) *Development as Freedom*, Oxford: Oxford University Press.

Shaw, D.L. (1967) 'News bias and *The Telegraph*: a study of historical change', *Journalism Quarterly*, 45(1), 3–12.

Shaw, I.S. (2007) 'The media's agenda-setting role in Liberia's 2005 presidential run-off election', *African Journalism Studies*, 28(1–2), 56–80.

——(2009) 'Towards an African journalism model: a critical historical perspective', *International Communication Gazette*, 71(6), 491–510.

——(2012) *Human Rights Journalism: Advances in Reporting Humanitarian Interventions*, Basingstoke: Palgrave MacMillan.

Shaw, M. (1996) *Civil Society and Media in Global Crises*, London: St Martin's Press.

Sherman, S. (2002) 'Enron: uncovering the uncovered story', *Columbia Journalism Review*, 40(6), 22–29.

Shoemaker, F.J. and Reese, S.D. (1996) *Mediating the Message: Theories of Influences on Mass Media Content*, 2nd edn, New York: Longman.

Shuman, E.L. (1894) *Steps into Journalism: Helps and Hints for Young Writers*, Evanston, IL: Correspondence School of Journalism.

Singer, P. (2002) 'Poverty, facts, and political philosophies: response to more than charity', *Ethics and International Affairs*, 16(1), 121–24.

Smith, A. (1759) *The Theory of Moral Sentiments.*

——(1776) *An Inquiry Into the Nature and Causes of the Wealth of Nations.* London: Strahan.

Smith, R. (2001a, 19 October) 'Enron CEO's partnerships had millions in profits', *The Wall Street Journal*, C1.

Smith, R. (2001b, 8 November) 'Fancy finances were keys to Enron's successes, and now its distress', *The Wall Street Journal.*

——(2001c, 30 November) 'Enron's swoon leaves a grand experiment in state of disarray', *The Wall Street Journal,* A1.

Smith, R. and Emshwiller, J.R. (2001a, 24 October) 'Enron may issue more stock to cover obligations', *The Wall Street Journal.*

Smythe, D.W. (1977) 'Communication blindspot of Western Marxism', *Canadian Journal of Political and Social Theory*, 1(3), 1–27.

Sonwalkar, P. (2002) 'Murdochisation of the Indian press: from by-line to bottom line', *Media Culture Society*, 24(6), 821–34.

Sridhar, M. (2012, 12 September) 'Unjustified penal action', *The Hoot.* www.thehoot.org/web/home/story.php?storyid=6260&mod=1&pg=1&sectionId=6 (accessed: August 2014).

Starkman, D. (2011) 'Power problem', in A. Schiffrin (ed.) *Bad News: How America's Business Press Missed the Story of the Century*, New York: The New Press, pp. 22–36.

——(2012a) 'Introduction', in D. Starkman, M.M. Hamilton, R. Chittum, and F. Salmon (eds) *The Best Business Writing 2012*, New York: Columbia University Press, pp. 1–8.

——(2012b) 'A narrowed gaze: how the business press forgot the rest of us', *Columbia Journalism Review.* www.cjr.org/cover_story/a_narrowed_gaze.php?page=all (accessed 12/07/14).

Starkman, D., Hamilton, Martha M., Chittum, Ryan and Salmon, Felix (eds) (2013) *The Best Business Writing 2013*, New York: Columbia University Press.

Starkman, D., Hamilton, Martha M. and Chittum, Ryan (eds) (2014) *The Best Business Writing 2014*, New York: Columbia University Press.

Starr, P. (2009) 'The end of the press: democracy loses its best friend', *The New Republic*, 4, 28–35.

Steffens, L. (1903) 'Tweed days in St Louis', *McClure's Magazine*: 557–88.

Stensaas, H.S. (1987) 'Development of the objectivity ethic in US daily newspapers', *Journal of Mass Media Ethics*, 2(1), 50–60.

Sullivan, R. (2013, 24 February) 'Food chain alert for investors', *Financial Times.*

Suttles, G.D. and Jacobs, M.D. (2010) *Front Page Economics*, London: University of Chicago Press.

Sweney, M. and Conlan, T. (2011, 15 November) 'BBC World News faces sponsorship clampdown after Malaysia row', *The Guardian*. www.theguardian.com/media/2011/nov/15/bbc-world-news-sponsorship (accessed 23/9/ 2014).

Tai, P. (2001) 'Personal finance', in T. Thompson (ed.) *Writing About Business: The New Columbia Knight-Bagehot Guide to Economics and Business Journalism*, New York: Columbia University Press, pp. 265–71.

Tambini, D. (2010) 'What are financial journalists for?', *Journalism Studies*, 11(2), 158–74.

Tarbell, I. (2012) 'A history of Standard Oil Company', in Elliot King and Jane L. Chapman (eds) *Key Readings in Journalism*, New York: Routledge (contribution based on an extract from the original version of the book by Ida Tarbell in 1904, published by McClure, Phillips & Co. New York).

Tate, R. (2009, 21 October) '*New York Times* travel writer broke these travel writer rules with junket', Gawker.com. http://gawker.com/5387056/new-york-times-travel-writer-broke-these-travel-writer-rules-with-junket (24/9/14).

