

LESSONS FROM THE FINANCIAL CRISIS

WHAT HAVE WE LEARNED? BUSINESS JOURNALISTS SPEAK OUT.

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This research project aims to explore what lessons have business journalists learned from covering the biggest story of the decade: the financial crisis. Through a series of in-depth interviews with top editors and reporters who were setting the agenda seven years ago and are leaders in the newsroom today, this study wants to investigate the following research question: How has the financial crisis changed the way business journalists do their jobs today? Seven years on, what lessons have been learned? More importantly, this study wants to assess to what extent has that knowledge translated into real changes in the industry? An answer to this question would identify what tools and indicators are journalists watching now to be able to see and avert the next financial or economic collapse. Probing theories of gatekeeping and social responsibility, this paper sets out to determine how the recession has changed the roles, duties, and constraints of business journalism.

RQ: How has the financial crisis changed the way business journalists do their jobs today?

Theoretical Framework

Gatekeeping

One of the oldest and most applicable theories in mass communication research relevant to this study is gatekeeping – a concept that describes how media organizations filter information for publication (Shoemaker & Vos, 2009). Mass audiences rely and trust journalists to scan the world's most important events and stories into digestible snippets of information. Gatekeeping explains how and why certain stories make it out in the public while others don't (5). The theory is vital for journalism as gatekeeping constructs what later becomes an individual's social reality (3).

So who is a gatekeeper? The theory of channels and the concept of gatekeeping was first developed by the German psychologist Kurt Lewin, who was focused on exploring group dynamics or how an individual's behavior changes as a result of their interaction with other members of a group (Shoemaker et. al, 2001, 234). He explained the concept describing how wives and mothers act as gatekeepers who control what goes on a family's dining table based on their decisions on what to buy and how to store food. The gatekeeper, in the author's perception, was the person who decides what passes through certain gates at any given stage of a process and how external forces shape those decisions (Lewin, 1947, 144). The psychologist then pointed out that the theory goes beyond food and could be used in understanding how news items travel through communication channels (145). This concept was further elaborated by David Manning White, one of Lewin's assistant at the University of Iowa. He spent a summer watching how a news editor, dubbed Mr. Gates, selected stories for publication. The researcher realized that the daily feed of news was heavily influenced by the editor's experiences,

attitudes and expectations (White, 1950). A later study on the same Mr. Gates done by Paul Snider found that 17 years on, his story selections were still largely based on his personal preferences and understandings of what audiences wanted (Snider, 1967 cited in Shoemaker & Vos, 2009, 16).

Other studies come to contradict White's findings and conclude that editors are "caught in a straight jacket of mechanical details" that offset the personal value influence (Gieber, 1956, 432). Gieber notes that structural factors such as deadline pressure, the scarcity of news as well as organization pressures were more important than personal subjectivity. Westley and MacLean (1957) share some of those findings and emphasize that journalists collectively act like one gatekeeper, following the same set of rules (35). Through their model of communication, scholars also point out that what does not go through the gates deserves equal attention as to what gets published (35).

Later studies focused on the outside forces that influenced gatekeepers. Gandy (1982) describes how public relations play a huge role in shaping the media content. Because most of the fact-gathering process happens before the press releases are sent out to journalists, the statements will be more likely to pass the media gates, therefore allowing interest groups or PR practitioners to influence the news content, the author notes. Scholars stress that the process of gatekeeping can be analyzed at five different levels: the individual level, the communications routine level, the organizational level, the institutional level and the social system level (Shoemaker & Vos, 2009, 31).

This study aims to look at three main levels: individual, organizational and institutional. The individual level is concerned with how the journalist's own judgments, knowledge and behavior affect the gatekeeping process (33). Analyzing concepts of

thinking, second-guessing and decision-making helps us get a better understanding of how events get covered and what stories get published (42). Moreover, as White (1950) concludes, Mr. Gates based most editorial decisions on his own preferences and attitudes, therefore a close study of the journalist's personal background, values and role perception would help us understand how their individual characteristics shape the news (Berkowitz, 1993; Johnstone, Slawski & Bowman, 1976).

Conversely, Bruce (2000) points out that journalists' attitudes and values might not shape news content as much as the limitations imposed on them at the organizational or institutional level (7). The way a newsroom operates influences the news coverage to a great extent, he argues. Shoemaker and Reese (1996) use a hierarchical model, visualized as a series of concentric circles, to describe how personal characteristics as well as other forces exert influence on news content (64). The authors contend that journalists are more constrained by forces such as their own routines or organizational issues. Demers (1995) argues that the ownership of the publications is another important factor to keep in mind and concludes that organizations run by big corporations are much more editorially controlled (106). Shoemaker and Vos add that groupthink has a powerful ability to pressure journalists on how to cover the stories (72). Authors also point out that management, editors, the culture and routines of the newsroom are also important factors that shape what ends up getting published (Bantz, 1990; Shoemaker and Vos, 2009; Whitney, 1981).

The institutional level is concerned with outside institutions such as markets, audiences, advertisers, sources and PR practitioners that may affect what passes through the gates (76). Shoemaker and Vos emphasize that the number of players in the market is

an important characteristic, which directly controls the competition and the level of content supply (77). Another significant institution in the gatekeeping process is the audience (78). Gieber (1963) suggests there are “introjective” journalists who will mainly change their perceptions based on what audiences want and “projective” journalists, who assume that audiences would agree with their judgments (9). This was also identified in another study, which looked at how differently network and local journalists perceive international news (Kim, 2002). The paper concludes that local journalists would only select events or subjects relevant to their communities (449).

Advertising is another factor that shapes decisions about what goes into print or on the air (Shoemaker and Vos, 2009). The economic reliance of trade publications has been well documented before and proved that advertising has a significant impact on editorial content (Hollifield, 1996; Milavski, 1993). Finally, sources are also crucial for how content is created, scholars note. Sigal (1973) found that the vast majority of journalists rely on a set of elite sources such as governmental or company executives, press releases, conferences, events and others. Gans (1979) adds that because economically and politically powerful sources have more access to the media, their messages have more chances of getting through media channels. Koch (1991) argues that the more journalists rely on elite sources, the more vulnerable they get at preserving their own agendas. It's worth noting that the public relations engines behind them also play a huge role in what messages get media attention (Sallot & Johnson, 2006, 156). Surveys of journalists and PR practitioners found that as much 44 percent of news content is influenced by PR (154).

The gatekeeping theory has been used in other similar studies on business journalism. Bruce (2000) used the theory to study the characteristics, roles and practices of the business press and how they differ from the mainstream press. The scholar found that business journalists are more commercially minded and feel more pressure from advertisers (222). However, the study also found that business journalists view facts as “sacred” and perceive factual content as the “paramount tenet among the profession,” (224). Qian (2013) used the gatekeeping theory to explore how social media was changing the way business journalists get their sources. The scholar found that while social media helps journalists find more sources and facilitates interactions with audiences, it does not change the traditional sourcing process of business journalists (66).

Social Responsibility

The gatekeeping process and the editorial decisions made by business journalists are closely related to how they perceive their responsibilities (Tambini, 2008). Historically viewed as the informants of investors, few business journalists recognize their role as serving the general public (Schiffrin, 2011; Doyle, 2006, 450). The aspect of social responsibility in business journalism was studied by various scholars before and after the financial crisis. In the wake of the Enron collapse in 2001, Doyle (2006) questioned the efficacy of financial journalism. Complimenting a scant academic literature on the topic, the author reiterates that while the pressure and constraints of financial and economic journalists are the same as for many other beat reporters, there are more challenges that arise from working closely with big financial corporations and technical material. The author claims that the lack of education and expertise also make it harder for journalists to hold companies accountable and see the wider picture. In her

exploratory research, Doyle reiterates that the financial press is reluctant to step outside the worlds of “pro-market and pro-capitalist thinking” (446). Her findings come in line with earlier studies that confirm that a large number of stories are based on a stream of corporate and economic press releases or rival publications (Roush, 2004). Doyle concludes that although the depth and high-quality expertise of the field is admirable, financial journalists at mainstream business news publications fail to understand their responsibilities concerning civic empowerment in a democracy society (450). Other studies also found that business news coverage is dominated by shortsighted reports on economic indicators, markets and corporate earnings and features fewer longer-form stories on the social implications of certain developments (Schiffrin, 2011).

The idea of social responsibility in journalism goes back to the early voices who introduced the theory in 1956. In their classic “Four Theories of the Press,” Fred Siebert, Theodore Peterson and Wilbur Schramm describe it as a concept that gives the press full freedom but also calls for a degree of responsibility and self-regulation (74). First put forward by the Commission on Freedom of the Press in the mid-40s, it emphasized the idea that the press has a social responsibility toward its citizens to provide trustworthy information that would empower them to live in a democratic society. Nerone (1995) points out that one of the weaknesses of the Four Theories is that it only focuses on the concept of classic liberalism, which assumes that “we have freedom of the press if we are free to discuss political matters in print without state suppression” (22). When the press had later become an institution itself, it became more adequate to talk about “the public's rights—the right to know, the right to free expression—rather than the press's rights. The press had responsibilities; the public had rights,” the author notes (6). He goes on to point

out that in a new world order, the definition and presentation of the news also evolved. Fairness and balance and factual reporting came to overwrite opinion and rhetoric, thus setting the standard for responsible journalism (83).