Teitelman, R. (2012, 13 January) 'Starkman on the decline of business journalism'. *HuffPost Business.* www.huffingtonpost.com/robert-teitelman/starkman-on-the-decline-o_b_1204762.html (accessed 12/07/14).

Tett, G. (2008a, 2 January) 'Financial faith found wanting', *Financial Times*. www.ft.com/cms/s/0/0e06d1d6-b8d4–11dc-893b-0000779fd2ac.html.

——(2008b, 22 January) 'Sentiment shifts as credit woes sink in', *Financial Times*. www.ft.com/cms/s/0/eec9db5a-c84c-11dc-94a6–0000779fd2ac.html#axzz3KrvgTLE2 (accessed 12/9/14).

Thakuria, N. (n.d.) 'Paid news: the bane of ethical journalism', *Eastern Panorama*. www.easternpanorama.in/index.php/web-special/881-paid-news-the-bane-of-ethical-journalism (accessed 23/9/14).

Thompson, T. (ed.) (2001) *Writing About Business: The New Columbia Knight-Bagehot Guide to Economics and Business Journalism*, New York: Columbia University Press.

Times of India – ToI (2012, 18 April) 'Gujarat HC quashes sedition cases against TOI Ahmedabad', *Times of India*. http://timesofindia.indiatimes.com/city/ahmedabad/Gujarat-HC-quashes-sedition-cases-against-TOI-Ahmedabad/articleshow/12718428.cms (accessed 8/14).

Traynor, I. (2007a, 7 December) 'Lisbon summit: EU jamboree seeks fresh start – but Africa's leaders are looking East: mistrust over trade terms and colonial hangover hard to shift as China moves in', *The Guardian*. www.theguardian.com/world/2007/dec/07/eu.politics (accessed 12/7/14).

——(2007b, 10 December) 'International: Africans reject EU trade pacts as deadline looms', *The Guardian*. www.theguardian.com/world/2007/dec/10/politics.eu (accessed 12/7/14).

Unwin, T. (2007) 'No end to poverty', *Journal of Development Studies*, 43(5), 929–53.

Usher, N. (2011) 'Service journalism as community experience', *Journalism Practice*, 6(1), 107–21.

——(2013) 'Ignored, uninterested, and the blame game: How *The New York Times, Marketplace*, and The Street distanced themselves from preventing the 2007–2009 financial crisis', *Journalism*, 14(2), 190–207.

Von Radowitz, J. (2013, 12 February) 'Ban on British meat product ban linked to horsemeat scandal', *The Independent*. www.independent.co.uk/news/uk/home-news/ban-on-british-meat-product-ban-linked-to-horsemeat-scandal-8492194.html (accessed 12/9/14).

Vos, T.P. (2011) 'Homo journalistic us: journalism education's role in articulating the objectivity norm', *Journalism*, 13(4), 435–49.

Wade, A. (2007, 16 December) 'Europe-Afrique: la coopération en panne', DEBATS, *Le Monde*, Paris (accessed 12/7/14).

Ward, S.J.A. (2004) *The Invention of Journalism Ethics: The Path to Objectivity and Beyond*, Montreal: McGill-Queen's University Press.

Wasserman, H. and Shakuntala, R.S. (2008) 'The glocalization of journalism ethics', *Journalism*, 9(2), 163–81.

Weaver, D. (1987) 'Media agenda-setting and elections: assumptions and implications', in D.L. Paletz (ed.) *Political Communication Research: Approaches, Studies, Assessments*, Volume 2, Norwood, NJ: Ablex, pp. 211–24.

Weihua, C. (2009, 16 May) 'Could it be a revenge on journalists?', *China Daily*. www.chinadaily.com.cn/opinion/2009–05/16/content_7783996.htm (accessed: 9/14).

Whittam Smith, A. (2013, 13 February) 'How to sell horsemeat and sub-prime loans', *The Independent*. www.independent.co.uk/voices/comment/how-to-sell-horsemeat-and-subprime-loans-8493780.html (accessed 25/4/14).

Wilkins, L. and Brennen, B. (2004) 'Conflicted interests, contested terrain: journalism ethics codes then and now', *Journalism Studies*, 5(3), 297–30.

Williams, K. (2010) *Get Me a Murder a Day! A History of Media and Communication in Britain*, London: Bloomsbury Academic.

Zhang, J. (2013, 18 February) 'Can modern China fulfill a Marxist vision of a free press?', *World Crunch*. www.worldcrunch.com/opinion-analysis/can-modern-china-fulfill-a-marxist-vision-of-a-free-press-/media-censorship-journalism-weibo-party/c7s10952 (accessed 12/1/14).

Zhao, Yuezhi (1998) *Media, Market and Democracy in China: Between the Party Line and the Bottom Line*, Urbana: University of Illinois Press.

Zurawik, D. (2013, 22 August) 'The difference between Al Jazeera America and CNN: Erin Burnett', *Baltimore Sun*. http://articles.baltimoresun.com/2013-08-22/entertainment/bal-al-jazeera-america-cnn-erin-burnett-20130821_1_al-jazeera-america-erin-burnett-new-president-jeff-zucker (accessed 8/14).

Index