Voakes (2000) explains that this interpretation argues that the freedom of press is not “an end in itself” but rather “a means to a fully functioning, free and democratic society” (31). Moreover, the theory goes to stress that in this social exchange setting one cannot have rights without responsibilities. The concept is rooted in the theories of great philosophers like Aristotle, Immanuel Kant and John Stuart Mill, who stressed the importance of “humanity” in people’s professional roles. Kant’s principle of humanity argues that people should treat each other as an end in itself and never as a means to an end (Plaisance, 2014, 76). Mill’s utilitarian principle highlights that people’s actions should promote the greater good for the society (32). Mill adds that people should always remember that they are human beings and have a fundamental role of being responsible selves first of all, therefore journalists, advertisers, government workers should always operate “with a sense of collective responsibility” based on their humanity (cited in Nerone, 1995, 89).

Where to draw the line between freedom and responsibility has been a long-standing subject of debate within journalism at large. Codes of ethics such as the Society of Professional Journalists (SPJ) aim to offer some answers to moral dilemmas while protecting the First Amendment. Nonetheless, many journalists and scholars have questioned whether business and financial journalists should abide by a special set of rules and principles due to their ambiguous degree of commitment to public interest (Doyle, 2006; Starkman, 2009; Tambini, 2008). Tambini suggests that business and

financial journalism is defined by “set rules of thumb and an ethical attitude that varies in some respects between outlets” (27). Other studies also stress that truth is never independent in financial news, mainly because of the close relationship between reporters and expert sources (Thompson, 2015, 169).

Another aspect of the social responsibility theory applied to business journalism warns against rumor or speculation (Tambini, 2008; Goodman, 2011; Schiffrin, 2011).

An editor interviewed by Tambini (2008) said:

It means you have to be 100 percent squeaky clean. Because people can automatically believe you can be guilty of manipulating the stock market. So you have to be completely open. You have to write your doubts of the story.

Scholars and journalists also note that in times of crisis, business and financial journalists have a heightened sense of responsibility (Stiglitz, 2011; Goodman, 2011; Schiffrin, 2011). Scholars explain that journalists should be careful to not scaremonger or anticipate calamities before they happen (Goodman, 2011; Schiffrin, 2011). “I’m not suggesting for a moment that journalists shouldn’t be aggressive. But journalists, like markets, tend to overshoot. You don’t want to go overboard and celebrate the downturn,” said Marcus Brauchli, former managing editor at The Wall Street Journal (cited in Roush, 2009).

The social responsibility theory has been used in previous studies to examine business journalists’ ethical responsibilities. Tambini (2008) used the concept to seek answer to the question of what defines a business journalist or who is a financial journalist? The author found that business and financial journalists have a sense of responsibility that goes beyond serving their companies and the public in the short run.

The scholar notes that there is “a new stress on the role of financial journalism in the corporate governance framework and a sense that journalism can do more” (30).

Literature Review

Roush (2004) notes that the history of the business press dates back to the 16th century when early settlers in America would rely on newspapers to get crop and livestock prices, and updates on goods entering U.S. ports (5). In the late 1980s, publications like *The Journal of Commerce* and *The Wall Street Journal* came along and were later followed by *The Economist*, *Dow Jones* and *Reuters* (Schiffirin, 2011, 8). Schiffirin points out that it’s important to remember that the business press was never meant to provide “public interest reporting” (7). Rather, its history is deeply rooted in a tradition of informing investors and supporting the American free market system (Parsons, 1990, 41). As the industry grew bigger with the expansion of the stock market and technology, company reporting took off and “market-moving” stories would dominate the news agenda (Schiffirin, 2011, 8).

As business journalism became more technical, criticism grew louder. In the 1920s business reporters were accused of taking checks and other monetary rewards from market promoters in exchange for writing stories that would push stock prices up (Henriques, 2000, 118). Other scholars note that the business press was always seen as a vehicle of free advertisement for the companies they cover (Bruce, 2000; Enders, 1995). In the mid-30s, Carswell, a writer for *The World Telegram*, argues that business papers were out of touch with the public. He notes that there was an exaggerated focus on Wall Street and particularly, on the New York Stock Exchange (1938, 614). The news had become boring, lacked “popular interest” and was questionable from a broad “social and

public policy” perspective, Carswell adds (617). Roush goes on to stress that the rise of PR in the 1930s had a significant influence on the performance of business journalism. Even as journalists gained more experience and the quality of their reporting saw significant improvements, they still missed some big stories, such as the collapse of Enron, Schiffrin (2011) points out. An analysis of the coverage before the company’s bankruptcy found little but praise for the firm and its staff, the author notes (9). Thompson (2015) argues that the media’s shortcomings in covering the financial crisis should not be seen as an exceptional case but rather as a continuation of a systematic problem between business journalists and Wall Street (174).

On the other hand, Henriques (2000) argues that compared to the old days where journalists were taking bribes for writing biased stories, there has never been a time in history where business reporters had higher standards (118). She goes on to emphasize that it’s important to keep in mind that over the past decade, America has gradually experienced a “business coup” and big corporations have risen to power unchallenged and unquestioned (119). Today business journalists play a leading role in holding companies accountable, Henriques notes, and the failure to do so should also be attributed to senior editors or news directors, who often times fail to grasp the importance of money stories. The author notes that business reporters at general news publications don’t have the time or resources to cover important stories largely because of a widespread ignorance about business and finance in American newsrooms. Most people in typical newsrooms across the country think that “business is boring,” she notes (121). Later surveys echo her view and show that business desks were indeed a low priority for

newsroom executives and did not get much resources and attention, (Roush, 2004, 11). This was no longer true in 2008.

The Financial Crisis

On September 15, 2008, Treasury Secretary Hank Paulson arrived at the White House to inform President George W. Bush about the unavoidable financial collapse (Halm-Addo, 2010, 1). Lehman Brothers, one of the five investment giants on Wall Street, had filed for bankruptcy and its shares were worthless by the end of the day. Markets plummeted and within days the Dow Jones industrial average lost more than 778 points or 7 percent, its biggest single-day drop in history (CNBC, 2010). Panic ensued on Wall Street: Merrill Lynch, another investment giant, was sold to Bank of America, people flooded money market funds with massive redemptions requests and the nation's largest insurance company, American International Group (AIG), lost billions of dollars in assets (FCIC, 2011, 351). Amid the chaos, Congress allocated \$700 billion to bail out banks and financial institutions through a program known as the Troubled Asset Relief Program, (McLean & Nocera, 2010, 359). The housing finance institutions Fannie and Freddie Mac were taken over by the government after becoming insolvent. The financial crisis gradually intensified and developed into the worst recession since the Great Depression (Williams, 2012).

The consequences were steep – \$15 trillion in household savings have vanished, including the pensions and college savings of many American people; nearly 9 million workers lost their jobs, 9 million people were pushed below the poverty line, and almost 5 million homeowners lost their homes (Geithner, 2014). The federal deficit soared from \$456 billion in 2008 to \$1.4 trillion in 2009, and rose to an estimated \$1.6 trillion in 2010

(FCIC, 2011, 400). As of 2015, the Federal Reserve has a balance sheet of more than \$4.5 trillion in assets (roughly equal to Germany's GDP) after pumping money into the economy through a once-in-a-lifetime program known as "quantitative easing" (Bloomberg, 2015; Federal Reserve, 2015). The central bank also slashed its overnight interest rates to almost zero. Seven years on, the economists at the Fed are still hesitant to raise rates.

So how did we get here? Before trying to connect the dots, it's worth pointing out that in the early 2000s, the financial industry in the U.S. grew more powerful than ever before, and was dominated by a few players: five investment banks (Bear Stearns, Goldman Sachs, Lehman Brothers, Merrill Lynch, Morgan Stanley), two financial conglomerates (Citigroup, JP Morgan), three security insurance giants (AIG, MBIA, AMBAC) and three rating agencies (Moody's, Standard & Poor's, Fitch), (Ferguson, 2011). At the same time, Federal Reserve Bank of San Francisco president John Williams notes, the housing market started to take off as the country was still recovering from the dot-com bubble burst in 2000. Some economists say the housing boom was mainly fuelled by an accelerated increase in house construction, which rushed buyers into buying new homes on the assumption that prices would continue to go up (Glaser & Sinai, 2013, 16). Similarly, lenders continued to issue loans and did not see any risk of major downturns in the bullish housing market (Williams, 2012).

The loose credit fuelled an overvaluation of subprime mortgages, which were sold to banks. Financial experts sliced and diced them into securities and products that very few were able to understand (McLean & Nocera, 2010, 52). Business scholars explain that the pooled mortgages were used to back other complicated securities such as

collateralized debt obligations (CDOs) and were sold to investors hungry for higher returns at a time of low interest rates maintained by the Fed (Kolb, 2010, 147). J.P. Morgan was one of the institutions that hired mathematicians and physicists to create new securities that would spread the risk from one firm's books to another based on the modern portfolio theory that diversification reduced risks (McLean & Nocera, 2010, 52). The products, known as derivatives, quickly spread on Wall Street and got completely intertwined with subprime mortgages. One type of derivatives, known as credit default swaps (CDS), was sold to domestic and foreign investors to protect them against the default or decline in value of mortgage-related securities (Harrington, 2009, 787). The exotic financial products had become a lucrative business for banks, which made loads of money in the years before the crash. Fast forward to 2006, when the housing market turned at its peak and unraveled a whole new world in the financial system (The Economist, 2013). The game was over.

The mortgage-backed securities, whose credit ratings were inflated by agencies like Moody's and Standard and Poor's, lost their value and it became extremely difficult to sell similar financial products and use the funds as collateral for short-term funding the banks relied on (The Economist, 2013). That triggered a chain of events that ultimately paralyzed the entire economy. Williams explains that financial institutions suddenly became reluctant to borrow from each other and lost the ability to finance their daily operations. Other non-financial companies no longer had access to credit to pay suppliers and workers, and cut their spending to save cash. On the other hand, insurers like AIG, which sold protection to investors, could no longer meet its obligations and had to be rescued by the government (Harrington, 2009, 790). A public inquiry into the crisis found

that the amount of debt in the financial sector spiked from \$3 trillion in 1978 to \$36 trillion in 2007 (FCIC, 2011, xvii). The same paper notes that in 2007, the five major investment banks faced a severe capital shortfall and were operating on leverage ratios of 40 to 1, meaning that for every \$40 in assets there was only \$1 in capital to absorb losses (xix). The gamble on debt turned a nasty downturn into a deep recession that destroyed some of the biggest banks on Wall Street and came very close to bringing down the entire global financial system.

The same public inquiry concludes that the crisis was avoidable (FCIC, 2011, xxvii). It notes that there were plenty of warning signs out there – from an explosion in subprime lending and securitization to clear indicators about the housing boom and shady lending practices, including mortgage lending increase and the growth of unregulated financial products such as derivatives. The paper blames deregulation and the lax policies introduced in the 1980s that were supported by various administrations and lawmakers in Congress. The inquiry goes on to conclude that the main causes of the crisis were the systemic failures and risk management practices inside the biggest financial institutions on Wall Street (FCIC, 2011, xviii).

Global Financial Crisis

The financial crash soon wreaked havoc around the world, hitting European banks that were also loaded with bad debt (Williams, 2012). One of the main problems, scholars note, is that relaxed regulation in Europe permitted European banks to run both investment and commercial services. That in result increased their exposure to the toxic assets on Wall Street as banks borrowed greedily from American markets to finance their own shady securities (Carmassi et al, 2009, 988; Economist, 2013).

In August 2007, the French bank BNP Paribas spooked the markets by telling investors it will not be able to withdraw money from two of its funds because of a lack of liquidity in the market, therefore signaling to the rest of the world that banks were no longer able to lend to each other (HSBC, 2012). Northern Rock, a British mortgage lender was one of the first institutions to fall in Europe (Economist, 2013). Shortly after, the LIBOR (London Interbank Offered Rate) or interbank lending rates that average banks are charged when borrowing from each other in the short-term, had suddenly jumped by almost 100 basis points (Kwan, 2009). That resonated among the world and the European Central Bank was forced to inject around 95 billion euros to help the markets, setting a new record for the biggest cash injection in its history (FT, 2007).

Around the world central banks turned to emergency measures to rescue their banks and pump money into the economy. The Fed infused about \$24 billion into U.S. markets and the Bank of Japan injected \$8.5 billion. The Bank of Australia also pledged A\$4.5 billion through repurchase agreements and the Bank of Korea said it was ready to inject funds if need be (FT, 2007). While rich-economy central bankers began experimenting with non-traditional tools to stimulate the economy, one country was particularly hit hard due to the large size of its banking sector. After the interbank market froze following the collapse of Lehman Brothers, three big banks in Iceland were taken over by the government after defaulting on their short-term debt and a run on deposits (Iceland Chamber of Commerce, 2013). The Icelandic government then created three new banks to overtake domestic deposit obligations and assets from the failed banks. As a result, public debt more than tripled and the country had to request emergency funds from the IMF (Ministry for Foreign Affairs of Iceland, 2011).

Yet the global credit crunch spread even further. Dubai, the land of extravagance and luxury, was drowning in debt after its real estate market collapsed because no one wanted to buy or rent its newly built properties (BBC, 2009). The fear that Dubai will not be able to pay its bills sent jitters through world markets. Investors became more worried about other hidden debt bombs in other parts of the world and raised questions about the financial stability of the EU states, some which had substantial operations in the region. In November 2009, Greece revealed that its sovereign debt reached its highest point in history, amounting 113% of GDP in 2008 and nearly 175% today (BBC, 2012, 2015). That spurred concerns over other indebted countries in the EU – Portugal, Ireland, Spain and Cyprus – which suffered devastating banking collapses, and had to be rescued by the euro zone and the IMF (BBC, 2012). Although some countries have since slightly recovered, Greece is struggling to repay its debt to this day. The rise to power of an anti-austerity leadership renewed fears of a potential ‘Grexit’ or the possibility of Greece leaving the euro zone (Bloomberg, 2015).

Consequences

The global financial crisis had vast consequences and many economies in Europe have not fully regained their footing. Among many other losses, the global equity markets lost more than 50 percent or around \$31 trillion in market capitalization in one year (Savona, 2011, 20). Unemployment in the euro area skyrocketed and stands as high as 11% as of 2015, with rates as high as 25.2% in countries like Greece (Eurostat, 2015). Nonetheless, although the crisis shook many parts of the world, Japan and China largely escaped the credit problems (p.22). For one, Japan was more cautious with subprime-related financial securities after it experienced its own financial bubble burst in the late

1980s (p.22). Additionally, China's "lack of mature, integrated financial market" also helped it avoid collapse (p.22). However, both countries still rely heavily on the U.S. and the sharp slowdown in America sent Japan into recession and cut China's growth rate by almost half from 12 percent as demand for exports decreased.

Who is to Blame?

Among scholars, there is a consensus that the Fed had a role in causing the economic crisis. Authors claim that the central bank deviated severely from its traditional monetary policy by keeping interest rates low from 2002 to 2005 (Taylor, 2009, 6). The argument goes on to explain that the eased policy on capital fuelled an economic boom, sending housing prices to a record. Moreover, other scholars (Carmassi et al, 2009) claim that because the Fed is mainly concerned with domestic goals, it oversaw the international dimensions of its policy (979). It's important to note that the U.S. monetary policy has a dominant role over global liquidity because the U.S. dollar is considered the world's main reserve currency (979).

Conversely, in line with Fed defenders, others claim that it was the world's savings glut, especially in China, that pushed interest rates down in the U.S. as capital flooded into safe U.S. bonds (Economist, 2013). Carmassi et al. go on to argue that the explosion of financial activity built on the vast flows of abundant cash from world markets to the U.S. has historically proven as one of the main elements of a bubble (978). However, some economists refute the claim and argued that IMF data shows that the world was actually suffering from a savings shortage (Taylor, 2009, 6). Carmassi et al. conclude that some of the big causes of weakness on both sides of the Atlantic were weak capital requirements for credit issuance (989).

“The Watchdog Didn’t Bark”

When the crisis struck, the hunt was on for culprits. Media scholars note that bankers, regulators and economists were not the only ones to bear responsibility for the faults of the financial system (Chittum, 2011; Starkman, 2014; Manning, 2012). Central bankers and regulators were accused of falling asleep at the wheel and failing to keep economic imbalances in check, but so did the press, authors note (Starkman, 2014, 2). Amid crisis and uncertainty, everyone from bankers to media critics took shots at journalists for failing to anticipate the imploding crisis. “How could an entire journalism subculture, understood to be sophisticated and plugged in, miss the central story occurring on its beat?” (1). In an effort to explore the shortcomings, Starkman undertook a project at the Columbia Journalism Review to investigate how well had the business media performed its watchdog role in the years leading up to the crisis. The study analyzed more than seven years of coverage prior to the crisis across nine major business publishers: the Wall Street Journal, the New York Times, Los Angeles Times, Financial Times, the Washington Post, Bloomberg News, Forbes, Businessweek and Fortune.

The study found that even as the business news industry had expanded and prominent news outlets had published high-quality investigative journalism between 2000 and 2003, it later turned its gaze toward investor concerns and slipped into what the author calls “CNBC-ization” or news that emphasizes “speed over depth, immediacy over context, internal metrics (e.g. earnings) over external costs (say, predatory lending and its aftermath, or income inequality and its roots),” Starkman notes. “It is about insiderism, incrementalism, and scoopism” (2012) The author concluded the press missed the most

important stories on Wall Street's powerful financial firms during the most critical years (4).

But there were several reasons for that, he notes. First, the financial crisis came at a time when American journalism was really struggling. With the growth of the Internet and the flow of ad dollars to new online companies, newsrooms saw their revenues plummet to levels not seen since 1965 (242). Less revenues eventually led to smaller staff and less time to cover stories, which in turn unleashed a tug of war between depth and speed, a phenomenon coined by Starkman as the "Hamster Wheel" (2014, 301). To its disadvantage, the period when the newsroom culture shifted from one of "confidence, swagger, muckraking and storytelling to keeping one's head down and career survival," coincided with the rise of the superpowers on Wall Street (245). Schiffrin (2011) shares some of these findings and adds that nearly 30,000 newspaper jobs were lost in 2008 and 2009 (2). Tighter budgets and time pressure left many news organizations more dependent on wire copies, which she notes were highly superficial on business subjects. Her interviews with 25 journalists revealed that nearly all of them felt guilty about their "superficial" reporting before the meltdown (11). Schiffrin and Starkman both conclude that the business press shifted back to its earlier role as a servant to markets rather than a watchdog over them.

Chittum goes on to stress that business journalists simply failed to connect the dots (2011, 79). The author notes that besides the mounting pressure to distill sophisticated information in a limited amount of time, there is also "an institutional barrier" among beat reporters, which does not allow them to step on each other's territory (80). For example: the bank reporter cannot meddle in the Fed reporter's coverage and

vice versa. The scholar goes on to suggest that it takes a great deal of leadership to manage collaborative work and editors should take most of the blame for their reporters' failures (80).

Peter Goodman, former national economic correspondent at the Times and now global editor-in-chief at International Business Times, writes that it's important to take a step back and reflect on the root causes of the economic meltdown and understand the underlying factors before assessing the media's role in it (2011, 96). The author notes that many business journalists missed seeing that there was a whiff of concern long before the bubble burst in 2008. While being too busy writing about technology, real estate wealth and the American prosperity, journalists did not notice that wages were stagnating yet costs have been rising for the middle class long before the banks collapsed (101). Goodman calls it the "quiet crisis" which affected the ordinary people, most of who are usually ignored by the business media and many of whom had nothing to do with loans and mortgages (95). "One enduring question is whether we manage to retain the knowledge that wages and incomes for working people are the crucial indicators of economic health, not the wonders of some new technology or another investment fad," Goodman notes (121).

"Had They Only Paid Attention"

Top business news professionals quickly jumped in to defend their work before and during the crisis. "Anybody who's been paying attention has seen business journalists waving the red flag for several years," writes Roush (2009) in the American Journalism Review. According to Roush, the public and government were the ones not paying enough attention to what journalists were writing about. He cites a variety of sources,

from the Journal's coverage on Freddie and Fannie Mac to the Times' articles on risky mortgages and dodgy accounting practices as well as the Washington Post's columns on the credit market. Headlines and book titles such as "'Wall Street Versus America: A Muckraking Look at the Thieves, Fakers and Charlatans Who Are Ripping You Off,'" (Weiss, 2007) "Mortgages May Be Messier Than You Think," (NYTimes, 2007) and "Credit Markets' Weight Puts Economy on Shaky Ground," (Washington Post, 2007) and many more cited by Roush, are clear evidence that the warning signs were plentiful, he argues.

In 2009, hundreds of business journalism professionals gathered to discuss the coverage of the crisis at a conference held by the Society of American Business Editors and Writers. Notable editors such as Larry Ingrassia of the Times and former managing editor at the Journal and chairman of ProPublica, Paul Steiger, both discussed their special coverage and front-page stories on home equity loans, housing price bubbles and the heated mortgage market in the early 2000s. "I think the record shows that the press was there and ringing the alarm bell," Ingrassia said (SABEW, 2009).

Many other journalists agreed. In numerous accounts studying the coverage before and during the crisis, a couple of names stand out (Starkman, 2014; Goodman, 2011; Stiglitz, 2011; Tett, 2009). Bloomberg reporter Mark Pittman was applauded for anticipating the crisis and gained a reputation for being among the few people who challenged the Fed (Bloomberg, 2009). The financial journalist submitted a Freedom of Information request to reveal what securities the Fed was accepting as collateral for the \$1.5 trillion in loans given to banks, in addition to the \$700 billion bailout program (Pittman, 2008). Pittman also wrote about Hank Paulson's role in creating some of those

assets while he was at the helm of Goldman Sachs and revealed details about bailout money allocated to AIG that has gone to investment banks, including Goldman (Bloomberg, 2008).

Gillian Tett, an editor for the Financial Times, was also noted for spotting a mismatch between the news agenda of the business press and the realities unraveling in the world of finance. While on her first week as editor of Capital Markets at the FT, the former social anthropologist said she wanted to learn more about the investment banking “habitat” and culture (Ferguson, 2011). That is why Tett went to an investment banking conference in Nice, where she heard a lot of debate on CDOs. Upon her return to London, she published her first story on CDOs on April 29, 2005. The article titled “Clouds Sighted Off CDO Asset Pool” featured a lawyer who had just sold one of those complex products to an Australian charity (Tett, 2005). Soon, Tett started to warn that the CDOs were far more risky than regulators and investors thought, yet that was not enough to draw more media attention to the subject (Barton, 2008). She also argued that the business press “had missed one of the biggest stories of the decade,” (Starkman, 2014, 223). Starkman points out that it’s notable that Tett, a generalist with an anthropology background, was able to sense danger and see flaws that other expert beat reporters have not (225). Tett reiterates that being an outsider certainly played a huge role and allowed her to operate free of preconceptions and peer pressure (225).

The component of ignorance about warning signs and the failure or refusal to act upon it was also studied by Davies and McGoey. The scholars conclude that the financial crisis was an example of “strategic ignorance” (McGoey, 2007), which served those who had an interest in ignoring the knowledge and the scale of the risk (Davies and McGoey,

2012, 66). The authors stress that the “exploitable nature” of ignorance serves as a powerful political and commercial tool (81). One example notes how the press failed to take notice of a 1975 SEC ruling that technically banned small credit rating agencies from competing with Moody’s, Standard & Poor’s and Fitch. In other words, this meant that the agencies were given the greenlight to be corrupt or inaccurate because no competitor could challenge their mistakes (Friedman, 2009 cited in Davies and McGoey, 2012, 77). N.N. Taleb, a risk analyst and former derivatives trader, adds:

In the market there is a category of traders who have inverse rare events, for whom volatility is often a bearer of good news. These traders lose money frequently, but in small amounts, and make money rarely, but in large amounts. I call them crisis hunters. I am happy to be one of them. (Taleb, 2004 cited in Davies and McGoey, 2012, 79).

In his documentary, filmmaker Charles Ferguson reiterates the suspicions that some bankers and regulators knew about the problem well enough but failed to act. “As long as there was room for the bubble to grow, Wall Street's overwhelming incentive was to keep it going,” he said (Ferguson, 2012).

Values and Challenges

Biased Sources

The Nobel laureate economist Joseph Stiglitz approaches the problem from the perspective of economics of information, a theory that suggests that there are strong incentives that hinder the media’s ability to serve its watchdog role (2011, 24). Because of the wide reach of the mass media and its power to influence perceptions and sentiments, there are plenty of outside forces such as markets and governments that have

an interest to shape the media coverage. Besides, journalists are also looking to fulfill their own self-interests in the process (24). The economist points out that the business press relies heavily on business sources from the companies they are reporting on (25). European scholars Fengler and Ruz-Mohl (2008) echo the same thoughts and emphasize that the market tension and competition pressure push journalists to take a “market approach” in their work (675). The authors emphasize a few key factors that may influence their interactions: journalists with little time and limited resources may seek material (money) and non-material (reputation, influence) incentives. For achieving one or the other, journalists engage in transactions with their sources. In such a setting, the journalist saves time by getting PR information and research in exchange for offering public attention. At the same time, sources leak information for a positive spin on the news that promotes their agenda (676). Manning (2012) agrees that the “mutually-shared understandings” between the two parties did not allow journalists to take a more critical stance and anticipate more than a market correction (183).

Complexity

So why wasn't anyone listening if the evidence was there? Another argument brought up at the SABEW conference said that journalists were overwhelmed by the complexity of the new financial products, such as derivatives. “I never heard of the credit default swap until all of the sudden it was hitting me in the head,” Quinn, a columnist for Bloomberg News, recalled at the conference (SABEW, 2009). This is a view echoed by many professionals and scholars in both the media and business industries (Goodman, 2011; Kolb, 2010; McLean & Nocera, 2010, Williams, 2012;). Charlie Gasparino, a former CNBC reporter who spread the news about the problems at Bear Stearns, adds

that it was almost impossible to understand what was going on inside these companies from reading balance sheets on things that were so obscure and difficult to understand (Delevingne, 2009). Indeed, one of the causes cited by a government inquiry into the financial crisis was the lack of transparency within the financial system (FCIC, 2010, xx). The paper notes that key information on things like the multi-trillion repo lending market (repurchase agreements where the dealer sells securities to investors and buys them back at an agreed price at a later day) off-balance sheet entities and derivatives were kept away from the public and required in-depth financial knowledge to digest. In an interview with Roush, former Wall Street Journal editor Marcus Brauchli goes on to point out that even when journalists sounded alarms, it was very hard to capture people's attention around complicated subjects on financial risks when the stock market was booming. "It wasn't loud enough to alter anyone's behavior," said Andrew Leckey, director of the Donald W. Reynolds National Center for Business Journalism at Arizona State University (cited in Roush, 2009).

The complexity of the financial crisis was also closely studied by an array of academic economists and finance scholars. The public financial crisis inquiry stated that policy makers and regulators were caught off guard and did not have a strategic plan to respond to the developments because they "lacked a full understanding of the risks and interconnections in the financial markets," (FCIC, 2010, xxi). Richard Caballero of the Massachusetts Institute of Technology notes that the crisis was a severe blow to the reputation of macroeconomists particularly because of their "inability" to comprehend the enormity of the issue and predict the meltdown (2010, 85). The author goes on to stress that in turbulent financial times it is indeed difficult to foresee what other surprises may

arise. While market participants and policy makers understood the situation at their local levels, gauging “all the possible linkages across these different worlds is too complex,” the author notes (94). Mathematician Benoit Mandelbrot, the father of fractal geometry, once explained that economics are in a way similar to storms and dangers can only be predicted after they emerge (Hudson & Mandelbrot, 2008). He said that weather forecasting can see a storm coming but it cannot predict when and how it will happen with precision. Economics, he mentions, is way more difficult to understand than storms but the analogy provides useful perspective for analysis (248).

Overshooting

Another important challenge that makes covering stories in times of crisis even harder is overshooting or overplaying the gravity of the situation (Goodman, 2011, 111). An investigation by Vanity Fair looking into the collapse of Bear Stearns, elaborates on the argument. In a detailed account with in-depth interviews, the article describes how CNBC’s speculation over Bear Stearns’ failing liquidity inflicted panic into the markets, fuelling more rumors and negative stories about the investment giant, which ultimately resulted in its collapse (Burrough, 2008). The SEC also acknowledged the negative press coverage of the bank (FCIC, 2008, 1). While Bear Stearns was repeatedly issuing public denials to refute rumors, its public statements were perceived as confirmations of the worst fears on Wall Street. Despite numerous assurances that it had plentiful liquidity assets, the aftermath was inevitable (Burrough, 2008). The bank collapsed and was forced to sell to J.P.Morgan for \$10/share, which was 13 times less than its peak price before the crisis (155). Other scholars also acknowledged CNBC’s role in the dot-com boom (Brady, 2003).

Stiglitz goes on to elaborate on the question of responsibility when it comes to reporting on a company on the brink of collapse. The author notes that reporting inaccurate information that a firm is on the verge of bankruptcy when in fact it is not, could precipitate a collapse and trigger a domino effect in the industry (25). Schiffrin (2011) agrees that during the crisis many journalists were aware that an overheated rhetoric could've hit consumer confidence and sent the economy into a downward spiral (5). Goodman (2011) adds that journalists paid close attention to what they were writing because they knew people would move their money accordingly (110). The author goes on to mention that there has also been criticism that business journalists have intentionally manufactured fear to support the government's bailout of the financial system (118). Goodman dismisses the claim noting that fear and panic was too pervasive among people and the media had to react as panic was spreading quickly. "Had we in the press chosen to consciously not broadcast fears out from the government, we would have been censoring ourselves and depriving readers of a full sense of what was actually going on," (p.119). The media has also been accused of sensationalism (FCIC, 2010, 253).

The way markets react and how consensus changes during crisis times has been analyzed by many scholars. One of them, the political economist Peter Thompson, looked at how information travels from institutional analyst-trader networks into publicly available financial news. The author identified that there is a point of interaction of the two or a "nexus" through which privately held information is leaked to the media (180).

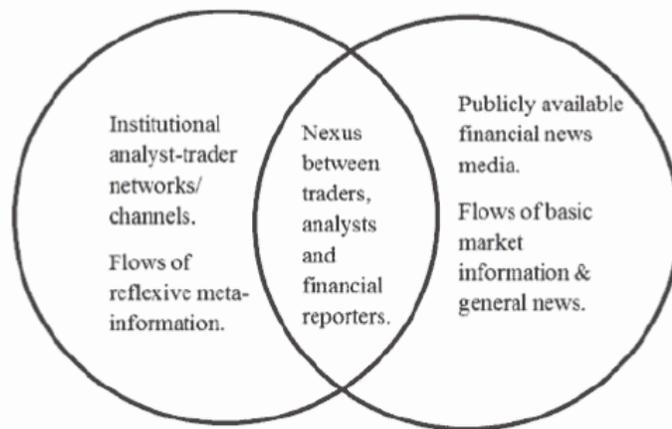


FIGURE 12.1 Financial information flows between institutional and public channels

(Thompson, 2015, 181)

That nexus, Thompson goes on, becomes a channel “through which market rumors or shifts in market perceptions circulating through private institutional networks can become public, triggering a sudden shift in market expectations and valuations,” (181). Once those shifts occur and the consensus begins to change, the author notes, investors become cautious about the fact that market expectations may also change. That’s because investors make their decisions based on the “majority view” or how much they think other investors would pay for shares (Davis, 2005, 314). The media plays a significant role because it acts as the “primary consensus indicator” (314). Thompson concludes that while it does not mean that the media is responsible for causing crises, any reporting of privately held information is “likely to accentuate any shift in consensus,” (183). However, the author goes on to note that the problem does not lie in the failure of journalistic values, but rather in the “structural relationship” between journalists and market sources. Davis (2005) also looked at how the media influences investor behavior and concluded that while the press has a limited ability to influence the daily decision-

making process, it “can lead to more extreme price and market movements,” (321). The authors found that the financial media is one of the main indicators of how the majority perceive the market, which in turn prompts investors to act in anticipation of how they think the consensus will change after certain announcements (315). This anticipatory effect has also previously been observed by other financial studies (Keynes, 1936; Shiller, 1989; Soros, 1994).

Globalization

Tambini (2008) notes that there is clear consensus that the profession is being shaped by technological, legal and commercial challenges (29). Among them, the scholar identified another factor that has intensified over the past decades: globalization. The phenomenon not only entails an expansion of trade between countries but also the global movement of humans, capital and technology (Kunczik, 2001,1). Kunczik explains that perceptions and images of foreign nations have a strong impact on the flow of capital (3). The author points out that most of those images are pictured mainly by the news media, which most often controls what kind of image predominates. He goes on to claim that it’s hard for the media to capture a realistic picture of all the foreign countries because most of the world’s media attention is mostly focused on developed countries. Coverage of the developing nations on the other hand, has an emphasis on short-lived events and negative developments such as protests, revolutions or natural disasters (4). That in turn affects people’s perception of those specific countries, which in business terms equates with money and investment because it reflects the confidence in the economies and stability of currencies (6). Boulding (1967) notes that an image is formed through a combination of historical perceptions and scientific learnings, which he described as literary images (5).

The author argues that these images can be deeply misleading because it's very difficult to capture all the linkages in the complex international system. Tambini explains that the coverage of global issues depends on the journalist's perception of his/her role and responsibilities (2008, 26). For example, some jobs have an international focus and require reporters to look for stories beyond America's shores (26). The author goes on to stress that it's still unclear how the globalization trend will affect the norms and standards of business journalism as it becomes increasingly difficult to draw the line between "public interest" and "national interest" given the global nature of the markets (26). Concepts such as transnational, multinational and global often overlap (Kunczik, 2001, 2).

The rise of PR

Another big challenge in the field of business journalism is the rise of public relations, scholars argue. "In many ways, they set the agenda. They are the access point," said an editor quoted Tambini's analysis. "The consequences are the free flow of information has been interrupted and the kind of information we get can be very sanitized. It's very hard getting to the bottom of a story," (2008, 22). Manning (2012) argues that most financial and business journalists failed to report much of the emerging evidence of the financial crisis in part because of the manipulative power of PR consultants, who now have more control over the flows of information and the kind of stories that get out in the public (173). Schriffirin (2011) echoes those thoughts, noting that the lack of technical expertise and the pressure of tight deadlines prompt reporters to turn to PR sources for quick quotes (14). The increased dependence on sources is not endemic to business journalism but it is particularly concerning, scholars point out.

Research Findings

Through interviews with ten experienced business journalists, most of whom have covered the 2008 financial collapse, this study found that the crisis triggered renewed skepticism within the business press. Journalists said they've learned that the so-called "experts" can be wrong and should not be easily trusted. A vast majority of respondents said they are now more suspicious about official pronouncements and have a higher tendency to question expert judgments on the health of the financial system and the state of the economy in general. The consensus also shows that journalists have significantly improved their knowledge about financial issues and the global interconnections between them, and they are following more indicators that measure the pulse of the U.S. economy. Additionally, this research shows that business journalists have a sense of responsibility that goes beyond serving investors and are concerned with what is essential to society.

Nonetheless, despite signs of improvement, a number of respondents suggest that business journalists will not be able to see the next crisis coming. Moreover, participants argue that the changes prompted by the 2008 collapse are not sufficient to sustain the media's ability to perform its watchdog role over corporate America. The mainstream business press, respondents note, is slipping back into old habits of less investigative, more celebratory coverage – clogged with scoops on corporate practices and financial leaders. The interviews provide new perspectives and offer fresh insights into how the financial crisis has changed the way business journalists do their jobs today, what challenges remain in the industry and how to address them. The following ten themes emerged during this research:

1. Business journalists have improved their understanding of the financial system, the economy, and the global interconnections.

Most interview participants agreed that business journalists now have a better understanding of how very interconnected the world's financial markets and economies are. The crisis has forced journalists to educate themselves about the global financial system and they are much better equipped today to spot what could go wrong and where the problems could come from. Additionally, reporters and editors also have an improved understanding of how dangerously interconnected Wall Street and the world has become, as risky U.S.-made financial products such as mortgage-backed securities were sold and spread to investors around the globe. Michael Hudson, a former freelance reporter and one of the first journalists to write about the flaws in the mortgage industry, said:

I have a better sense of how, you know, when something is happening on the ground in a small town in the middle of nowhere, it's not just some local entrepreneur. It generally has to do with some big Wall Street firm.

Nonetheless, Christine Harper, an executive editor at Bloomberg News who covered Goldman Sachs and Morgan Stanley during the crisis, pointed out that although journalists have gotten smarter about many issues, it's important to keep in mind that there are always "innovations in this business" and "new sources of risk being developed." Journalists – like the people who create these new financial products – are going to learn about the risks as those assets become more prominent in the market, Harper noted.

Adam Davidson, the co-founder of NPR's "Planet Money" and a columnist for

The New York Times Magazine, went on to point out that business journalists should at least be modest and humble enough to recognize what they know or what they don't know, because global finance is an active experiment produced by people who don't necessarily understand all the risks associated with the products they create. The 2008 financial crash was a "huge failing" of all the gatekeepers and watchdogs, Davidson argued, because very few of those involved fully understood what was happening to enable them to issue the right warning or give enough context. Even though the media is "never going to be great" at predicting the future or warning people, he went on, journalists can at least do a better job at explaining global economic and financial issues to broad audiences and be more modest about the things that they don't understand.

That's one of the primary reasons why Davidson and his colleague, Alex Blumberg, started the twice-weekly podcast "Planet Money" after the financial crisis. The goal is to explain the economy to the wider public in a digestible and entertaining way. Davidson said he learned that being more open about personal learning experiences helps reporters engage audiences and eventually, make a bigger impact with their coverage:

If I am an expert who knows everything and I'm telling you the things that I know, that's not a very engaging way to engage people. If I am someone who's kind of figuring things out and I'm learning things and it's interesting and exciting, and I'm sharing that with you, you are on a journey with me.

Conversely, Dean Starkman, who's analyzed the business press' coverage of the financial crisis as a media critic at the Columbia Journalism Review, said he does not

believe that journalists have significantly improved their understanding of the nature of the financial system. Starkman, now a Wall Street reporter for the Los Angeles Times, said some of the coverage today proves that the press is still out of touch on financial issues, citing a recent story on for-profit education, where he said the linkage between educational institutions and Wall Street was underreported.

2. Business journalists are watching new indicators of economic health.

In the wake of the financial crisis, journalists have started following more indicators that assess the state of the U.S. economy. A large majority of research participants said they are now monitoring the unemployment numbers more closely, among other measures.

Jeff Cox, a financial editor at CNBC who played a leading role in the network's coverage of the financial crisis, said he's paying more attention to the "U6 number," which is an indicator that captures people who are working part time because they can't find full-time employment. This is typically seen as a broader unemployment rate and is usually much higher than the headline number. Cox said he also watches the Federal Reserve's Financial Accounts, also known as the Flow of Funds, which is a report of financial accounts that show how people, companies and entire sectors get and spend their money. The Flow of Funds report allows Cox to keep track of household debt or cash reserves at banks. Additionally, the CNBC editor said he also monitors the inflows and outflows from Exchange-Traded Funds – securities that mimic an index, a commodity, bonds or a group of assets like an index fund – to track whether investments are moving from safe securities into higher-risk assets.

Bloomberg's Harper agreed that the economic pulse is indeed measured by people's and companies' ability and inability to borrow money. Peter Goodman, the editor in chief of International Business Times, added that he also keeps an eye on wage growth as the vast majority of Americans earn less in real terms now than they were ten years ago. Without higher pay rates, the overall health of the economy is going to be in question, Starkman added, as stagnant wages continue to trail major expenses such as housing, healthcare and education.

Some journalists added that they have started paying more attention to fixed-income securities such as bonds, and not just stocks, as a result of the 2008 crisis. Meanwhile, other respondents said they are not following any particular indicators but instead they're looking at an array of data to get as much information as possible.

3. Business journalists are paying more attention to what's happening abroad, but partly because their current jobs require it.

As the housing bubble was heating up in the U.S., the demand for mortgage-backed securities and related derivatives was growing. The difficult-to-understand financial products, which carried a higher rate of return and a higher risk than other assets, were sold to investors around the world. Many foreign buyers, including banks and hedge funds, lost most of their money when the bubble burst in 2008. The liquidity contagion spread to Europe, where many commercial banks were exposed to bad debt in the U.S. The irresponsible behavior of excessive spending and borrowing by individual governments and financial institutions – compounded by a credit crunch – ultimately pushed fragile countries like Greece, Spain, Portugal and Ireland to the brink of collapse, triggering the euro crisis. Journalists said they are now paying more attention to what's

happening beyond America's shores, but that's not necessarily an outcome of the financial crisis. Some journalists noted that they've broadened their understanding of the world economy and the global financial system mainly because of the nature of their work rather than the 2008 collapse.

Ivry said his assignments on the international markets team have got him looking abroad more but he doesn't believe that any other economy in the world would be able to trigger a similar crisis like in 2008. "I think if we are really going to have the kind of worldwide financial crisis that will have our grandchildren studying it, it's going to originate here in the U.S.," Ivry said.

Harper explained that financial journalists are following the global markets more closely because financial markets and economies around the world have become more interconnected than ever. China's economy has gotten so big, she noted, that it's clear how financial and economic developments there echo around the globe. Cox added that he thinks investors will start looking for more opportunities abroad as the U.S. enters a period of slowdown, therefore it's becoming more important to have a good grasp of what's happening in other parts of the world.

Conversely, Davidson pointed out that while he now covers less international issues than he used to as an international business and economics reporter at NPR, he thinks the mainstream press pays too little attention to the global economy. He acknowledged that there's more volume of financial and economic news in the media, however, to him it doesn't seem that financial issues are fully integrated into the overall news coverage just yet. "We probably still cover Kim Kardashian way more than we cover global markets," he said. One potential reason for the lack of such reporting, he

added, is that most foreign correspondents are more concerned with political and humanitarian issues rather than economic or financial subjects. “Although, I don’t know if there is a market for it. Probably most people don’t particularly want to read about financial markets,” Davidson concluded.

4. The financial crisis has also taught business journalists to be more skeptical about official pronouncements.

The 2008 financial crisis prompted journalists to be more skeptical and less credulous about official statements on the health of the financial system and the economy in general, according to respondents. Reporters and editors who covered the crisis now have a harder time trusting economic and financial leaders around the world, and are more inclined to question their judgments, the majority said. Bloomberg’s Harper perhaps put it best:

I certainly believed that executives at all these banks knew their stuff pretty well and I’m sure they knew a lot, and more than I did, but there’s a lot that they didn’t see. And just realizing that having covered it, and realizing all the important things that they’ve missed, makes you more aware of the fact that everybody is fallible and even the so-called experts don’t see what’s about to go wrong.

Journalists added that they’ve once again been reminded of the good old saying: “If something seems too good to be true, then it probably is.” That’s the biggest lesson Paul Steiger said he’s learned from covering many financial crises in his decades-long experience in the newsroom. Another rule of thumb: “If people start saying ‘this time it’s different,’ it’s time to run for the nearest exit,” he added. The former managing editor at

The Wall Street Journal and chairman of ProPublica, Steiger said he always tried to encourage an attitude of skepticism, though not cynicism, in the newsroom. Rather than being cynical or distrustful of everything and everyone, journalists should keep the template of the past to remind themselves about the dangers that can threaten the stability of the financial system, and the economy in general, Steiger concluded.

When CEOs and lions of Wall Street start to become profiled as heroes, and when college kids announce they are going to business school and plan to be billionaires by the age of 30, that is time to batten down the hatches.

Other respondents went on to underscore another type of skepticism: field reporting. Jesse Eisinger, a senior reporter for ProPublica, said it's also important to question charts and data and look for the human faces behind the numbers. Although accessing public files is now easier than ever, little information should lend itself to easy analysis or conclusions, Goodman added. Moreover, he argued that numbers are not always in sync with reality and can be interpreted – or misinterpreted – in many different ways. Getting out there and investigating what's really going on in the field makes a big difference, according to him. That's why Goodman always tells his reporters: "Make sure you are talking to large numbers of people whose job description does not involve talking to people like you."

On the other hand, CNBC's Jeff Cox noted that journalists have, to some extent, overlearned the lessons as there is sometimes "too much skepticism" in the press. Nonetheless, some respondents argued that despite improvements, the changes are not big enough to produce real outcomes. Hudson pointed out that this wave of increased

skepticism will be short-lived in a few years because there is no solid “infrastructure” in the business press to allow for good watchdog journalism.

5. Business journalists are more likely to lean toward accountability journalism over access reporting.

Since the inception of the financial press, access to insiders has been essential. Furthermore, today reporters, who once carried their newspaper’s print deadline time, are taking on new responsibilities in the 24/7 news environment and constant deadline pressures don’t encourage them to broaden their source base. While the argument goes that journalists at business and financial news publications prioritize access over accountability reporting as reporters depend on their sources to do their daily jobs, most interview participants said they lean in favor of in-depth reporting over quick access stories.

Harper said she does not believe in access reporting. The editor acknowledged that informing readers about important issues sometimes comes at the cost of losing access to expert information, but in the long run, access stories tend not to be the ones that really matter, she said. Ivry added any well-rounded journalism organization has to find a way to balance daily coverage with investigative work, and educate the public about important issues. “There’s bastards out there that need to be hanged. That comes first,” he said. Cox went on to stress that there are times when reporters want to consider the seriousness of the story, however, he said that has never come into play in his editorial decisions, and he strongly objects reporters who base their decisions on fears of losing access, Cox noted. Starkman, on the other hand, said that newsroom productivity

pressures have increased the need for access stories, which also tends to narrow the range of sources. To a large extent, business journalists are still beholden to their sources at big corporations, Eisinger concluded.

However, that's not the case with all business journalists. Hudson said he learned from his experience during the crisis that talking to former employees is invaluable. For his stories on Ameriquest, a major home mortgage company that collapsed in the crisis, he spoke to more than 30 former workers who've witnessed fraudulent and unethical practices at the company. Likewise, Davidson stressed that his experience has proved that there are plenty of people who are willing to speak up. He added that access reporting is endemic to the financial press because it focuses too much on what he calls "minor incrementalism" or reporting on minor technical or administrative decisions within corporations – stories that are generally irrelevant to the wider public, Davidson said.

Moreover, other respondents argued that there's an abundance of public data available on governmental websites such as the SEC that allows journalists to write about companies without their cooperation. Nonetheless, the problem is that sometimes reporters deliberately choose not to pursue accountability reporting because they prefer to be "inside the tent or at the cocktail party or a friend of the CEO," Morgenson pointed out. But that's not going to produce any hard-hitting journalism, she warned.

6. Despite signs of improvements, some argue that it's not enough. There is a sense that the push for accountability journalism in the business press has faded.

Most interviewees acknowledged that the crisis sparked a wave of in-depth investigations in the press that brought business stories on to front pages and prime-time

television. Most journalists interviewed for this project have won awards for their exemplary coverage of the 2008 collapse. However, the interviews revealed that there's a deep sense of disappointment among some respondents that the push for accountability reporting in the financial press has faded.

Hudson, now senior editor at the International Consortium of Investigative Journalists, said he doesn't see any structural changes in the business press. Along with Eisinger, he argued that there was a brief moment from 2007 to 2011 when organizations like Bloomberg were doing substantial investigative reporting but their focus has now switched back to producing quick short stories and less in-depth content, much like in the pre-crisis era. He said that the mainstream business press tends to shy away from investigative reporting that takes time because beat reporters are pressured to constantly break news and beat the competition by as little as minutes or seconds. "We are in a transitional period right now where we are sort of going back toward the older, less skeptical, less investigative accountability-based reporting," Hudson said.

Eisinger agreed. The Wall Street Journal and Bloomberg, two main players in the industry that share vast resources and large numbers of employees, have moved away from investigative reporting for various reasons, he argued, including the fact that this kind of journalism "is not really lucrative" from a business standpoint. While there have been reports about Bloomberg's editorial shift toward a more focused financial news coverage tailored to customer needs,¹ Harper noted that Bloomberg has tried different models of investigative journalism, which yielded award-winning work that even brought

¹ Poynter (2015). *Bloomberg EIC outlines editorial vision in wake of cuts*. Accessed from: <http://www.poynter.org/news/mediawire/370754/bloomberg-eic-outlines-editorial-vision-in-wake-of-cuts/>

the network its first Pulitzer. She said she's optimistic about Bloomberg's potential to break important stories and continue winning journalism awards. But big stories, she noted, don't always have to come from special projects or designated investigative teams, but also from people who are just dedicated beat reporters. Bob Ivry went on to say that as an enterprise editor at Bloomberg, he almost never runs "happy stories," but looks for "grand conspiracy stuff and corruption" instead. He said he likes to ask reporters two main questions to determine whether the piece will publish or not: "Does this story put anybody in jail? Does this show people doing something wrong?" The editor also stressed that he thinks it's a huge mistake to rewrite press releases because journalists shouldn't take anything for granted.

Nonetheless, Ivry went on to point out that the financial crisis also posed a new dilemma for journalists that often gives way to criticism:

It's hard for journalists to get moral because we are not preachers. I am not a guy who likes to wag his finger at my fellow citizens and say 'You are doing bad things.' I'd much rather catch them violating the law.

The challenge here, he added, is that the legislation is usually skewed in favor of those who violate the rules and journalists are set to fail because they can engage in arguments that only work on a moral level.

Other respondents have argued that although there's more volume of financial and economic news at general news publications, business stories have not been integrated into the overall news coverage yet. Davidson noted:

I would guess that if you would hold the top-level editors of any major mainstream broadcast outlets, I guess you'd have much deeper knowledge about Israel than you would about global finance. And Israel is a tiny little country, and global finance affects everything that happens in the world.

When asked why, he said he's not convinced there's a big demand for that kind of coverage because many people still perceive the crisis as a one-time event that has passed and will probably not happen again. "I don't know whose fault it is," Davidson concluded. Gretchen Morgenson, an assistant business and financial editor and columnist at The New York Times, also noted that the Times runs less business stories on its front page now than it did in the aftermath of the crash, but mainly because some of the business stories today are not of a broad interest as the financial crisis was in 2008.

7. Business journalists are split on whether they should be concerned with overshooting.

Another challenge that business journalists face is the risk of overshooting or the danger of being overly critical. Because business news is market-moving information, the theory holds that when journalists say something bad might happen, it will probably happen. The interviews identified that journalists at mainstream business news publications such as CNBC and Bloomberg News are more concerned about the matter than are journalists at outlets with more general audiences such as the Times and ProPublica. Cox said that financial journalists have to report on what moves the market, and trust their instincts to decide whether the information provided is reliable and accurate. Drawing on criticism over CNBC's negative coverage of Bear Stearns that

arguably led to its collapse, he said he doesn't believe the network inflicted panic into the market because the bank was on the brink of collapse regardless of the news. Ivry agreed. "On the one hand, we were criticized for not doing enough and then we were criticized for doing too much."

Harper stressed that journalists have a responsibility to raise red flags, but they have to do it in a way that will not overstate things or cause panic. She noted that in the wake of the 2008 meltdown, there were many instances where people saw more crises coming, so she learned that it's important to stick to the facts about what is actually happening rather than what might happen.

On the contrary, Steiger and Hudson said journalists should never worry about how they may affect the markets as long as they present factual and contextual information. Reporters have a responsibility to dig deep and inform the public about what's happening in a market or company. Not doing so could be a disservice to new investors who are buying a stock at maybe inflated rates, Hudson noted.

8. Although the majority agreed that they are approaching their jobs differently, there's a consensus that the business press will miss the next crisis.

Since the Enron scandal in 2001 – the biggest fraud in corporate America, which revealed that the energy giant has disguised its financial condition and misled a lot of investors – journalists have been reflecting on the lessons learned during past crises and ways to address emerging challenges. The interviews found that while journalists seem more prepared today to cover a financial crisis, more than half of the respondents are not convinced that the business press will be able to predict the next financial or economic

disaster, and there are few reasons for that.

Eisinger said the media's ability to change the world is "overstated and highly overrated." Although many journalists have warned about the subprime mortgage crisis, their coverage did not prevent the housing bubble, he added. Steiger went on to say that although there will always be reporters doing their jobs well and pointing out recessions, their stories will be overshadowed by many other voices saying otherwise.

Tighter budgets and fewer investigative reporters to look for signs of danger is another challenge that leave Goodman and Davidson less optimistic that the media will do better with the next crisis. In addition, Goodman added that there are fewer incentives for reporters to do that kind of work today because the story is "kind of a dull story now." After the crisis, the spotlight turned to regulation but "that's seen as unsexy, tedious, deep-in-the-weeds story," Goodman noted, "It's not getting out on the front of your website or your newspaper; that's not getting you airtime on TV."

Davidson pointed out that it's "unrealistic" to expect that journalists can call the next crisis because the financial system is complex and chaotic, and it's very difficult to track and understand all the moving parts. However, he attributed that to a lack of capacity at general news publications where senior editors neither fully understand, nor care about things like interest rates and others. Hudson went on to accentuate that predicting the next crisis has more to do with prognostication, but journalists should only worry about doing hard-edge reporting, and they'll never know what they've averted.

9. Solutions? The business press needs more diversity and resources.

As journalists reflect on what they've learned during the financial crisis, some of them noted that the entire media industry is struggling to move forward in a new reality of shrinking budgets. The economic recession came at a time when the U.S. media was going through disruption and pain as the Internet hit homes and slashed newspaper revenues severely. It got worse as the 24/7 online platforms and social media sped up the news cycle and continuously put more pressure on journalists to produce more content with fewer resources. A number of respondents echoed that cost-cutting programs have severely downsized business desks across the country, and while the impact hasn't been as dramatic as for regional papers, it created a difficult environment for business reporting.

Starkman argued that this is one of the big reasons why the business press has not had a more "combative attitude" toward the institutions they cover. "Productions arms don't allow it," he said. Goodman added that while there are more people writing about finance in general, there are fewer reporters in newsrooms in a position to do investigative work. One exception would be Bloomberg News, which continued hiring during the recession and still enjoys a large number of bureaus and reporters around the world despite cutting as many as 100 editorial jobs recently.

Furthermore, several respondents recognized that another problem in the industry today is that metrics-driven newsrooms don't have an incentive to do long-form investigative stories. Goodman noted:

If you live under the tyranny of the page view and unique visitors, then it's very

hard to find time, to get an editor to give your potentially weeks to dive into something that might not even pay off.

One way he's addressing the problem as editor in chief is de-emphasizing metrics for the reporters selected to do the publication's most ambitious stories and fostering a culture in which journalists are incentivized to do in-depth reporting. Davidson added that general news publications also need more capacity or training and expertise to educate people about global economic and financial issues. "We have an oversupply of narrowly-focused technical access journalists, but we have an undersupply of people who tell compelling stories about business and economics to a broader audience," he said.

Some respondents suggested that there's also a greater need for diversity.

Goodman emphasized that he wants a newsroom of people with different backgrounds; for instance, someone who could easily dive into a Fed Flow of Funds spreadsheet and general-assignment reporters who could ask the basic questions that ordinary people would. Moreover, he said newsrooms should have more racial, gender and class diversity. "When you don't have a diverse newsroom, you simply don't know what's going on." During the interview, he recalled one of his conversations with an African American city editor at the LA Times shortly after the Rodney King riots, when LA was rocked by widespread rioting and looting after four policemen were acquitted of assault charges in the videotaped beating of Rodney King, a black motorist who was beaten by police. He remembered her saying "For years we – meaning other African American journalists at the LA Times – tried with lack of success to get the senior editor interested in doing a deep dive into problems with race in the LAPD." Those requests were largely ignored by "white, suburban-dwelling senior editors," who didn't see more than a few bad officers in

this story, Goodman said. Had they listened, maybe the media would've gotten ahead of some of the big stories that followed since then, he added. Goodman pointed out that finance is no different than other beats and it's important to cover ground for everyone.

Paul Steiger said he's still confident that the legacy media – including the New York Times, the Washington Post and the Wall Street Journal – will continue to produce high-quality journalism. But he's also keeping an eye on new media outlets such as BuzzFeed and The Huffington Post, which are devoting significant efforts to accountability journalism. Non-profit investigative organizations also need to “keep aggressively raising money” and do better work, Steiger concluded.

10. Business journalists should have a stronger sense of responsibility toward the wider public.

The argument that a business journalist's main role is to inform investors has been around since the profession's inception. The financial crisis sparked a new debate about the role and responsibilities of business journalists in the society, and while recent research suggests that business journalists have a sense of responsibility that goes beyond serving investors (Tambini, 2008), some interviewees called for more.

A number of respondents still picture business journalists as “technical specialists” who report on and to a niche community. In response, Cox explained that business news is somewhat different than the rest of the media. Unlike other beats, business stories try to offer advice and analysis rather than simple newsgathering, he said. Cox referred to audiences as “business readers.”

A number of respondents called for a broader definition of financial journalism that would also cater to consumers, because people are more involved in the financial system than they might realize – through their retirement plans and savings. Interviewees also stressed that business journalists have to think about what's important for society and do a better job at explaining the world's biggest stories.

Bloomberg's Harper agreed that all journalists have a responsibility toward the wider public, and stressed that financial reporters and editors today have the enormous task to help readers understand how complex business and finance subjects impact their lives directly. Ivry said he always tries to broaden the scope of the stories he edits to do just that. "I wasn't born and came into this career to make wealthy people wealthier," he said. "I want to be able to tell what the wider impact is, so I am trying to do that everyday."

Goodman went on to say that the definition of a business journalist ultimately depends on the publications they work for. While at networks like Bloomberg, the majority of reporters might cater to investors, at general interest publications business journalists should follow the public interest, according to him. Goodman noted:

The business journalist has to be concerned with serving that kind of translation layer for lay readers who understand, especially now, that whether we pay attention or not to financial workings or economic workings, this stuff has direct bearing on every aspect of our lives.

Discussion

The financial crisis served as a good lesson for all participants of the economic system as well as the press. It came at a time when the Internet put an enormous pressure on budgets, forcing newsrooms to spread resources more thinly and in many cases, prioritize quantity over quality. However, the financial collapse also served as a painful test of what journalists have been able to retain from the experience and how has that knowledge translated into real change in newsrooms. This research indicates that the biggest change triggered by the financial crisis is a flurry of skepticism within the business press. Respondents said they have become knowledgeable about the global financial and economic issues, and are more inclined to question the behavior and thinking on Wall Street and in Washington. Moreover, some claimed there's more volume of business-related stories in mainstream news publications because there is a better understanding of how certain developments in the system affect the country or the world at large.

At first glance, this gives hope that the quality of business reporting has improved in the wake of the financial collapse. Newsrooms today are vastly different than they were seven years ago and have many more avenues to reach audiences. Social media in particular has become an increasingly important tool for reporters to find sources and monitor conversations to spot stories or trends. More and bigger data is also becoming available on public platforms around the world, and organizations like Investigative Reporters and Editors (IRE) are scaling up their training programs to help journalists learn how to use data in their investigations. Additionally, due to the economic uncertainty and the use of unconventional monetary policy actions never tested before,

the Fed has taken important steps to increase transparency in its communication – including releasing statements on long-term goals and policy strategy as well as adding press conferences with the Federal Reserve board chair.

Yet some argue that these steps are not big enough. Journalists at investigative-oriented publications such as ProPublica and the ICIJ claim that despite signs of improvement, the business press has not significantly changed its practices, and if anything, is sliding back into old habits. They argue that leading business news organizations such as Bloomberg and The Wall Street Journal have shifted their content strategy to focus on quick market-moving stories that lack the depth and breadth of their investigative coverage during the crisis. Further content studies should investigate these claims, but nonetheless, the findings should raise a red flag among those setting the agenda at influential business news outlets, and further questions should be raised about the consequences of such a shift. At the same time, it's also important to keep in mind the Bloomberg News is delivering financial news to Bloomberg terminal subscribers and not the general public. Although the company has expanded its reach on new digital platforms, its main mission is to serve its customers or the people who are paying for its service.

One of the most important takeaways from this study is that the financial crisis has not produced more fundamental changes within the industry, and business journalists themselves don't believe that they can predict or avert the next crash. This is somewhat alarming given the fact that the country's economic leaders themselves recognize that even policymakers are far from being able to identify developing risks and act in time to

prevent future crises.² Presidential candidates also acknowledge that there are risks in the U.S. financial system that could still cause another crisis.³ These observations come to accentuate the importance of accountability reporting in the business press, which has been also reflected in the interviews.

These findings inevitably raise the questions: Why has the crisis not produced more fundamental changes? Why are journalists not able to predict the next crash? There is no easy answer to these complex questions. Some argue that this is the nature of the field, where it's impossible to fully understand the linkages in this complex financial system, while others say this is a consequence of fewer resources to do investigative reporting. Respondents also said that there's a lack of capacity and expertise at general news publications to translate the technically - complex issues into digestible stories for audiences. Moreover, journalists claim that there are strong incentives in the industry that keep reporters away from digging deeper – that also raises questions at the institutional level, where leaders have the power to set the tones and the frames of the coverage. Most of these findings align with earlier studies discussed in the literature review that identified similar problems in the field of business journalism (Henriques, 2012; Schiffrin, 2011).

So how do we respond to these challenges and do a better job next time a crisis looms? As the vast majority of interview participants have pointed out, the financial press needs more resources and diversity to cover bigger and better stories. Business desks at

² Remarks made by the Federal Reserve Bank of New York President William Dudley at a recent conference hosted by the Federal Reserve Bank of Boston. Retrieved from: <http://bloom.bg/1j98V0q>

³ In a recent Bloomberg View piece, Hillary Clinton echoed the need for more accountability on Wall Street. Retrieved from: <http://bv.ms/1FV51IX>

general news publications have not been immune from an industry-wide pressure on budgets, and newsrooms should continue experimenting with new sources of revenue and investing efforts in finding new business models as well as innovating their newsrooms to be more cost-effective and productive. There is an abundance of research produced by the Nieman Journalism Lab, MIT Media Lab, Reynolds Journalism Institute's Future Lab and other leading journalism institutions that provides solutions and guidelines on how to turn big ideas into practical products and processes. Newsrooms need to adapt or risk becoming irrelevant in today's media age.

Second, while audience metrics have become ubiquitous in most news organizations – particularly at digital startups like Business Insider and BuzzFeed – it remains to be seen how the constant display of analytics on giant boards on walls changes the newsroom culture and how metrics dictate editorial value. Yet along with the pressure to feed the numbers, journalists should not forget about their responsibility. That's why it's so important for these new digital shops, which are building the infrastructure of the future, to plan their budgets to also include funds for in-depth reporting, as Paul Steiger suggested. Another useful solution was proposed by Peter Goodman who said he de-emphasizes metrics and allocates resources to a team of reporters assigned to do investigative work without worrying about clicks or number of bylines. Additionally, crowdfunding is another way of raising money for ambitious projects. NPR's successful "Planet Money Makes a T-Shirt," among many others, proved that dedicated followers are willing to support this kind of journalistic endeavors.

The interviews also reminded us of a sad reality in U.S. newsrooms. Despite the changing racial and ethnical makeup of the country, news organizations are still

predominately white – more than 32,900 journalists work at 1,400 US newspapers, but only 4,200 are minorities, according to the most recent survey of American Society of News Editors.⁴ That is an average of three non-white journalists per newsroom or around 12 percent. Moreover, in an effort to recruit research participants for this research, I also found that there is a shortage of women in senior positions at business news publications. Although the rate fares better for women than minorities – 60 percent of news organizations have at least one woman among their top three editors remains – it’s still not enough. As other respondents have argued, the newsroom staff and coverage should reflect a commitment to covering all the communities equally and fostering an even and rational public discourse or otherwise risks creating a dangerous climate of exclusion. We need more diversity in newsrooms.

Finally, I strongly agree that business journalists at general news publications need more training on technical subjects such as finance and economics. Basic training and math skills are not enough to allow general assignment reporters to make sense of the inner workings of big corporations or developments in the world’s biggest economies. Therefore, it’s increasingly important that newsrooms invest in specialized training to allow reporters to advance their knowledge on complex issues and learn new data techniques to improve the quality of their reporting. Simple things like learning how to analyze Excel spreadsheets or extract data from websites can make a big difference. However, as they gain these new skills that are so important today, journalists should never forget about the basics – looking into the human experience and explaining how

⁴ ASNE (2015). *2015 Census*. Accessed from: <http://asne.org/content.asp?pl=121&sl=415&contentid=415>

numbers impact people's daily lives.

All in all, it's clear that the roles and duties of a business journalist ultimately depend on the publication they work for and the audiences they serve, where the public and the press' interests might not be in perfect alignment. Investors and the public are two different audiences, that require different approaches to reporting and newsgathering. But it is equally understandable that the public – and the rest of the media – rely on institutions like Bloomberg and The Wall Street Journal to make sense of the goings-on on Wall Street, and that calls for a higher degree of responsibility toward the public. Bloomberg's Bob Ivry perhaps put it best when we discussed what the press's commitment to investigative journalism should be: "Does it bring in money? I don't know. But it's almost that if you have the resources, you kind of have to do it."

This paper acknowledges that further research should continue to investigate why the financial crisis has not triggered more fundamental changes in newsrooms. A vast majority of respondents indicated that they approach stories with more skepticism, yet there's not much they do differently today, respondents said. Some challenges and potentials solutions were presented in this research, but further work needs to address what other reasons stand in the way of the press to do its job better and how they could be solved. Moreover, a thorough content analysis needs to independently verify claims about Bloomberg's and the Journal's approach to long-form and investigative reporting. This is important because these two institutions are among the most influential news organizations in the worlds of business and finance and their coverage impacts millions if not billions of lives across the world. Although this paper captured a variety of opinions, further studies need to address the issue in more detail.

Finally, the results seem to contrast earlier arguments that business journalists don't have a responsibility toward the wider public, but come in line with later studies which showed that a good majority of business journalists perceive themselves as the watchdogs of society (Tambini, 2008). Nonetheless, this research acknowledges that more studies are needed to investigate to what extent is that sense of responsibility reflected in their coverage. Overall, this paper complements the scant body of literature on business journalism and its findings are essential to any journalist considering a career in the field.

Limitations for this research include interviewing only a small sample of journalists due to time constraints; however, participants were chosen using a series of purposeful sampling approaches to maximize the quality of the results. A combination of snowball and opportunistic sampling approaches also facilitated finding more recruits by selecting people who know people who have been involved in covering the financial crisis.

This study also acknowledges that the researcher's journalism background made it more difficult to create open-ended questions but reiterates that the data was thoroughly examined and variations were noted. This research did not jump to unsupported arguments yet identified themes and findings that emerged in interviews with at least half of the participants. It applied critical thinking and relied on participants' answers to address the issues raised in this paper. Furthermore, the study captured as many variations as possible and presented all the alternative interpretations and negative responses to enhance validity as well as collected findings until no new knowledge was gained (Silverman, 2013, 285). This paper presented the main findings that emerged

during the interviews and addressed what areas should be further investigated. Supporting documents in the Appendix sections can be found to verify the accuracy of these statements.

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